

MAINE PAID FAMILY & MEDICAL LEAVE



What Employers Need to Know: Premiums & Counting Employees

Maine's Paid Family and Medical Leave Law (PFML) applies to any employer who has at least one Maine employee. Here's what employers need to know and actions to take in advance.

- 1. Count your employees.** Premium rates are determined by the number of Maine employees you had in the 12-month period before September 30th of each year. Within that period, count the number of employees that you paid wages to each week. This includes any employees who were on payroll for a calendar work week – including full time, part time, seasonal, or per-diem. If there are **15 or more Maine employees** paid in 20 or more weeks, your premium rate will be 1.0% of wages and you may deduct up to half of the premium from your employees' wages. If there are **less than 15 Maine employees**, your premium rate will be 0.5% of wages, and you may deduct all or a portion of the contribution from your employees' wages. Wages mean all compensation, including tips, gratuities, severance, terminal pay, commissions, and bonuses. Wages do not include payments to independent contractors.

To determine if employment is reportable in Maine, the following criteria are used. If you answer "yes" to this series of questions, then the employment is subject to Maine PFML.

1. Is the employee's work performed in Maine? If no, go to Question 2.
2. Does the individual perform some work in Maine and the physical base of operations in Maine? If no, go to Question 3.
3. Does the individual perform some work in Maine AND is the service directed and controlled from Maine?? If no, go to Question 4.
4. Does the individual perform some work in Maine and live in Maine? If no, the individual is not a Maine employee.

- 2. Withhold contributions.** You may withhold up to 0.5% of your employees' wages so ensure your payroll system and/or payroll processor can accommodate. Be sure to inform your employees in advance that this will take place using the template notices and poster provided by the Maine Department of Labor. Premiums and wage reports are due 30 days after the end of the quarter and be submitted through the Maine Paid Leave Portal.
- 3. Register in the Paid Leave Portal.** All employers subject to the Maine PFML law are required to register in the Paid Leave Portal. If you use a payroll processor, they can request access to your account.
- 4. Stay informed.** Stay up to date on the latest information at [Maine.gov/paidleave](https://maine.gov/paidleave). Sign up for the "Get Notified" email list to get program and portal information as it is released.

Employer question support line – (207) 621-5024 and press option 2