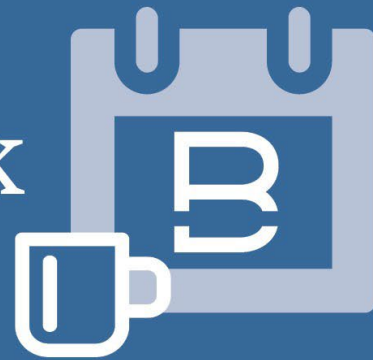


The Work Week

Bassford Remele Employment Practice Group



July 28, 2025

Welcome to another edition of *The Work Week with Bassford Remele*. Each Monday morning, we will publish and send a new article to your inbox to hopefully assist you in jumpstarting your work week.

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New Paid Leave Program

[Benjamin H. Formell](#)

Still pushing the envelope for employment law developments, Minnesota has enacted further changes to the paid leave program under state law which are due to take effect in the coming months. Effective January 1, 2026, qualifying Minnesota employees will be entitled to 12 weeks of paid medical leave and 12 weeks of family leave, not to exceed 20 weeks in a single 12-month period. Importantly, employers will be required to post notices and distribute individual notifications about the new changes by December 1, 2025.

The new rules apply to all public and private employers, but not to independent contractors (can opt in), self-employed individuals (can opt in), Tribal Nations, federal government employees, railroad employees, and seasonal hospitality employees who have been notified that they are exempt by their employer. An employee outside these categories generally qualifies for the new paid leave rule if they earned at least 5.3% of the statewide average annual wage in the previous year, worked a minimum of 50% of their time in Minnesota, and experience a qualifying event under the program for at least seven days. Events can qualify as medical leave, meaning leave taken for the employee's own serious health condition, or family leave, meaning leave taken to bond with a new child, care for a family member's serious health condition, address safety concerns (i.e. domestic violence and other related forms of family safety concerns), or support a family member called to active military service. Each leave type generally requires certification from a health care provider or a service provider.

The program is funded by employer premium contributions taken partially from payroll deductions, currently set at 0.88% of taxable wages to the employee. The employer is required to contribute at least 50% of the premium. The premium will be calculated on an annual basis. Payroll deductions can begin January 1, 2026, but the first premiums are due April 30, 2026.

Employers will be required to maintain employees' health insurance and other benefits during their leave. An employee must also be permitted to return to their previous role, or an equivalent position, if they occupied that role for at least 90 days prior to taking leave. Failure to comply with the new rules can result in significant penalties, as high as \$10,000 per violation. Alternative plans may be permitted with approval from relevant state authorities. Employers will want to plan ahead and strategize carefully on compliance with the new program, including planning for premium deductions.

At Bassford Remele, we keep ahead of the curve on developments in employment law to help employers plan and strategize for upcoming and brewing changes in the legal landscape. Feel free to reach out if you need assistance in this continually evolving landscape!

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