

# Maine paid family and medical leave overview

May 2026



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# Paid family and medical leave

## National landscape

**Fifteen states**, along with **Washington, DC**, and **Puerto Rico**, have enacted laws requiring paid leave for an employee's own serious health condition or disability and — with the exception of Hawaii and Puerto Rico — for qualifying family or caregiving reasons.

**Note:** New Hampshire enacted a paid family and medical leave mandate for state employees in which private employers can voluntarily participate.

Jurisdiction	Program type
California	<a href="#">State Disability Insurance (SDI)</a> <a href="#">Paid Family Leave (PFL)</a>
Colorado	<a href="#">Family and Medical Leave Insurance Program (FAMLI)</a>
Connecticut	<a href="#">Connecticut Paid Leave (CT PL)</a>
Delaware	<a href="#">Delaware Paid Leave (DPL)</a>
District of Columbia	<a href="#">Universal Paid Leave (UPL)</a>
Hawaii	<a href="#">Temporary Disability Insurance (TDI)</a>
Maine	<a href="#">Paid Family and Medical Leave (PFML)</a>
Maryland	<a href="#">Family and Medical Leave Insurance (FAMLI)</a>
Massachusetts	<a href="#">Paid Family and Medical Leave (PFML)</a>
Minnesota	<a href="#">Minnesota Paid Leave (MPL)</a>
New Jersey	<a href="#">Temporary Disability Insurance (TDI)</a> <a href="#">Family Leave Insurance (FLI)</a>
New York	<a href="#">Disability Benefits Law (DBL)</a> <a href="#">Paid Family Leave (PFL)</a>
Oregon	<a href="#">Paid Leave Oregon (PLO)</a>
Puerto Rico	<a href="#">Nonoccupational Disability Insurance (SINOT) (unofficial English version)</a> <a href="#">Working Mothers Protection Act (WMPA)</a>
Rhode Island	<a href="#">Temporary Disability Insurance (TDI)</a> <a href="#">Temporary Caregiver Insurance (TCI)</a>
Virginia	<a href="#">Paid Family and Medical Leave (PFML)</a>
Washington	<a href="#">Paid Family and Medical Leave (PFML)</a>

# Maine PL (PFML)

## Contribution and benefits snapshot

MAINE  
DEPARTMENT OF  
LABOR

Paid Family  
and  
Medical Leave



Contributions began in January 2025 | Benefits available in May 2026

### 12 weeks of paid leave

In a benefit year for **medical leave** (employee's own serious health condition) or **family leave** that includes:

- Bond with a new child
- Care for family member with a serious health condition
- Safety reasons related to violence, assault, stalking or any other act resulting in a protective order
- Organ donation for human transplant
- Handle a qualifying exigency for a military family member
- Care for a covered service member with a serious illness or injury due to active duty
- Death or serious health condition of a family member incurred while on active duty

### \$1,198.84 max weekly benefit

- Weekly wage replacement amount depends on the employee's average weekly wage (AWW) relative to the state AWW (SAWW), with lower earners receiving up to 90% of their AWW.
- Weekly benefit max is valid through June 30.

### Rate equals 1.0% of wages

Contributions are capped at the SS max.

- Employers can charge employees up to 50% of the premium.
- Employers with fewer than 15 employees (within Maine) are exempt from contributions; employees are still required to contribute 0.5% of wages.

