Hi Peter,

 In response to your request, here is some information regarding the new Paid Family Medical Leave (PFML) Act in MA that was passed last year and the deadlines for changes are right around the corner.

**PAID FAMILY MEDICAL LEAVE ACT**

 As you may know, this Act impacts most organizations in the state (including non-profits) with very few exceptions.  It allows for nearly all workers in the state to have Paid Family Medical Leave of up to 26 weeks available to them starting in 2021 to cover situations such as their own serious medical condition, to care for family members, and after birth/adoption of children.  They will be able to take the leave all at once, intermittently, or on a reduced-work week basis (the law provides further guidelines as to the reasons and length of time a worker may be covered).  The payments workers will receive while they are out on leave will be dispersed by a new state agency known as the “Family and Employment Security Trust Fund.”  This agency will be funded by a new payroll tax of 0.63% (actual percentage to be adjusted annually) on the first $128,400 of a worker’s annual wages.  This payroll tax goes into effect on July 1, 2019. While on actual leave, a worker will receive payments from this agency based on a formula to be capped at $850 per week.  Employers are responsible for paying the tax.  However, they may deduct a certain percentage from an employee’s wage. They may also decide to pick up some of the employee’s contribution if they desire.  For the family leave portion of the tax, employers may deduct up to 100% of the contribution rate from the employee.  For the medical leave portion, they may deduct up to 40%.  For the remaining 60% of personal medical leave, employers with 25 or more workers will be responsible for making the payments.  Employers with less than 25 workers do not need to pay the employer’s portion.  Currently, there is a draft of the regulations available on the state’s website (it is attached to this email).  Final regulations and updates are expected to follow.

The above is really just a very short summary. The state has provided links with further information about this Act:

For employers: <https://www.mass.gov/guides/a-guide-to-paid-family-and-medical-leave-for-massachusetts-employers>

For employees:  <https://www.mass.gov/guides/a-guide-to-paid-family-and-medical-leave-for-massachusetts-workers>

For now, employers should:

1. Post the attached “Paid FMLA” notice where you have your other required labor law posters in your workplace.
2. Determine if you are required to pay the employer portion or share of the contribution. The state has provided a calculator that can help make this determination.

It can be found here:  <https://www.mass.gov/decision-tree/determine-if-youre-responsible-for-the-employer-share-of-pfml-contributions>.

1. Determine your required contribution.  You may read about this at:  <https://www.mass.gov/info-details/calculate-your-paid-family-and-medical-leave-contributions>.  You should end up at a calculator the state has provided to help make this determination:  <https://calculator.digital.mass.gov/pfml/contribution/>.  It also provides a tool that can help them determine what percentage they will pay and what percentage the employee will pay.
2. Provide written notice of contributions, benefits, and available protections to Massachusetts W2 employees and Massachusetts 1099-MISC contractors.  The state provides template forms in which to use for both parties.  They are attached to this email and are available here: [https://www.mass.gov/info-details/informing-your-workforce-about-paid-family-and-medical-leave](http://r20.rs6.net/tn.jsp?f=0016eQiVWDd5heHGJdaLaTy0vBOU-qcJgdDwoAN_S0cmpda5K9pvQDMrULG2QK-7kVeKL2TZQpIAr8ouaXje1Z1OglNdlF1LDP-aYTjWyp22WcCoSWyzLFkT5TyuCOdMhP85qhWbDsIiOY5ng1rD2ytdAzFVYWtwNBuiSGEDBfrZx_5GKYVnUXA1LdK2BDd2bIctL9B9NzaPBwUi9btAM2bvPw2T7sq_c9y5oOv7p6qy-SeBlhaorZo3A==&c=cXrP03Khlh-UXER5IgbIUKP35Yn0pKN7q0rnHgxHVt_VxeKloi7dzA==&ch=g_U3fXUbvWD1oZD72gusaD5stSjD1srzRlYTWcBzbP0m2IoA2S907Q==).  The deadline of providing written notice was May 31st.  The deadline was very recently extended to June 30th.  (Moving forward, employers will need to provide these notices to all new employees and contractors).
3. Collect signed acknowledgements of receipt of the notices from the MA W2 and MA 1099-MISC contractors and keep on file. (Moving forward, employers will need to collect signed acknowledgements of receipt from new employees and new contractors).
4. Double check to make sure the organization is registered with the MA Department of Revenue and has a MassTaxConnect account.

These accounts can be created here:  [https://www.mass.gov/how-to/register-your-business-with-masstaxconnect](http://r20.rs6.net/tn.jsp?f=0016eQiVWDd5heHGJdaLaTy0vBOU-qcJgdDwoAN_S0cmpda5K9pvQDMrULG2QK-7kVeMXkBsaofcZ4O8F9DHDKnsG6vGT1qpYl9OA4MNPu1FtKc_sTGyMJb9gxJ0Z5JCxHYvq5oEUq_zNKy65IoeqC30t6TEe4UcQl5hkCvEKqYrs0kYMlnzmr6oGklKz6JCkofZbl7FwoGADX0Y8k6d_fhSQ==&c=cXrP03Khlh-UXER5IgbIUKP35Yn0pKN7q0rnHgxHVt_VxeKloi7dzA==&ch=g_U3fXUbvWD1oZD72gusaD5stSjD1srzRlYTWcBzbP0m2IoA2S907Q==)

1. Know it is a great time to update the employee handbook!  Without policy, this leave does not automatically run concurrently with other available leaves to workers (such as the FMLA and MA Parental Leave Act). However, employers can specify that they require it to do so for leaves where doing so would be allowed.
2. Apply to opt out of paying the payroll tax through the MassTaxConnect account if they already offer benefits that are equal or greater to the benefits the Act would provide.

If you have any questions, please feel free to reach out. Sincerely,

Tanya Dutra,

Tanya Dutra, SPHR, SHRM-CP

*Founder*

ATTACHMENTS:

[Notice to Employees](https://mvnonprofits.org/resources/Documents/Notice%20to%20Employees%20Template.docx)  [Notice to Self Employed](https://mvnonprofits.org/resources/Documents/Notice%20Self%20Employed.docx)  [Workplace Poster](https://mvnonprofits.org/resources/Documents/Paid%20FMLA.pdf) [Draft of Regs.](https://mvnonprofits.org/resources/Documents/Draft%20of%20Regs.pdf)