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Are You Ready for Connecticut's New Paid Family and Medical Leave Act?

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Connecticut's new Paid Family and Medical Leave Act ("PFMLA") represents one of the most significant laws to impact Connecticut employers and employees since the enactment of anti-discrimination legislation. Under this new law, beginning in 2022, eligible employees working for employers of all sizes throughout Connecticut will be entitled to up to 12 weeks of paid leave to attend to certain personal or family health needs.

Although leave under the PFMLA cannot be taken until January 1, 2022, funding for the paid leave offered under the PFMLA will be generated by payroll withholdings of .5% from virtually all employees in Connecticut commencing as of **January 1, 2021**. These funds will be deposited into a fund administered by the Connecticut Paid Family Leave Authority, which will begin disbursing payments to employees who take paid leave in 2022.

Prior to the enactment of the PFMLA, Connecticut state law required employers with 75 or more employees to provide 16 weeks of family and medical leave, and the leave could be unpaid. Under the Federal FMLA, employers with 50 or more employees must provide 12 weeks of leave, paid or unpaid.

The PFMLA dramatically changes the landscape in Connecticut by:

- eliminating the threshold of a minimum number of employees;
- mandating 12 weeks of leave (instead of 16);
- expanding the range of circumstances for which an employee may take a leave; and
- providing wage replacement for all employees who take leave.

Who is Eligible for PMLA leave?

Beginning January 1, 2022, eligible employees can take PFMLA leave under a broad range of circumstances, including:

- Experiencing a serious health condition;
- Caring for a family member experiencing a serious health condition;
- Caring for a new child (by birth or adoption);
- Experiencing an exigency arising out of a family member being on active duty;
- Serving as an organ or bone marrow donor;
- Being a victim of family violence.

The PFMLA substantially expands the definition of “family member,” which previous legislation limited to spouses, children, and parents with a serious health condition, to include siblings, grandparents, grandchildren, parent in-laws, and “an individual related to the employee by blood or affinity whose close association the employee shows to be equivalent of those family relationships.”

How much will employees be paid during PFMLA leave?

Under the PFMLA, an employee will receive a weekly benefit for the full 12 weeks of leave. An additional two weeks may be available for pregnancy related issues.

If an employee's weekly wages are less than or equal to the Connecticut minimum wage multiplied by 40, the weekly benefit rate under the PFMLA will be 95% of the employee's average weekly wage.

If an employee's weekly wages exceed the Connecticut minimum wage multiplied by 40, the weekly benefit rate will be 95% of the Connecticut minimum wage multiplied by 40, plus 60% of the amount by which the employee's average weekly wage exceeds the Connecticut minimum wage multiplied by 40. The benefit rate is capped at 60 times the Connecticut minimum wage.

For example, if an employee earns \$500 per week and minimum wage is \$10 per hour, they will receive 95% of the first \$400 (\$380) and 60% difference between their average weekly wages and 40 times minimum wage ($\$500 - \$400 = \$100 * .6 = 60$), which amounts to \$440 ($\$380 + \$60 = \$440$). The benefit rate is capped at 60 times the minimum wage amount (\$600 in this example).

Note: 40 times the minimum wage will be equal to \$520 weekly in January 2022, increasing to \$560 on July 1, 2022, and \$600 on June 1, 2023. 60 times the minimum wage will be equal to \$780 weekly in January 2022, increasing to \$840 on July 1, 2022, and \$900 on June 1, 2023.

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Employers may supplement the paid leave benefits provided by the PFMLA, as long as the total amount received by an employee does not exceed 100% of their usual weekly wages.

Are there any exemptions from PFMLA?

The PFMLA generally excludes federal employees, Connecticut and municipal employees who are members of unions, employees of local and regional boards of education, and non-public elementary and secondary school employees. All other employees in the State of Connecticut are entitled to paid leave under the PFMLA.

An employer can apply for an exemption from participation in the paid leave program administered by the Connecticut Paid Leave Authority (the "CT Paid Leave Program") if it offers a private plan to its employees that provides all of the same rights, protections and benefits as the CT Paid Leave Program. The employer's private plan must also comply with specific application requirements, including the requirement that a majority of the employer's employees working in Connecticut vote in favor of the private plan. In the event that an employer receives an exemption and provides a private plan, the withholdings from employee paychecks are held by the employer, instead of the Connecticut Paid Leave Authority fund.

Sole Proprietors and Self-Employed Individuals

A self employed individual or sole proprietor may voluntarily enroll in the CT Paid Leave Program, as long as they contribute .5% of their "self-employment income" to the Connecticut Paid Leave Authority fund.

Action Steps

All employers participating in the CT Paid Leave Program should immediately register with the Connecticut Paid Leave Authority. There are different procedures for registration, depending upon whether the employer or a third party files the employer's taxes. Payroll providers may be handling registration requirements for their employer clients. More information is available [here](#).

Employers who wish to apply for an exemption from the CT Paid Leave Program should immediately begin the application process. More information is available [here](#).

Employers should also communicate with employees regarding the payroll deductions that begin January 1, 2021, and regarding the benefits that will be available to them via the PFMLA as of January 1, 2022. Click [here](#) for a poster that may be displayed in your workplace and/or distributed to employees.

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We recognize that there is a substantial amount of information here to digest, and that employers and employees alike will have many questions as this process progresses. At Cohen and Wolf, we are committed to keeping abreast of these developments and to providing timely updates, as well as advice tailored to the specific needs of our clients. Please don't hesitate to contact us with any questions or concerns.

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