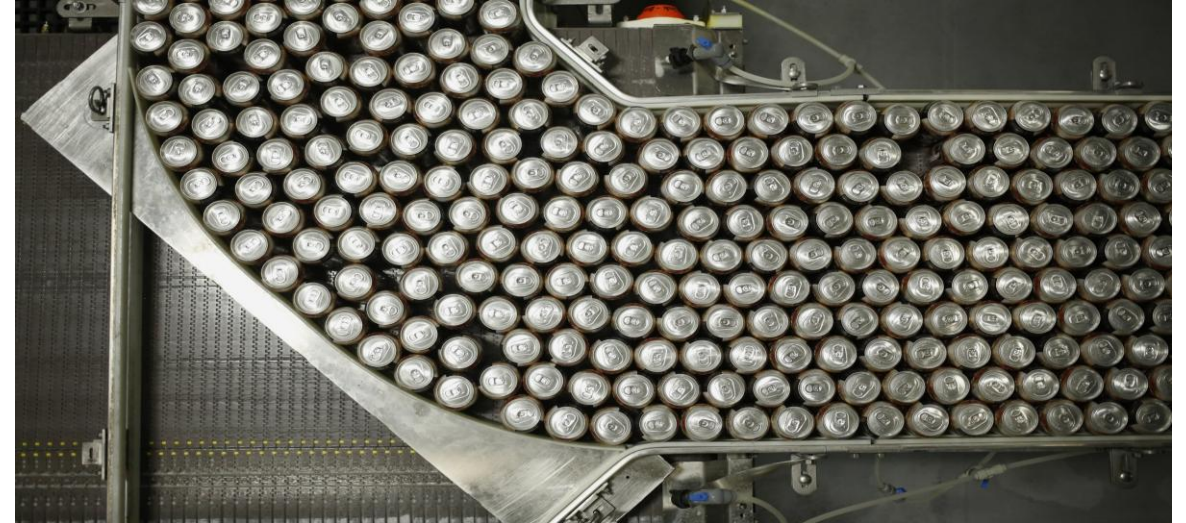
## Eligibility

- Employee must have earnings at least 6 times the SAWW in the first four of the last five completed calendar quarters.
- Family member includes spouse, domestic partner, child, parent, sibling, grandparent, grandchild and a designated individual with a significant personal bond.
- Job protection and continued health benefit rights available after 120 days of employment.

# Covered employers

**All employers, including state and local government employers, with one or more employees working in Maine.**

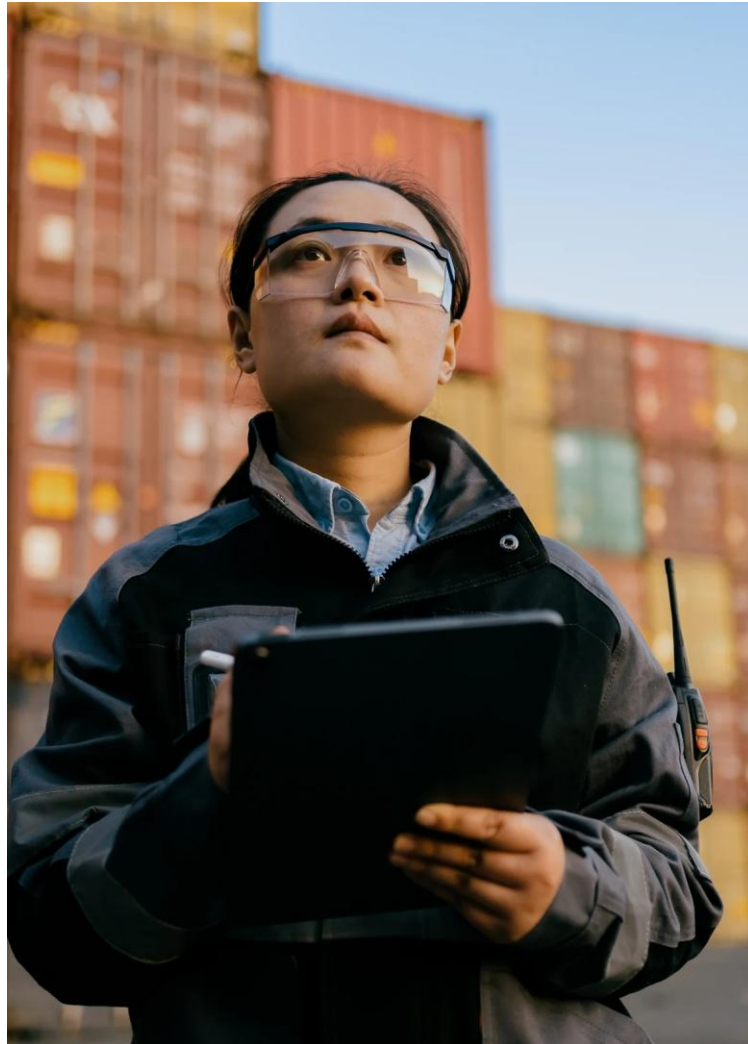
- Employers with fewer than 15 covered (Maine) employees are not required to make employer contributions.
- Tribal governments and self-employed individuals are not included, but can elect to participate
- Federal government employer not included



