

# Get Ready for New Paid Leave Requirements in Minnesota: Key Deadlines for Employers

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Employers in Minnesota should prepare now for new paid leave requirements that take effect soon. Starting on January 1, most employees working in the North Star State will be eligible to take job-protected paid leave to care for themselves and their families. Employers should note that several important deadlines between November and April will impact HR policies and practices. Here are the key points you should review now and an 8-step action plan to help ensure you're prepared.

#### Steps to Take in 2025

For most employers, Minnesota's paid leave program will be run by the state and funded by employee and employer payroll tax contributions. However, there is an option to obtain private insurance or to self-fund the plan.

Employers that wish to use a private insurance plan or self-fund a plan will need to submit appropriate documentation by **November 10**, if you want to ensure approval by January 1. Information on this process, including pre-approved insurance products, is <u>available on the state's</u> website.

Employers should also be aware of an important deadline on **December 1**. You'll need to inform current employees of their rights (and inform new employees within 30 days of hire) by providing the following information:

- A workplace poster in English and any language spoken by at least five employees.
- Written notice to all employees, in their native language, which must be acknowledged by the employees.

Notably, employers using private insurance plans or a self-funded plan also need to display posters and provide written notice to employees.

You can read more about employer options and requirements here on the state's website.

## Obligations in the New Year

Employers may begin deductions from employee paychecks on **January 1, 2026**. Eligible employees may qualify to take up to 12 weeks of family or medical leave a year. If they need to take leave for themselves <u>and</u> to care for a family member, they may qualify for up to 20 weeks.

The first premium payments to the state are due on **April 30, 2026** – and small employers will pay reduced premiums. To qualify, an employer must have 30 or fewer employees and an average employee wage of less than 150% the statewide average weekly wage. <u>Templates are available on the state</u>'s website.

## 8 Steps Minnesota Employers Can Take Now

Employers should consider taking these steps to stay compliant with the state's new paid leave program:

- **1. Understand Coverage and Eligibility:** The new law covers most employees working in Minnesota regardless of employer size, though small employers will pay a lower premium, as noted above.
- **2. Train Managers and HR Teams:** Be sure the applicable staff know how to handle leave requests, prevent retaliation, and maintain confidentiality.
- **3. Assess and Update Your Systems:** Confirm that your payroll and HR systems will accurately track contributions, leave accruals, and usage.
- **4. Develop a Clear Process:** Create compliant policies and procedures for employees to request leave and be sure to track any related documentation.
- **5. Evaluate Plan Options:** If you opt for a private insurance or self-funded plan, begin the approval process early. Although an "equivalent plan" can be launched at the beginning of any quarter, you'll need to submit documentation to the state by November 10 if you want it in place for the January 1 rollout. Keep in mind that <u>equivalent plans need to meet or exceed the coverage offered by the state</u>.
- **6. Prepare and Distribute Notices:** Display the required workplace posters and provide individual notices by December 1 to current employees (and all new hires within 30 days of employment). Remember that notices must be provided in the employee's primary language and acknowledged by the employee.
- **7. Stay Ahead of Premium Obligations:** Payroll deductions can begin January 1, 2026, and the first state payments are due by April 30. Be sure to determine whether your organization qualifies for the small employer reduced premium.
- **8. Seek Legal Counsel:** While this Insight provides an overview, your attorney can help you understand all the requirements and create an action plan that meets your individual business

needs.

#### Conclusion

We will continue to monitor workplace law developments in Minnesota and throughout the country. Make sure you are subscribed to <u>Fisher Phillips' Insight System</u> to get the most up-to-date information. If you have questions about the new Minnesota paid leave requirements, please contact your Fisher Phillips attorney, the author of this Insight, or any attorney in <u>our Minneapolis</u> office.

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