Compliance Overview

Highlights

Recent Changes to State Leave Requirements

- Virginia passed major legislation creating a broad paid sick leave requirement and a paid family and medical leave program.
- New Jersey expanded employee rights under its Family Leave Act and disability and family leave insurance programs.
- Chicago, Maryland, Minnesota and New York City issued new leave law regulations.
- Additional leave law expansions occurred in other states.

Q2 Check-in: State Employee Leave Law Developments

Since the end of March 2026, state employee leave law requirements have continued to change at the rapid pace employers have come to expect. For instance, in April, Maryland issued guidance and a contribution rate for its upcoming paid family and medical leave program.

In April and May, Virginia enacted paid sick leave and paid family and medical leave laws. Also in May, paid family and medical leave benefits began in Maine.

In July, New Jersey issued guidance affirming new job protection entitlements for recipients of state temporary disability and family leave insurance, and expansions to its Family Leave Act took effect.

July also saw New York City issue regulations clarifying major changes to its Protected Time Off Law, and Rhode Island and other states raise their paid leave benefit rates.

This Compliance Overview provides a summary of these and other notable developments in state leave law from the second quarter of this year.

Links and Resources

- Maryland Paid Family and Medical Leave website
- Maine Paid Family and Medical Leave website
- Virginia Employment Commission website on Paid Family and Medical Leave
- New Jersey guidance on expansion of family and medical leave rights
- New York City Protected Time Off website

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Q2 State Leave Law Developments

Colorado

Voting Leave

On June 1, 2026, Colorado law changed to allow employees to take two hours of voting leave on any day when voter service and polling centers are open. Previously, employees could take voting leave only on an election day. Employees must apply for voting leave before the day for which it is requested. Employers may deny the leave if the employee has three or more consecutive hours between the polls' opening and closing times when they are not required to be on the job.

Paid Family and Medical Leave Benefit Increase

The benefit maximum for Colorado paid family and medical leave was increased to $1,448.02 per week (from $1,381.45) as of July 1, 2026.

Hawaii

Also effective July 1, 2026, amendments to the Hawaii Family Leave Law require leave for military exigencies related to active-duty service by an employee's child, spouse, reciprocal beneficiary, sibling, grandchild or parent in the United States armed forces. The amendment adopts the definition of qualifying exigency contained in the regulations for the federal Family and Medical Leave Act (FMLA). However, it allows leave related to the service of more family members than the FMLA, which covers only active duty of the employee's spouse, son, daughter or parent.

Employers may require a copy of official military orders as documentation of the need for leave.

The Hawaii Family Leave Law requires employers with 100 or more employees to provide eligible employees with up to four weeks of unpaid, job-protected leave per year for the birth or adoption of a child or to care for specific family members with a serious health condition. To be eligible, an employee must have been employed for at least six consecutive months.

Illinois

Leave for Parents of Hospitalized Infants

Starting June 1, 2026, all Illinois employers with at least 16 employees were required to provide unpaid leave to parents of a child in a neonatal intensive care unit (NICU). The amount of leave required differs depending on the size of the employer, as follows:

- Employers with 16-50 employees: Up to 10 days of leave; and
- Employers with 51 employees or more: Up to 20 days of leave.

Leave may be intermittent or continuous, but the employer may require that it be used in increments of at least two hours. Employees must exhaust any available FMLA leave before using the new leave, but they may substitute any paid or unpaid leave to which they are entitled. Employers may require reasonable verification of the child's NICU stay.

Rule Changes for Chicago Paid Leave and Paid Sick and Safe Leave

Revised rules for the Chicago Paid Leave and Paid Sick and Safe Leave Ordinance took effect June 1. Among other things, the revisions address requirements for joint employers; provide that nonexempt employees accrue leave during overtime; allow leave when a paid babysitter, relative or friend who provides childcare for the employee is unavailable during the employee's work hours; and permit alternate employer policies that meet or exceed all requirements of the ordinance (such as PTO for any reason, available at the start of employment).

One notable new provision allows employers to **discipline employees** who abuse paid sick leave or use the leave for unauthorized purposes. As examples of such abuse, the rule gives the following patterns of use:

- Taking unscheduled paid sick leave on or adjacent to weekends, regularly scheduled days off, holidays, vacation or pay day;
- Taking scheduled paid sick leave on days when other leave has been denied; and
- Taking paid sick leave on days when the employee is scheduled to work a shift or perform duties perceived as undesirable.

The discipline can include termination.

As background, the Paid Leave and Paid Sick and Safe Leave Ordinance requires all Chicago employers to allow eligible employees to accrue one hour of paid leave and one hour of paid sick and safe leave for every 35 hours worked. Employers may cap accrual at 40 hours of each type of leave per year. Employees are eligible for leave if they work at least 80 hours in Chicago within any 120-day period.