## Determining employer size

- Size is determined annually on October 1 for purposes of determining premium liability for the next calendar year.
- Size determination is based on number of employees earning wages in Maine in 20 or more calendar weeks in the 12-month period preceding September 30.
- Count includes full time, part-time, temporary and intermittent employees, and employees on paid leave.
- Calculation is separately determined for each Federal Employer Identification Number (FEIN).

# Covered employees



## All individuals with Maine wages

Full-time and part-time employees

**No exceptions for temporary or seasonal employees**

## Excluded individuals

- Federal government workers and railroad workers
- Employees of Tribal Governments that have not opted in
- Students who are part of a federal work-study program in the University of Maine system or similar educational institution
- Certain volunteer employees
- Employees determined by Maine DOL (MDOL) to have committed PFML fraud (disqualified from PFML benefits for one year from MDOL determination)
- Incarcerated individuals



## Eligibility for benefits

Covered employees with at least 6 times the SAWW in 4 of the previous 5 quarters.

Wages include tips and gratuities; severance and terminal pay; commissions; and bonuses

# Program funding

**Initial contribution rate (2025 – 2027) is 1.0% of wages**

**Employer payroll contributions assessed** against wages paid up to the Social Security taxable wage max.

- Large employers can charge up to 50% of the premium to employees.
- Small employers with fewer than 15 employees are exempt from the employer contribution but must collect (and remit) 50% of the premium from employees.
- Rate subject to annual MDOL review, starting in 2028.

**Premium payments and contribution reports can be submitted by an authorized TPA on behalf of the employer.**



**Wages subject to premium contributions**

- All remuneration for personal services, including:
  - tips and gratuities
  - severance and terminal pay
  - commissions
  - bonuses
- Includes remuneration for services performed in Maine or wages otherwise subject to Maine unemployment tax.

Premiums are calculated on total subject wages, before federal income tax, state income tax, and Social Security and Medicare taxes are deducted.

# Definitions

## Family member

### 26 M.R.S. § 850-A(19)

With respect to the covered individual, spouse or domestic partner of the covered individual:

- Child, regardless of age (including step-children, foster children)
- Parent, grandparent, grandchildren, siblings, (including adoptive, foster, step, and de facto)
- Spouse and domestic partner
- Designated individuals with significant personal bond



## Serious health condition

### 26 M.R.S. § 850-A(28)

Illness, injury, impairment, pregnancy, recovery from childbirth or physical, mental or psychological condition involving:

- Inpatient care, or
- Continuing treatment

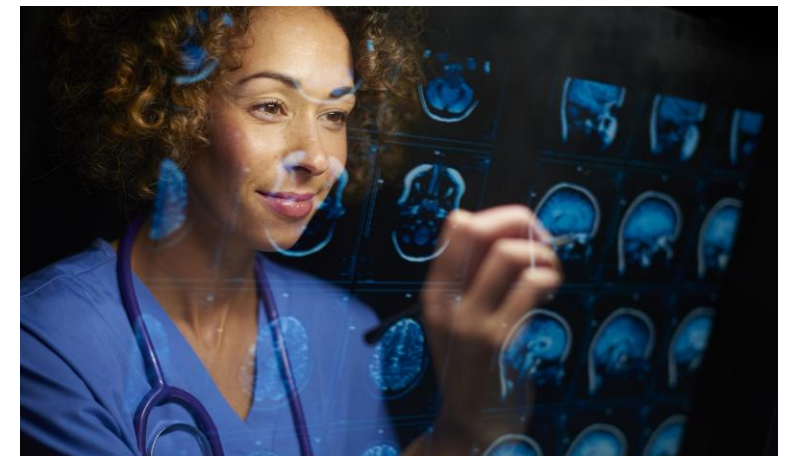
No guidance on how many days constitute “continuing treatment.” [Federal FMLA](#) requires a period of more than 3 consecutive days.

