

2026 Employment Law Updates

Effective January 1, 2026, numerous state and local government employment laws have taken effect. Below is a non-exhaustive summary of key employment law updates for January 2026. For additional insights, register for the 2026 Employment Law Developments: Key Considerations for Employers webinar [here](#).

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State	Topic	Summary of Employment Law Update
Arizona	Minimum wage	<p>Effective January 1, 2026, the Arizona minimum wage increases to \$15.15 per hour, as required by the voter-approved Fair Wages and Healthy Families Act and adjusted to reflect inflation. Effective January 1, 2026, the base wage for tipped employees also increases to \$12.15 per hour with a \$3.00 tip credit.</p> <p>Additionally, employers must maintain detailed payroll records for at least four years and post the official minimum wage and paid sick leave notice developed by the Industrial Commission of Arizona (ICA).</p>
Arizona	Flagstaff city minimum wage	<p>Effective January 1, 2026, the city of Flagstaff's minimum wage increases to \$18.35, which reflects the state increases required by the voter-approved Fair Wages and Healthy Families Act and rising inflation. Unlike the state changes, Flagstaff's base rate for tipped employees will not change, and no tip credit will be recognized.</p> <p>Employers must maintain detailed payroll records for at least four years and post the official minimum wage and paid sick leave notice in English and Spanish as developed by the city's Labor Standards Unit. Note that the notices must also be provided in any other language spoken by over 5% of the employer's workforce.</p>

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Arizona	Tucson city minimum wage	<p>Effective January 1, 2026, the city of Tucson's minimum wage increases to \$15.45, which reflects the state increases required by the voter-approved Fair Wages and Healthy Families Act and adjusted to reflect inflation. Effective January 1, 2026, Tucson's cash wage base rate also increases to \$12.45 with a \$3.00 tip credit.</p>
California	Bias mitigation training	<p>Effective January 1, 2026, employees who may acknowledge that they have personal bias or test as having personal bias as part of a legally compliant bias mitigation training are not engaging in unfair discrimination so long as the acknowledgement or test was made in good faith.</p>
California	Minimum wage	<p>Effective January 1, 2026, California's minimum wage increases to \$16.90 per hour. Additionally, nearly 30 California cities and counties are set to increase their minimum wage.</p>
California	Overtime	<p>Effective January 1, 2026, the exemption salary threshold increases to \$70,304 for an employee to be classified as exempt as part of the salary basis requirement for the minimum wage and overtime pay requirements under state law.</p>
California	Pay data reporting	<p>Effective January 1, 2026, as part of the Payroll Employee Report reporting cycle (due in May 2027), demographic information gathered by employers or contractors for the reports must be stored separately from personnel records. Additionally, effective January 1, 2026, employers are required to classify employees using 23 job categories from the Standard Occupational Classification system (which is an increase from the 10 EEO-1 job categories previously used by employers). These reports must be submitted by private employers with 100 or more employees with at least 1 employee in California to the California Civil Rights Department. Courts are also required to impose penalties against employers for failure to file these reports.</p>

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California	Stay or pay provisions	Effective January 1, 2026, employers cannot require employees to enter into agreements in which the employee repays debt (including signing and relocation bonuses) to the employer at the termination of employment unless the agreement falls into a statutory exception. The exceptions include repayment obligations for government loan programs, tuition assistance, apprenticeship programs, real estate-related agreements, and, if certain conditions are met, at the time of hire.
California	Unpaid protected leave	Effective January 1, 2026, the Healthy Workplaces Healthy Families Act and Government Code 12945.8 are amended to permit employees to use leave if they (or their family members) are victims of certain crimes and need to attend judicial proceedings for that crime. Additionally, the amendments revise the covered uses of paid leave to include those covered by unpaid leave laws.
California	Wage transparency	Effective January 1, 2026, the existing California pay transparency law is amended in a number of ways, including revising the definition of "pay scale" to mean "a good faith estimate of the salary or hourly wage range that the employer reasonably expects to pay for the position upon hire"; changing the statute of limitations from two years to three years; adding that an employee can seek relief for the entire time in which there is a violation but not to exceed six years; adding a cause of action for unlawful compensation decisions; and adding a definition for "wages" that includes "all forms of pay..."

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Colorado	Artificial intelligence	<p>Effective February 1, 2026, the Colorado Artificial Intelligence Act (CAIA) establishes key laws, rules, and regulations for any organization that develops or deploys “high-risk” AI systems that make or significantly influence decisions in areas such as hiring, lending, healthcare, housing, and more. Under the CAIA, these entities must exercise reasonable care to prevent unlawful bias against protected classes (such as age, race, disability, sex, etc.).</p> <p>Employers classified as “deployers” under the CAIA are those that use a high-risk AI system, while “developers” are employers that develop or significantly modify an AI system. Under the CAIA, deployers need to comply with certain requirements, including but not limited to implementing a risk management policy, completing an annual impact assessment, and providing notice to employees that a high-risk AI system is being used to make consequential employment decisions.</p>
Colorado	Local tip offset	<p>Effective January 1, 2026, HB 25-1208 allows local governments with minimum wages higher than the Colorado minimum wage to utilize the Colorado tipped minimum wage. Currently, no more than \$3.02 per hour in tips may be used to offset a local government's tipped minimum wage. HB 25-1208, however, affords local governments more flexibility in setting tipped minimum wages, so long as the tipped minimum wage is not lower than the Colorado tipped minimum wage.</p>
Colorado	Maximum awards for administrative claims	<p>The maximum award for administrative claims before the Colorado Department of Labor and Employment Division of Labor Standards and Statistics (“Division”), which has long been \$7,500 per employee, is being raised significantly, increasing the potential exposure to employers:</p> <ul style="list-style-type: none"> ▪ Through June 30, 2026: The limit remains \$7,500 per employee; ▪ From July 1, 2026, to December 31, 2027: The limit increases to \$13,000 per employee; and ▪ Starting January 1, 2028: The Director will set a new limit every two years, increasing the previous year's limit by at least \$1,000, or more if needed to keep up with inflation.

