

# Colorado Passes Paid Family and Medical Leave Law

Article By:

Mary L. Will

Jill A. Zender

---

Starting on January 1, 2024, Colorado employees will be entitled to take 12 weeks of paid family and medical leave as a result of the passage of Colorado Proposition 118, the Paid Medical and Family Leave Initiative. Employees will be able to take an additional four weeks of paid leave in connection with pregnancy or childbirth complications.

Employees will be eligible to take paid family and medical leave if they have earned at least \$2,500 at their job and may use paid family and medical leave for the following reasons:

- To care for their own serious health condition
- To care for a new child during the first year after birth or adoption, or for foster care of a new child
- To care for a family member with a serious health condition
- When a family member is on active-duty military service or is called for active-duty military service
- When an individual or the individual's family member is a victim of domestic violence, stalking or sexual assault

The paid leave will be funded through a payroll tax shared equally by employers and employees, starting on January 1, 2023. The Division of Family and Medical Leave Insurance, a new entity created by the initiative within the Colorado Department of Labor and Employment, will institute and administer a paid-leave fund and will collect the payroll tax. From January 1, 2023, through December 31, 2024, the total payroll tax amount will be 0.9% of the employee's weekly wage (0.45% paid by the employer and 0.45% paid by the employee). Beginning on January 1, 2025, the director of the paid-leave fund will establish the payroll tax amount based on a percentage of employee wages and at a rate to fund 135% of the benefits paid during the previous calendar year. Employers can choose to pay a larger percentage of the payroll tax, up to 100%.

Employers having fewer than 10 employees will be exempt from participating in the statewide paid leave program, though employees of these smaller businesses can choose to opt into the program, as can sole proprietors. Employers already providing paid family and medical leave can opt out of the statewide program if their private program meets requirements established by the Division of Family and Medical Leave Insurance.

Employees cannot be terminated while on paid family and medical leave if they've been in their job for at least 180 days. In addition, upon returning from leave employees must be restored to an equivalent job. Employers can require that leave taken under the Paid Medical and Family Leave Initiative run concurrently with leave taken under the Family and Medical Leave Act.

© 2025 Faegre Drinker Biddle & Reath LLP. All Rights Reserved.

---

National Law Review, Volume X, Number 314

Source URL: <https://natlawreview.com/article/colorado-passes-paid-family-and-medical-leave-law>