CLIENT ALERT: Massachusetts Department of Family and Medical Leave Updates 2022 Contribution Rates and Benefit Amounts: Employers to Notify Employees

On October 1, 2021, the Massachusetts Department of Family and Medical Leave (DFML) announced updates to contribution rates and weekly benefit amounts under the Paid Family and Medical Leave Act (PFMLA), effective January 1, 2022.

As a reminder, the changes to the PFMLA, effective January 1, 2022, are:

- 1. The maximum weekly amount of benefits available to eligible individuals has been raised to \$1,084.31. This is an increase from the current \$850 per week. The increase is due to a rise in the average weekly wage in Massachusetts (on which the PFML benefit is based).
- 2. The benefit contribution rate for employers with 25 or more covered individuals has been reduced to 0.68% of eligible wages. Currently, the benefit contribution rate is .75% of eligible wages.
- 3. The benefit contribution rate for employers with fewer than 25 covered individuals has been reduced to 0.344% of eligible wages. Currently, the benefit contribution rate is 0.378% of eligible wages.

Employers have an obligation to provide written notice to their current workforce of PFML benefits, contribution rates, and other provisions as outlined in the PFML law. With the new rate contributions going into effect on January 1, 2022, employers should issue notice of the new rates to all employees now. Updated rate sheet notices can be found here from the DFML website. Additionally, employers should continue to notify new employees of PFML rate contributions and benefits within thirty (30) days of hire using the form applicable to the size of the employer, also found here, and obtain the employee's acknowledgment of receipt.

Employers are also required to inform employees about their benefits and rights under the PFMLA by displaying or providing a **poster** for employees.

Employers should ensure that their PFML policies and payroll systems reflect these changes. As you continue to consider the complexities of PFML, do not hesitate to contact your MBJ lawyer. MBJ will continue to monitor developments from the Department.

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