## Benefit year

### 26 M.R.S. § 850-A(5)

The 12-month period beginning on the first day of the calendar week immediately before the date leave starts.

- Other three methods of determining the 12-month period under FMLA not available for purposes of ME PFML (i.e., calendar, fiscal, measured backward), unless employer has an approved private plan.



# Intermittent and reduced schedule leave

**Intermittent and reduced schedule leave is available for all qualifying leave reasons.**

**Up to 12 weeks of leave can be taken continuously, intermittently or as a reduced schedule.**

Benefits are prorated for partial weeks or partial days of leave.

## **Minimum duration of leave on an intermittent or reduced schedule**

- Not less than **one workday**, unless employee and employer agree otherwise in writing, but **in no case less than one hour**
- Note that [FMLA](#) allows intermittent leave in periods of whole weeks, single days, hours, and smaller increments.
- Under FMLA, employers must allow employees to use leave in the smallest increment of time allowed for other forms of leave, as long as it is **not more than one hour**.



# Weekly benefit amount

The weekly benefit amount is up to 90% of the individual's AWW, up to the maximum weekly benefit amount.



**Individual AWW.** Total reported wages in the base period (first 4 of last 5 completed calendar quarters immediately preceding first day of benefit year) divided by 52.

## Calculation

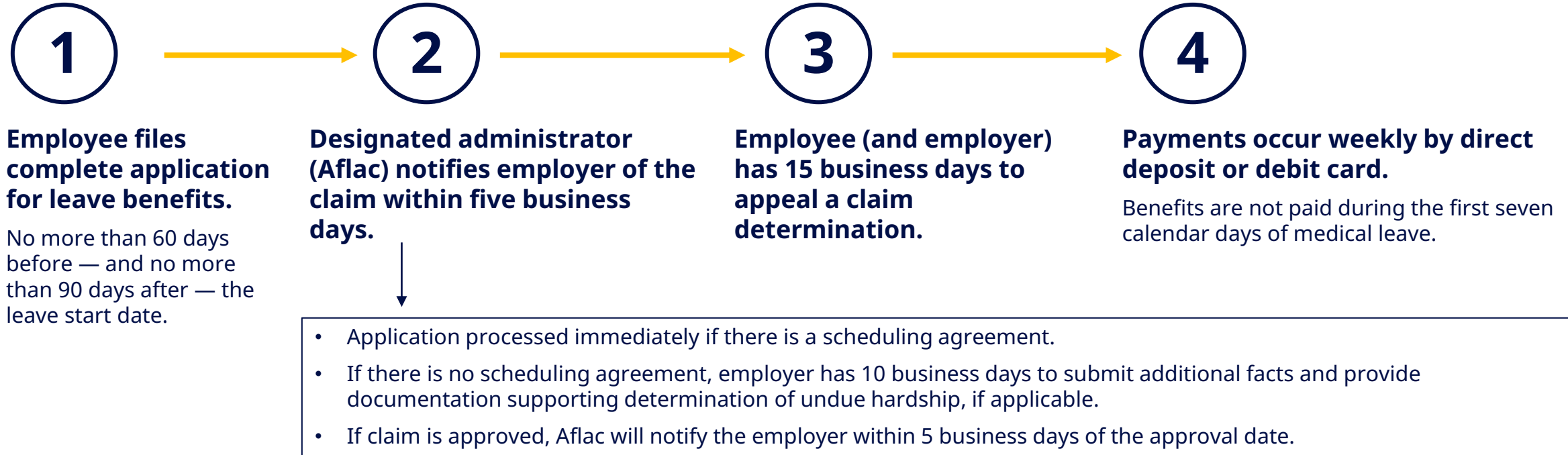
- **If employee's AWW is  $\leq$  50% state AWW, benefit equals 90% of AWW**
- **If employee's AWW is  $>$  50% state AWW, benefit equals  $[90\% \text{ of } \frac{1}{2} \text{ state AWW}] + [66\% \times (\text{AWW} - \frac{1}{2} \text{ state AWW})]$**
- Calculations use the SAWW effective on the July 1 immediately preceding the date of application for benefits or of the start of the leave, whichever is earlier.
- Once the weekly benefit amount is determined for a claim, it remains consistent through the life of the claim.

