CLIENT ALERT: Massachusetts Paid Family and Medical Leave: Contribution Rates and Benefit Amounts for 2025 Announced

The Massachusetts Department of Family and Medical Leave (the "Department") has announced what employers should anticipate for Paid Family and Medical Leave ("PFML") employer contribution rates and benefit amounts for 2025. The Department has not changed the PFML contribution rate for any employers, which will remain at the current .88% for employers with 25 or more covered individuals and .46% for employers with fewer than 25 covered individuals. There will be a slight increase in the maximum weekly benefit from \$1,149.90 to \$1,170.64.

The Department has not released the template workforce notifications, including the poster, notices, and rate sheets for 2025 yet, but employers should monitor the Department's website for updated templates here.

Massachusetts employers must take the following actions to provide their employees with the 2025 information when it is available:

2025 Workplace Poster. All Massachusetts employers must display the 2025 workplace poster explaining the benefits available to their workforce under the PFML law. The poster must be displayed in a location where it can be easily read and must be available in English and each language which is the primary language of five or more individuals in the employer's workforce to the extent the applicable translation is available from the Department. To the extent workers are not entering the physical location in which the employer is displaying the poster, it is also recommended that employees disseminate the new poster in electronic form to employees.

2025 Notices to Employees. Employers must inform all new employees and covered contract workers about their rights and obligations under the PFML law within 30 days of their start of employment. The Department has made multiple versions of the notice available – one for a workforce with 25 or more covered individuals, one for a workforce with fewer than 25 covered individuals, and one for selfemployed individuals; employers must use the notice applicable to their workforce. As with the workplace poster, the notice must be provided to employees in English or, where applicable, the language which is the primary language of five or more individuals in the employer's workforce, if these translations are available from the Department. The notice includes an employee acknowledgment of receipt, which the employer must maintain to show that notice was provided in accordance with the law.

2025 Rate Sheets. Employers are expected to issue the new 2025 rate sheets to all employees. Employers should also ensure that their PFML policies and payroll systems reflect the updated 2025 rates. For employers with 25 or more employees, the Family Leave contribution for 2025 is .18%, and the Medical Leave contribution is .70%, for a total of .88%. **This rate remains the same as in 2024.** These employers are responsible for a minimum of 60% of the medical leave contribution, but are permitted to deduct up to 40% of the medical leave contribution from the employee's wages, and up to 100% of the family leave contribution from the employee's wages. For employers with fewer than 25 employees, the Family Leave contribution for 2025 is .18%, and the Medical Leave contribution is .28%, for a total of .46%. **This rate remains the same as in 2024.**These employers are responsible for remitting the funds from their employees' paycheck but do not need to contribute to either the family or medical leave (though they may do so, if desired). **The 2025 maximum weekly benefit amount for employee wage replacement payments considered under PFML increased slightly from \$1,149.90 to \$1,170.64.** 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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