



Certain requirements for Maine's Paid Family and Medical Leave (PFML) Program begin in January 2025. The law 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.** Contribution rates are determined by the number of Maine employees you had between October 1, 2023 and September 30, 2024. Within that period, count the number of employees to whom you paid wages 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 of the weeks, your contribution premium will be 1.0% of wages and you may withhold up to half of the premium from your employees' wages. If the threshold is not met, your contribution premium will be 0.5% of wages and you may withhold 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 an individual is a Maine employee, the following criteria are used. If you can answer "yes" to this series of questions, then the individual is a Maine employee.

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. Prepare to withhold contributions.** You may withhold up to 0.5% of your employees' wages beginning with the first pay date in January 2025. Ensure your payroll system and/or provider is ready to begin withholding. Be sure to inform your employees in advance that this will begin. The Department of Labor has a poster that you can use to provide the information. Contributions and wage reports for the January to March 2025 quarter will be due after the end of the quarter and no later than April 30, 2025. These will be submitted through the Paid Leave Portal.

- 3. Register in the Paid Leave Portal.** In January, all employers will be required to register in the Paid Leave Portal. If you have a payroll provider, they will be able to request access to your account. You will also need to identify whether you have 15 or more employees as described above.

- 4. Stay informed.** Stay up to date on the latest information at [Maine.gov/paidleave](https://www.maine.gov/paidleave). Sign up for the "Get Notified" email list to get program and portal information as it is released.