February 2025 Forecast

Family and Medical Benefit Insurance Fund Statement

in thousands	Actual FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Balance Forward From Prior Year		**664,447**	**605,771**	**547,064**	**528,711**	**491,835**
Prior Year Adjustments	-	-	-	-	-	-
Adjusted Balance Forward	-	*664,447*	*607,681*	*552,036*	*537,447*	*502,073*
Transfers from the General Fund	668,321	-	-	-	-	-
Premium Revenues	-	-	766,450	1,568,750	1,641,350	1,767,650
Interest Earnings	-	67,536	22,180	15,013	12,328	11,100
Total Sources	**668,321**	**731,983**	**1,396,312**	**2,135,799**	**2,191,125**	**2,280,823**
Employment and Economic Development (DEED), Benefit Payments	-	-	730,000	1,485,600	1,570,300	1,675,250
Employment and Economic Development, Admin M.S. 268B.17-18	-	-	52,650	107,100	113,100	120,500
23, Ch. 59 Employment and Economic Development	1,033	121,262	40,544	5,000	5,000	5,000
23, Ch. 59 Labor and Industry (DLI)	169	806	366	-	-	-
23, Ch. 59 Commerce	-	692	64	-	-	-
23, Ch. 59 Management and Budget (MMB)	-	118	45	45	45	45
23, Ch. 59 Human Services (DHS)	2,649	-	20,530	530	530	530
23, Ch. 59 Secretary of State	23	4	77	77	77	77
23, Ch. 59 Supreme Court	-	30	-	-	-	-
23, Ch. 59 Legislature	-	18	-	-	-	-
23, Ch. 59 University of Minnesota	-	1,372	-	-	-	-
Total Uses	**3,874**	**124,302**	**844,276**	**1,598,352**	**1,689,052**	**1,801,402**
Balance	**664,447**	**607,681**	**552,036**	**537,447**	**502,073**	**479,421**

Purpose of Account: The Family and Medical Benefit Insurance account was established in Chapter 59 of Laws of 2023 for the collection of premiums and payments of benefits related to family care, bonding, safety leave, and leave related to a qualifying exigency. Per Minnesota Statutes 268B.023, money in the account is appropriated to the commissioner of employment and economic development to pay benefits under the family and medical benefit insurance program, unless otherwise appropriated.

Sources: Revenues to the fund included an initial investment of $668.3 million transferred from the general fund through the actions of the 2023 legislature for startup costs and initial benefit payments. Ongoing premium contributions will be deposited into the fund beginning January 1, 2026 and estimates are determined by an actuarial study.

Uses: Expenditures in this account include benefit payments, to be distributed by the commissioner of employment and economic development, and associated administrative costs. Additional direct appropriations are made to DEED, DLI, Commerce, MMB, DHS, the Secretary of State, the Supreme Court, the Legislature, and the University of Minnesota.

Note: Current expenditure and revenue estimates in this fund statement are based on the February 21, 2024 Milliman actuarial study of the family and medical leave program as required by the 2023 legislature and are reflective of changes enacted by the 2024 legislature.