

INSIGHTS + NEWS

Client Alert: Massachusetts Paid Family and Medical Leave Contribution Rate and Benefit Changes; Notices to Employees Required

BY CESIRA NEWCOMB • DECEMBER 6, 2021

As noted in a recent alert, important updates to the Massachusetts Paid Family and Medical Leave law ("MA PFML") are going into effect on January 1, 2022. Specifically, maximum weekly benefits under the MA PFML are increasing from \$850 to \$1,084.31 per week. Employer contribution rates will be lowered; for employers with 25 or more covered individuals, the contribution rate will decrease to 0.68% of eligible employee wages, while for employers with fewer than 25 covered individuals, the contribution rate will be reduced to 0.344%.

Given the January 1, 2022 effective date, employers must communicate these changes to current employees as soon as possible. Copies of such notifications can be found here. In addition to providing current employees with such notices, employers are required to provide these notifications to all *new* employees within 30 days of their hire. All notices may be provided in hard copy or electronic form. The notices must include the opportunity for the employee to acknowledge or decline receipt; employers should retain such forms per their internal document retention policy. Employers are also required to display posters setting forth MA PFML benefits at their workplace. Here is an acceptable form of the 2022 PFML mandatory workplace poster.

This alert aims to provide an overview of the recent updates and changes to the Massachusetts Paid Family and Medical Leave law. Employers with questions about how to comply with these laws should consult their Bowditch attorneys.