**Maximum weekly benefit.** 100% of SAWW

Set annually by MDOL, effective July 1

# Claim application process

**Employers can require reasonable notice (up to 30 days). Good faith effort to provide notice as soon as feasible required for emergency, illness, or other sudden necessity.**



**Employer waiver may be required.** A waiver signed by the employer that the proposed schedule of leave is not an undue hardship may be required to complete the claim application.

- Employees have 10 business days to correct failure to provide necessary information or documentation to process the leave request.
- Both the employer and the employee will be notified of the approval or denial of the leave claim.

# Required employer notices

**Written notice (public plans, private plans) provided to all eligible employees at time of hire** (not more than 30 days from start of employment)

Notice must include:

- Benefits available under the program
- Employee's right to job protection and continuation of health insurance
- Process for filing a claim
- Employer name and mailing address
- Employer PFML identification number
- Mailing address, email and telephone number of program administrator

**Poster** displayed in a conspicuous place at each of employer's premises.

- Also available in French, Portuguese, Somali, Spanish
- Must display in non-English language(s) if primary language of 3 or more employees



# Employee notice to employer



Employee must **give reasonable** notice of the intent to use leave

- **30 days written notice is presumed to constitute reasonable notice.**
- **In the case of an emergency, illness, or other sudden necessity,** employee must make **good faith effort** to provide written notice **as soon as is feasible under the circumstances.**

## **Notice must contain:**

- Reason for the leave being requested (e.g., family, medical, safe leave, qualifying exigency)
- Type of leave needed (e.g., continuous, reduced schedule, or intermittent leave)
- Actual or anticipated timing and duration of leave
- Any other relevant information

**Notice must be in writing** (e.g., standard form, letter, email, or text)

Employer can't require notice use of a prescribed form if sufficient information is provided.

Employer can reasonably determine that the timing or duration of the leave creates an **undue hardship.**

# Benefit eligibility

## Financial requirement

Earnings of at least six times the state average weekly wage during the base period.

No minimum hours worked requirement, but individual must be employed as of the application date (if in advance) or date of leave (if retroactive).

## Benefit payments

Benefit payments are made weekly by direct deposit into a checking or saving account.

Weekly benefits can be paid in the form of a debit card, upon request.



## Benefit reductions

PFML benefits are reduced by receipt of these other benefits:

- Workers' compensation
- Unemployment compensation
- Long-term disability benefits received under an employer-sponsored policy or program
- Other state or federal short- or long-term disability payments
- Any other government program or law

## Elimination period

Benefits are not paid during the first seven consecutive calendar days of medical leave.

There is no elimination period for family leave.

## Benefit proration

Benefits are prorated if the employee takes leave intermittently or works on a reduced schedule.



