

## Businesses Urged to Prepare for Connecticut's Paid Family and Medical Leave Act

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Connecticut Governor Ned Lamont had previously signed into law the Paid Family and Medical Leave Act (PFMLA). This legislation, passed primarily along party lines, created a comprehensive paid family leave insurance program in Connecticut, called by many to be the most generous program of its kind in the nation.

### What You Need to Know

Beginning January 1, 2021, employers with one or more employees (full or part-time) must participate by withholding a half of 1% of employee wages (through the Social Security wage base) to be contributed on a quarterly basis to the Paid Leave Authority Trust Fund. Sole proprietors and self-employed individuals are also eligible to participate; however, they must remain in the program for at least three years.

There is currently no requirement for an employer match of amounts withheld.

Employers have an option of purchasing and offering private insurance to provide these benefits and, in so doing, must apply to the State for an exemption. An exemption is likely to be granted if the plan is comparable to the benefits within the PFMLA and the majority of employees participate in the plan. Enrollment and registration with the Connecticut Paid Leave Authority (CTPLA) began in November 2020. The link to enroll is found [here](#).

Covered employees with approved claims will be able to access benefits starting on January 1, 2022.

### Communication Is Key

While understanding the requirements of the law is essential, it is critical to communicate information to employees in an appropriate and timely manner.

Reasons for taking leave include, but are not limited to, the following:

- Birth of, or placement through adoption or foster care, a child of an employee
- Need to care for a family member with a serious health condition
- Employee's serious health condition
- Service as an organ or bone marrow donor
- Certain circumstances related to active duty in the armed forces
- Reasons related to family violence

Employees will be expected to communicate the need for accessing benefits through both their employers as well as the CTPLA.

### Further Information

For more details of the Paid Family and Medical Leave Act, please see the official information page for Connecticut Paid Leave [here](#).

## Contact Us

Please reach out to your PKF O'Connor Davies client engagement partner, our Human Resource professionals or either of the following:

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