Michigan’s Paid Medical Leave Act
Basics of Compliance

WHO
Covered Employers: Applies to companies that employ 50 or more individuals

Eligible Employees: An individual for whom the Covered Employer withholds for federal income tax purposes and who is not specifically exempted from the Act

Employees Exempted from Eligibility: The Act lists 12 specific exemptions from the term “Eligible Employee”:

• FLSA Overtime Exempt
• Private sector employee covered by Collective Bargaining Agreement
• Primary work location NOT in Michigan
• Temporary Firm worker
• Part-Time (less than 25 hours/week on average)
• Seasonal worker (25 weeks or fewer)
• Railroad worker covered by Railway Labor Act
• Railroad worker covered by Railroad Unemployment Insurance Act
• Variable Hour worker
• Flight deck or cabin crew member
• Employee of US government, another state or local government
• Minor on training wage

WHAT
Covered employers must provide Eligible Employees with 40 hours of Paid Medical Leave in a Benefit Year.

• An employer is not required to allow employees to use more than 40 hours of Paid Medical Leave in a single benefit year.
• “Benefit Year” is any consecutive 12-month period used by an employer to calculate an Eligible Employee’s benefits
• No payout is required for unused accrued Paid Medical Leave hours at the employee’s separation

Options for Accrual: Employers can choose how to provide required Paid Medical Leave to Eligible Employees:

1. Accrual: Paid Medical Leave is accrued at a rate of 1 hour for every 35 hours worked
   a. Eligible employees may carry over up to 40 hours of unused accrued Paid Medical Leave from one Benefit Year to the next

2. Frontload: Employer may provide all 40 hours of Paid Medical Leave at the beginning of a Benefit Year
   a. No carryover is required for unused accrued Paid Medical Leave
   b. May be prorated for partial year new hires
Use of Paid Medical Leave

- **Eligible Employees** can use Paid Medical Leave as it is accrued
- Paid Medical Leave must be used in 1-hour increments *unless* the employer has a different policy in writing
- **Permissible Uses**
  - Care of Family Member or Self for mental or physical illness, injury, health condition, treatment or preventative care
    - “Family Member” = child, parent, spouse via legal marriage, grandparent, grandchild, sibling
  - Domestic violence or sexual assault
  - Closure of workplace or child’s school/daycare for public health emergency
  - Exposure to communicable disease that would jeopardize the health of others (requires medical determination)
- **Eligible Employees** must follow the employer’s usual and customary notice, procedural and documentation requirements for requesting leave
  - Employer may discipline and/or discharge for failure to comply with policies
  - If employer requires medical documentation, the employee must be allowed at least 3 days to provide it

**Rebuttable Presumption**: A covered employer that provides 40 hours of paid leave of any type to Eligible Employees is presumed to be in compliance with the Act

- The leave must accrue in a manner that’s at least as generous as the Act
- The leave must be available for the permissible uses required in the Act

**WHEN**

Paid Medical Leave accrual begins on March 29, 2019, or upon commencement of employment

- An employer may require new hires to wait 90 days to use Paid Medical Leave

**VIOLATIONS**

Eligible employees have 6 months to file a complaint with the Michigan Wage & Hour Division

- If violation is found, employer will have to pay Paid Medical Leave improperly withheld and administrative fine of up to $1000

**EMPLOYER REQUIREMENTS**

Covered employers must display required poster

- $100 penalty for failure to post

Covered employers must maintain records for 1 year and make them available upon request by the Michigan Wage & Hour Division

Contact MMA’s Delaney McKinley at 517-487-8530 or mckinley@mimfg.org with questions