Louisiana

Louisiana enacted a bill requiring private employers to provide up to 30 days of unpaid leave to employees for organ and bone marrow donation, effective Aug. 1, 2026. Employers may grant a longer leave if they choose. (The bill also provides for paid donor leave for state employees.)

Maine

Benefits under the state's new paid family and medical leave program began in May, offering up to 12 weeks of job-protected, paid employee leave. Funding for the program is evenly split between employees and employers with at least 15 employees. The Maine Department of Labor has issued rules to help implement the program, along with other employer resources available on the Paid Family and Medical Leave website.

On July 1, 2026, the maximum weekly benefit for the program increased to $1,249.12 from $1,198.84, in accordance with an increase to the state's average weekly wage.

Maryland

At the end of March and in April, the Maryland Department of Labor issued final regulations, FAQs and other information for the state's paid family and medical leave program, for which contributions begin Jan. 1, 2027. Benefits will start at some point between that date and Jan. 3, 2028, as determined by the state's labor commissioner. As part of the recent activity on the program, the state set the contribution rate at 0.9% of workers' wages for calendar year 2027.

Highlights of the regulations include the requirement that employers count all employees, both within and outside Maryland, to determine their size. Organ, tissue and body part donations will be **qualified leave events**, as will chronic conditions, prenatal care and incapacity due to pregnancy, childbirth, miscarriage or stillbirth.

New **notice provisions** in the regulations require employers to provide at least one pay period's notice of the start of contribution withholding and of any changes to employee contributions. In addition, employers must provide notice of the program and its benefits six months before benefits start and 30 days before any changes to the employer's procedures.

The state also announced that employers that intend to apply for private plan approval in 2027 and wish to be exempt from contributions during the "seeding period" for the program (calendar year 2027) must submit a declaration of intent between Sept. 1, 2026 and Nov. 15, 2026. Private plan applications will be available in 2027.

Minnesota

Earned Sick and Safe Time (ESST) Rules

New rules for Minnesota ESST took effect on July 6, 2026, clarifying issues such as how to determine an employee's anticipated hours worked (and therefore eligibility for ESST) and the default accrual year (the calendar year). The new rules also address, among other things:

- How to credit accrual;
- Employees' discretion to designate leave as ESST; and
- When minimum standards and requirements of the ESST law apply to excess leave under more generous sick and safe time policies.

In provisions employers will welcome, the rules explain issues relating to the effect of ESST use on employer incentives (such as for perfect attendance), employers' ability to deny leave when employees fail to provide reasonable documentation, and employees' misuse of ESST.

Minnesota also released FAQs about the rules.

ESST is paid leave for purposes such as an employee's illness, their need to care for a sick family member, or their need to seek assistance because of domestic abuse, sexual assault or stalking. The law generally covers employers with at least one employee. Employees, including part-time and temporary employees, are eligible for ESST if they are anticipated to work at least 80 hours in a year in Minnesota for their employer.

Crime Victim Leave

As of Aug. 1, 2026, the Minnesota requirement that employers provide reasonable leave for employees to attend criminal proceedings is expanded to cover victims of stalking and their family members. Notice and verification requirements apply to employees taking the leave.

New Jersey

New Jersey Family Leave Act Expansion

On July 17, 2026, unpaid, job-protected leave under the New Jersey Family Leave Act was expanded to cover private employers with at least 15 employees. Before the change took effect, the law applied only to employers with 30 or more employees. Additionally, eligibility requirements for employees under the Act were reduced: Leave is now available to employees who have worked for their employer for only three months (instead of 12) and for 250 hours (instead of 1,000) during the 12 months before leave.

The Act provides employees with up to 12 weeks of family leave every two years for reasons such as bonding with a new baby and caring for a family member with a serious health condition. The New Jersey Division on Civil Rights updated its guidance on the FLA to address these changes. The linked webpage also includes an updated fact sheet and FAQs.

Job Protection for State Temporary Disability Insurance (TDI) and Family Leave Insurance (FLI) Recipients

Also on July 17, amendments to the New Jersey TDI and FLI programs took effect that require job protection for employees receiving TDI or FLI benefits. Before the amendments, TDI and FLI had historically been cash benefit-only programs that did not provide a job-protected right to leave. The state released guidance about the new job protection entitlement.

Employees may receive up to 26 weeks per year of TDI for nonwork-related illnesses or injuries, including pregnancy, that prevent them from working. FLI benefits are capped at 12 weeks per year and are available for leave for reasons similar to those under the FLA, plus for specific purposes related to domestic violence and sexual assault. Most New Jersey workers are covered by TDI/FLI if they meet earnings requirements. The amendments mean many employees taking family and medical leave not covered by the FLA or FMLA will nonetheless have a right to job-protected leave.