# Coordination with other employer benefits

## Employer-provided STD, other paid leave benefits

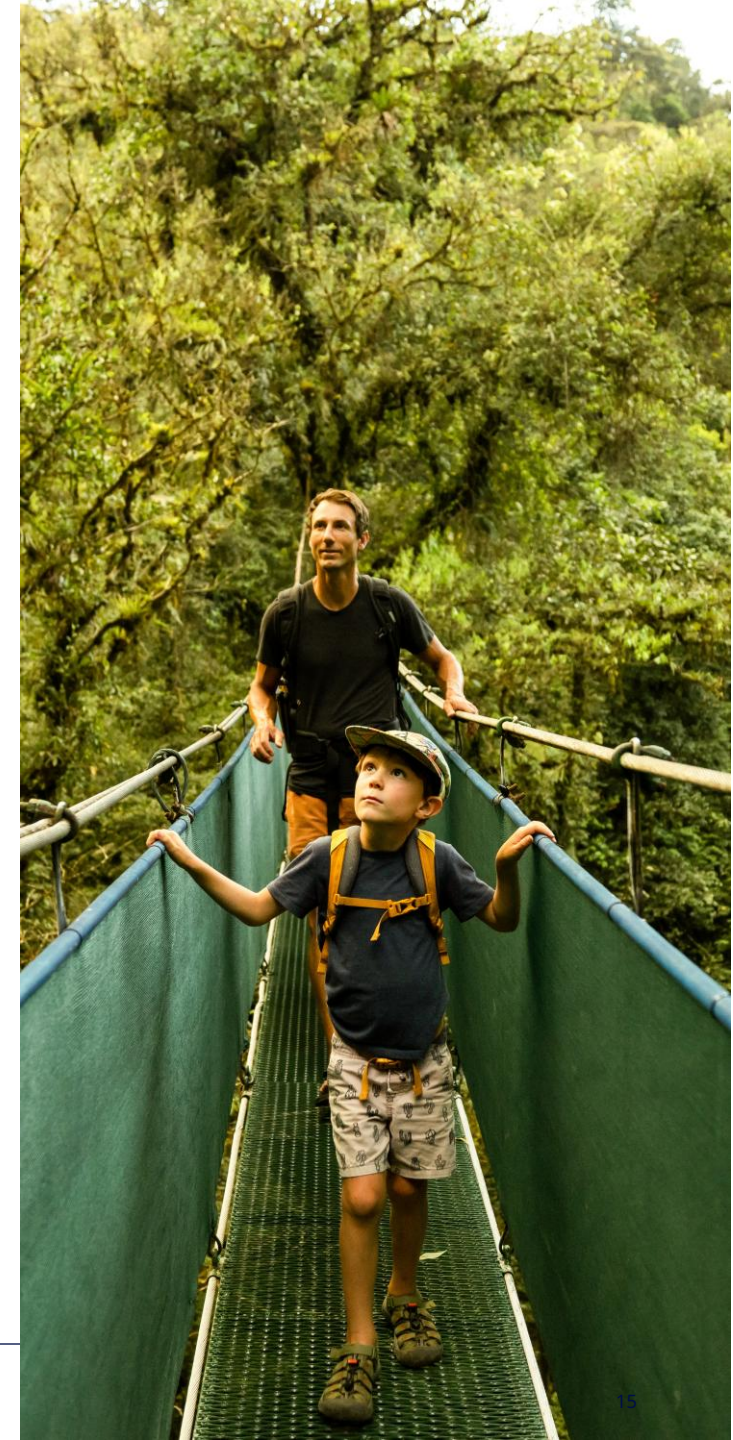
- Employers can require ME PFML to run concurrently or otherwise coordinate with employer-provided STD or other paid leave policy.
- Employer can offset STD payments, other paid leave by amount, duration of ME PFML.

## Federal FMLA

ME PFML and federal FMLA run concurrently.

## PTO, vacation, sick leave

- Employer can't require use of unused accrued PTO, vacation, or sick leave before employees take PFML benefits.
- Employer and employees can mutually agree to use PTO, vacation, or sick to supplement PFML benefits, up to 100% of wages.
- Employee can use accrued paid sick, vacation, or other PTO during the first seven days of medical leave.
- During leave, employees still accrue vacation and sick time.



# Private plans

Employers can provide a private plan for one or more lines of coverage (parental leave, medical leave, and family caregiver + qualified exigency leave).

## Employers can apply for private plan approval at any time.

- Must submit application at least 30 days before intended start date.
- Coverage must begin on the first day of the calendar quarter after approval.
- Must allow for at least 10 weeks of leave per year
- Can deduct up to 0.5% from pay, even if total cost is less than 1.0% (through 2027)

## Private self-insured plans

- Only available to employers with more than 100 employees or upon approval based on sufficient administrative capacity to manage a compliant PFML program (in-house or with TPA).
- Other requirements for self-insured plans include:
  - Evidence demonstrating employer can afford six full-benefit claims per 100 employees each year (e.g., \$900/week × 12 weeks = \$10,800 per claim)
  - Dedicated bank account for PFML claims with at least half the above amount always available (claims reserve account)
  - Annually renewed surety bond (not required of city, county, or state employers)
- Self-insured private plans can use Maine LaborFirst to manage the plan.

