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Massachusetts Paid Family and Medical Leave: Significant Changes Announced

By Christopher J. Higgins and Jeffrey B. Gilbreth

The Massachusetts Department of Paid Family and Medical Leave (“DPFML”) has announced significant changes to upcoming Paid Family and Medical Leave (“PFML”) deadlines and other employer requirements. You can use this link to access the DPFML announcement: [Notice to Massachusetts Employers](#).

Here is a summary of the changes:

- As previously announced, and as we reported in [Massachusetts delays July 1 Payroll Tax effective date for Paid Family and Medical Leave](#), the date on which the payroll tax to fund the paid family and medical leave program will begin has been extended from July 1, 2019, to October 1, 2019.
- The payroll tax rate has been increased, due to the delayed start date, from 0.63% to 0.75%. There is no indication that the employee and employer contributions splits will change.
- The deadline by which employers must provide a notice regarding the PFML law has been extended from June 30, 2019, to September 30, 2019. The DPFML will issue an updated form of notice.
- Employers that wish to apply for a private plan exemption will have until December 20, 2019, to file an application, which will include not having to pay the payroll tax scheduled to begin on October 1, 2019.
- The DPFML will publish final regulations on June 17, 2019.

Recommendations:

- Employers that have already issued the required notices to their Massachusetts workforces should alert them about the delayed start date of the payroll tax and the increased payroll tax rate. At this time, it is unclear whether such employers will have to issue new notices (and obtain signatures from employees) or a general communication alerting employees to the changes will suffice. We will provide updated information regarding this issue as we receive it.
- Employers that have not already issued the required notices should wait until the DPFML

issues an update and then use that updated form to create notices for their Massachusetts workforces. Employers now have until September 30 to issue such notices.

- All affected employers should review their budgets to plan for the new payroll tax rate and start date.

Nixon Peabody's [labor and employment attorneys](#) are available to assist you in navigating these updates in Massachusetts law. For more information about the content of this alert, please contact your Nixon Peabody attorney or:

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