Minnesota Paid Leave

Topic Selection Background Information — May 2026

Program Overview	The 2023 Legislature created the Minnesota Paid Leave (MPL) program to provide payment and job protection to eligible individuals so they can care for themselves or family members. MPL pays workers a portion of their wages while they take time away from work to care for their own health or the needs of family members. Employers covered by the program contribute a percentage of employee wages to a statewide MPL fund; they may pass up to a specified portion of that obligation on to employees. The Department of Employment and Economic Development (DEED) oversees the program, including processing benefits applications and payments from the statewide fund.
Original Evaluation Questions	To what extent does Minnesota's paid leave program include effective mechanisms to deter, identify, and prevent waste, fraud, and abuse?
Revised Questions	To what extent does MPL include appropriate mechanisms to deter, identify, and prevent waste, fraud, and abuse? How well has MPL met program goals?
State Resources *High*	The 2023 Legislature transferred more than $668 million from the general fund to establish a dedicated fund for MPL. MPL benefits and DEED administrative costs are expected to be funded on an ongoing basis by employer and employee contributions.
State Control *High*	While Minnesota's MPL program must comply with federal law, including the Family and Medical Leave Act, it was created by the Minnesota Legislature. That body has the authority to amend the program's benefits and requirements.
Impact *High*	From November 2025 through February 2026, DEED reported approving more than 20,000 applications for MPL. A large portion of employed Minnesotans are required to contribute to the fund that pays for MPL, and millions of Minnesotans may become eligible for benefits.
Timeliness *Low*	Legislators and members of the public have raised questions about the program's effectiveness, fraud controls, and costs to employers and taxpayers. At the same time, the MPL program has been operating for less than one year, having begun paying benefits in January 2026. This would greatly limit the data available for review.
Feasibility *Medium-High*	OLA could answer the revised questions using standard evaluation techniques, including reviewing DEED's processes and testing a sample of applications to determine whether applicants were eligible for MPL.
Balance *High*	OLA has not evaluated MPL. OLA last evaluated DEED programs in 2025, *DEED Grants Management*, and 2022, *Unemployment Insurance Program: Efforts to Prevent and Detect the Use of Stolen Identities.*
Discussion	While questions raised related to the MPL program are important, it will be valuable to have at least one year of data available to complete analysis. Therefore, it would be prudent to reconsider this topic in Fall 2026 or Spring 2027.