## Private insured plans

- Employers cannot require employees to contribute more than half of the private plan's premium rate.
- Employers cannot require employees to contribute more than what the employee would've paid in total under the public plan, even if the private plan has a broader wage base.
- Small employers (10-24 employees) voluntarily providing lines of coverage in addition to parental leave can't charge employees more than 0.16% of wages (which is what they would be required to pay in the public plan).

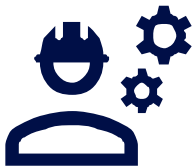
# Employee rights



## Health insurance

For covered individuals employed for at least 120 consecutive days before taking PFML leave, health benefits must be continued as if the covered individual had not taken leave.

- Covered individual must continue to pay their share of the healthcare insurance premium.
- If, while on leave, any part of the covered individual's share of premium is covered by the employer, it can be recovered by any legal means.
  - If covered individual fails to return to work, employer may deduct the amount due from the employee's final paycheck.



## Job protection

Covered individuals employed for at least 120 consecutive days before taking PFML leave are entitled to be restored to the same position they held prior to taking leave or placed in position with equivalent terms and benefits.

If employee fails to give reasonable notice, absent extenuating circumstances, they may not be entitled to job protection.



## Other benefits

If covered individual is entitled to benefits (e.g., life insurance, pension, 401(k), vacation or sick leave, etc.) before leave, they must be available upon return from leave.

While on leave, employee is entitled to continue accruing vacation and sick leave, bonuses, advancement, seniority and service credits, and maintain participation in benefit plans and programs.



## Interference, retaliation, antidiscrimination

Applicable to all employees, these employer actions are prohibited:

- Interference, restraint, or denial of the exercise or attempt to exercise rights under the law is prohibited.
- Discrimination and retaliation against an individual exercising rights under the law is prohibited.

# Enforcement and penalties



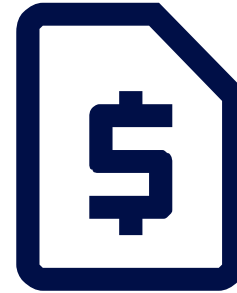
## Civil action

- Right of judicial review exists for aggrieved parties after exhausting all administrative remedies.
- No specifics on potential damages.



## MDOL actions

- Investigations
- Other enforcement actions



## Other penalties

- Employer notice failures: \$50 to \$150 per employee
  - Employer contribution failures: 1.0% of total payroll for the quarter
  - Private plan violations: \$100 per violation
- All penalties go to the PFML fund.

# Federal taxation of contributions and benefits

## Starting with 2027 tax year, federal taxation of benefits from public plan

- Family leave benefit payments *are considered gross income* but *not considered wages* for federal employment tax purposes (i.e., FICA).
- Medical leave benefit payments attributable to the required employer contribution *are considered gross income* to the employee and *are considered wages* for federal employment tax purposes.
  - All other medical leave benefit payments *are excluded from gross income* and *are not considered wages* for federal employment tax purposes.
- MDOL will issue Form 1099-G to employees receiving PFML benefits.

## Contributions to public plan

- Employers in the public plan may deduct required employer PFML contribution amounts as state excise tax payments.
- Required employee contributions *are included as gross income* on Form W-2 and considered wages subject to federal employment taxes.
  - Employee premium contributions should be listed under Box 14 of the W-2 form with the label “MEPFML”.

For more information, see [Revenue Ruling 2025-4](#), [Notice 2026-6](#), and our GRIST, [IRS clarifies taxation of state and DC PFML contributions, benefits](#).

# Paid family and medical leave (PFML) employer tax credit

One Big Beautiful Bill Act (HR 1) section 70304, effective 2026

Permanently extends the employer tax credit for PFML, which was first available for wages paid in 2018 and set to expire Dec. 31.