New York

On July 23, 2026, rule amendments took effect in New York City, implementing changes made earlier in the year to the city's Protected Time Off Law, formerly known as the Earned Safe and Sick Time Act.

The background to the rule revisions is the Feb. 22, 2026, expansion of the law, which added new reasons for leave and required employers to provide an additional 32 hours of up-front unpaid time off for every employee at the start of employment and the beginning of each calendar year.

The amended rules provide guidance to employers on their new compliance obligations, including which bank of leave to draw from when employees have protected time off available for use. Among other things, the revised rules also:

- Clarify penalties and employee relief when an employer refuses to allow paid prenatal leave;
- Clarify that employers may meet their obligation to provide some or all of the 32 immediately available hours of unpaid protected time off as paid leave; and
- Specify that employers should provide paid protected time off to comply with other legal obligations, or to meet the criteria for an overtime exemption under state or federal law, such as the federal Fair Labor Standards Act's salary basis test.

The revisions additionally address employers' obligation to provide employees with information about protected time off accrual and balance on separation from employment.

Oregon

For claims beginning on or after June 28, 2026, the maximum weekly benefit for Oregon's paid family and medical leave program is $1,692.16 (up from $1,636.56).

Rhode Island

On July 1, 2026, the maximum weekly benefit for Rhode Island's temporary disability insurance and temporary caregiver insurance programs increased to $1,150, and the minimum weekly benefit to $148, not including any dependency allowance. The weekly benefit rate remains the same throughout the entire benefit year.

South Carolina

On June 30, 2026, South Carolina enacted a law requiring employers to provide employees with job-protected leave for Civil Air Patrol service, effective Oct. 1. Leave is paid for public employees and may be unpaid for employees of private employers. Thirty days of leave per year are required for emergency operations, while only 10 days per year are required for training. Notice and verification requirements apply to employees on leave, and nondiscrimination requirements apply to employers. Furthermore, employees may file private suits against their employers for alleged violations of the law.

Virginia

Paid Family and Medical Leave

On April 22, Virginia enacted a paid family and medical leave law, establishing a program for which contributions will begin April 1, 2028, and benefits will begin Dec. 1 of that year. Up to 12 weeks per year of leave will be allowed for specific family and medical leave reasons, including safety leave, which will be limited to four weeks. Employees are eligible under the program if they meet the income requirements for Virginia unemployment insurance. Leave is job-protected for employees who have worked for their employer for 120 days before the leave.

The program will be funded by contributions split evenly between employees and employers with more than 10 employees. The contribution rate will be set by Oct. 1, 2027.

Employers will have to provide notice to employees of the program upon hiring and annually thereafter, when an employee requests leave, and when the employer acquires knowledge of an employee's intent to take leave that may meet the eligibility requirements of PFML.

Paid Sick Leave

Just a few weeks later, on May 20, 2026, Virginia passed a paid sick leave law, which will eventually apply to all Virginia employees according to the following phased-in schedule:

- **July 1, 2027**: Employers with 50 or more employees
- **Jan. 1, 2028**: Employers with 25 or more employees
- **Jan. 1, 2029**: Employers with 1 or more employees

Most employers and employees are covered by the law. Leave accrues at the rate of one hour per 30 hours worked, and employers may cap accrual and use at 40 hours per year. Unused accrued leave carries over to the following year, but if employers front-load the full 40 hours at the beginning of the year, they do not have to allow carryover. Employers are not required to pay out unused, accrued sick leave.

The reasons for leave include medical reasons—either the employee's or their family member's, and safe leave.

Employers may require reasonable documentation of leave, such as a doctor's note, after three days of leave. Employees have a private right of action against employers for alleged violations.

Emergency Responder Leave

Virginia's new emergency responder leave law took effect July 1, 2026. Employers must provide unpaid leave to employees who are responding to an emergency alarm or state of emergency, if the employee is part of an official fire department or emergency medical service. Notice and certification requirements apply to employees using the leave, who may use their accrued paid leave.

Employer Takeaways

Employers operating in the states mentioned above should become familiar with any employee leave changes or new leave rights that apply to their employees. Employers should update their policies and procedures as necessary to comply with recent changes to employee leave requirements. Supervisors and managers should also be made aware of changes.

New Jersey employers should begin complying with the expanded employee leave rights under the state's Family Leave Act and TDI/FLI programs if they have not already done so. Employers with employees in Maryland will want to familiarize themselves with existing and ongoing guidance and rules, paying special attention to notice and private plan application deadlines.