

MAINE PAID FAMILY & MEDICAL LEAVE



Paid Family and Medical Leave (PFML) **Frequently Asked Questions (FAQs)** **Elective Coverage for Self-Employed Individuals and Tribal Governments**

Note: This FAQ is designed to help self-employed individuals and tribal governments better understand their rights and responsibilities and to navigate the Maine Paid Family Medical Leave Law. This document provides guidance but does not replace the authority of the Law or Program Rules. The information in this guidance may be subject to change. Visit www.maine.gov/paidleave for the most up-to-date information.

Elective Coverage is available to:

- Self-employed individuals who are residents of the State of Maine, and
- Tribal governments that wish to cover their employees.

Elective Coverage for Self-Employed Individuals

1. How can I elect coverage as a self-employed individual?

To elect coverage, you must:

- Be a resident of Maine.
- File a notice of election with the Department through the Maine Paid Leave Contributions Portal.
- Provide a copy of your federal tax return for the previous year.

2. How long does the elected coverage last?

Elective coverage must be for an initial period of at least three years and is renewable after the initial period in one-year increments.

3. When does the elected coverage become effective?

Approved elective coverage becomes effective on the first day of the first quarter following the election.

4. Can a self-employed individual apply for benefits after electing coverage?

Yes, a self-employed individual may apply for benefits after the effective date of their coverage or the start of benefits, whichever is later. Benefits are scheduled to begin May 1, 2026.

5. How are wages determined for self-employed individuals?

For self-employed individuals, wages are based on net earnings from all self-employment, as reported to Maine Revenue Services on the previous year's personal income tax return. Quarterly wages are determined by dividing the net income of the previous year's tax return by 4. Copies of tax returns must be submitted annually to the Department by June 1.

6. Do self-employed individuals have to meet a minimum wage threshold?

Yes, self-employed individuals must meet the minimum wage threshold for covered individuals to be eligible for paid family and medical leave (PFML) benefits by having exceeded 6 times that State Average Weekly Wage of net-earnings reported on the previous year's tax return.

7. What if I want to withdraw my coverage?

The Department will notify all elective coverage self-employed individuals of the end date of their coverage period at least 60 days before the end date. This will begin the period during which coverage may be withdrawn.

8. What happens if I don't withdraw within the specified period?

If you do not withdraw within 60 days before the end of your coverage, the coverage period will automatically renew for an additional one-year period.

9. Can a self-employed individual withdraw if they are no longer self-employed?

Yes, if a self-employed individual is no longer self-employed, they can withdraw from coverage within 30 days of a change in self-employment status by notifying the Department through the Maine Paid Leave portal.

10. When is the effective date of withdrawal?

The effective date of a withdrawal is 30 days after the notice of withdrawal is filed, or the date the Department approves the withdrawal, whichever is later.

11. Can I elect coverage again after withdrawal?

Yes, if a self-employed individual has not renewed or withdrawn from coverage, they may elect coverage again. The new coverage will begin with an initial three-year period.

Tribal Government Elective Coverage

12. How can a tribal government elect coverage?

A tribal government can elect coverage for its employees by filing a notice of election with the Department through the Maine Paid Leave Contributions Portal. Elective coverage must be for an initial period of at least three years and is renewable after the initial period in one-year increments.

13. If a tribal government elects coverage, what does that mean?

When a tribal government elects coverage, it means the tribal government as an employer has elected to offer coverage for all employees within their organization. The tribal government will become an “employer” and tribal government employees will become “covered employees” for the purposes of all other rules in the program. Individual tribal government employees cannot opt into or out of the program.

14. How should tribal governments report wages?

Tribal governments that elect coverage must submit **quarterly contribution reports** to the Department through the Maine Paid Leave Portal using the normal processes of an employer for the program.

15. What if I want to withdraw my coverage?

The Department will notify all elected tribal governments of the end date of their coverage period at least 60 days before the end date. This will begin the period during which coverage may be withdrawn.

16. What happens if I don't withdraw within the specified period?

If you do not withdraw within 60 days before the end of your coverage, the coverage period will automatically renew for an additional one-year period.

17. Can a tribal government withdraw from coverage?

Yes, a tribal government can withdraw from coverage by filing a withdrawal form through the Maine Paid Leave Portal. The withdrawal must be submitted within 30 days after the end of the coverage period.

18. Can I elect coverage again after withdrawal?

Yes, if a tribal government has not renewed or withdrawn from coverage, they may elect coverage again. The new coverage will begin with an initial three-year period.