Provision	Current law	Changes made by OBBBA
<b>Determination of tax credit</b>	Based on wages paid to qualifying employees on leave	Adds employer option to determine credit based on premiums paid for an insured policy*
<b>Eligible employer</b>	If treated as a single employer under IRC § 52(a) and (b), then treated as a single taxpayer	If treated as a single employer under IRC § 414(b) and (c), then treated as a single employer; new exception for a “substantial and legitimate business reason” for an entity within the controlled group not providing the benefit
<b>State-mandated benefits</b>	Not taken into account in determining if the employer policy provides at least 50% wage replacement	Taken into account to determine if employer policy provides at least 50% wage replacement, but not taken into account for determining the credit amount
<b>Qualifying employee</b>	Employed at least 1 year and earning less than 60% of the highly compensated employee threshold	Employed at least 1 year (but employer can reduce this to 6 months), earning less than 60% of the highly compensated employee threshold AND customarily employed at least 20 hours per week

\*Currently eight states allow life or disability carriers to write group paid family leave policies.

For more information, see our GRIST, [IRS clarifies taxation of state and DC PFML contributions, benefits](#)

## Background

[IRC § 45S](#) provides a tax credit for employers that provide PFML to all eligible employees.

## Employer eligibility requirements

- Written paid leave **policy**.
- Provide at least **two weeks of paid leave** for “qualifying employees” who work full-time (and a pro-rata amount for part-time employees).
- Leave can be used for one or more federal **FMLA reasons**.
- Wage replacement is at least **50% of wages**.
- Available general business **tax credit ranges from 12.5% to 25%** of wages paid to qualifying employees on leave (or insurance premium paid).

# State PMFL and federal FMLA comparison

	State PFML	Federal FMLA
Paid	Yes	No
Leave use	<ul style="list-style-type: none"> <li>Employee's own serious health condition</li> <li>Care for a family member with a serious health condition</li> <li>Bond with new child</li> <li>Handle qualifying exigency related to active military duty</li> <li>Safe leave for employee or family member related to violence, assault, sexual assault, or stalking</li> <li>Bereavement of a family member who is a covered service member</li> <li>Organ donation</li> </ul>	<ul style="list-style-type: none"> <li>Employee's own serious health condition</li> <li>Care for family member with a serious health condition</li> <li>Bond with new child</li> <li>Handle qualifying exigency related to active military duty</li> <li>Care for a family member who is a covered service member with a serious illness or injury</li> </ul>
Eligibility	Wage credits at least six times the state average weekly wage	1 year of service and 1,250 hours worked in the past 12 months
Job protection	Yes, after 120 days of employment	Yes
Leave duration	Up to 12 weeks for medical leave and up to 12 weeks of family leave, subject to a combined maximum of 12 weeks in a benefit year	Up to 12 weeks for most qualifying reasons 26 weeks to care for a covered service member with a serious illness or injury (26-week combined max)
Who is a covered family member?	Same as federal FMLA, plus domestic partners, family members of domestic partner or spouse, grandparents, grandchildren, siblings, and a designated individual	Biological, adoptive, step, or foster parent, or any other individual who stood in <i>loco parentis</i> to the employee when the employee was a child; biological, adopted, foster, or step-child, legal ward, or child of a person standing in <i>loco parentis</i> , who is either under age 18, or age 18 or older and incapable of self-care because of a mental or physical disability; spouse

# Maine Paid Leave Resources

## State resources

- Law: [26 MRSA Ch. 7, Subch. 6-C](#)
- Regulations: [12-702 CMR Ch. 1](#)
- Paid leave webpage: <https://www.maine.gov/paidleave/>
- Employers & TPAs: [FAQs](#)
- [Employer's Guide to Maine PFML Contributions](#)
- Notice of Employee Rights in [English](#) and [Spanish](#)
- Poster in [English](#) and [Spanish](#)
- Division of Paid Leave: 302-761-8375 or [PFML@Maine.gov](mailto:PFML@Maine.gov)

## Mercer Resources

- [State paid family and medical leave contributions and benefits \(February 6, 2026\)](#)
- [Maine law requires paid family and medical leave \(September 11, 2023\)](#)
- [Law & Policy Insights](#)



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