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Colorado	Minimum wage	Effective January 1, 2026, Colorado's minimum wage increases to \$15.16 per hour if no local minimum wage applies. In 2026, the "w/ tip credit" rate is \$12.14 per hour. Employers can pay qualified tipped employees a minimum of \$12.14 per hour in base pay, provided tips (plus that base pay) bring the total up to the full minimum wage.
Colorado	Paid Family and Medical Leave	Effective January 1, 2026, Colorado's Family and Medical Leave Insurance (FAMLI) program provides up to an additional 12 weeks of leave for individuals taking care of an infant in the NICU. Employers may require an employee to apply for or exhaust FAMLI as a prerequisite to accessing employer provided benefits pursuant to the employer's applicable policy but not as a prerequisite to accessing any types of leave that an employer is required to provide or that the individual may be eligible to apply for by law.
Colorado	The Kelly Loving Act	Changes from Colorado's Kelly Loving Act (HB25-1312) became effective immediately upon signing on May 16, 2025, for most anti-discrimination provisions. Key sections related to identity documents (like driver's licenses and birth certificates) are set to take effect on October 1, 2026, allowing time for state systems to update. The Act clarifies protections for transgender individuals, including chosen names and pronouns, and modernizes identity document processes.
Colorado	City and county of Denver minimum wage	Effective January 1, 2026, the city of Denver and Denver County minimum wage is \$19.29 per hour with the tip credit wage increasing to \$16.27 per hour.
Colorado	City of Boulder and Boulder county minimum wage	Effective January 1, 2026, the city of Boulder and Boulder County minimum wage is \$16.82 per hour with the tip credit wage increasing to \$13.80 per hour.
Colorado	City of Edgewater minimum wage	Effective January 1, 2026, the city of Edgewater minimum wage is \$18.17 per hour with the tip credit wage increasing to \$13.50 per hour.

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Connecticut	Paid sick leave	Effective January 1, 2026, Connecticut expands its paid sick leave to apply to employees of employers that employ 11 or more employees in the state. Specifically, covered employers are required to provide paid sick leave annually to each of its employees in the state, which accrues starting on January 1, 2026. This is an increase in coverage of the state's paid sick leave mandate. The phased implementation under the recent legislation expands paid sick leave accrual to nearly all private-sector employees over a three-year period and includes updated accrual, use, carryover, notice, and recordkeeping requirements
Connecticut	Minimum wage	Effective January 1, 2026, Connecticut's minimum wage increases to \$16.94 per hour.
Delaware	Paid family and medical leave	<p>Effective January 1, 2026, Delaware's Paid Family and Medical Leave Insurance Program allows employees to file claims and receive benefits.</p> <p>The Delaware Paid Family Leave Program provides job protected paid leave for employees who work at least 60% of their hours in Delaware, have worked for their employer for one year and have worked at least 1,250 hours in the last 12 months. Employees may take up to 12 weeks leave for birth, adoption, and foster care placement. Employees may take up to 6 weeks for their own or their family members' serious health condition or when they need to assist with a family members' overseas military deployment.</p>
Hawaii	Minimum wage	Effective January 1, 2026, Hawaii's minimum wage increases to \$16.00 per hour.
Illinois	Artificial intelligence	Effective January 1, 2026, the Illinois Human Rights Act prohibits employers from discriminating against employees based on the employer's use of AI that considers factors like race, zip code, etc. Employers must also inform applicants and employees when AI is used in employment decision-making. The amendment comes with specific notice requirements in these circumstances.
Illinois	Blood and organ donation leave	Effective January 1, 2026, in addition to providing organ donation leave to full-time employees, employers covered by Illinois' organ donation leave law must also provide paid leave to part-time employees who are organ donors. The Illinois Department of Labor is expected to issue additional guidance regarding this amendment.

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Illinois	Nursing mothers in the workplace	Effective January 1, 2026, lactation break time provided to employees to express breast milk must be paid at the employee's regular rate of pay unless doing so would be an undue hardship to the employer. Undue hardship is defined by the Illinois Human Rights Act as "prohibitively expensive or disruptive" in relation to several factors, including but not limited to the financial resources of the employer, the size of the employer, and the impact on business operations. Employers also may not require employees to use paid leave for these breaks (or to reduce an employee's compensation during the break).
Illinois	Vessa	Effective January 1, 2026, the Victims' Economic Security and Safety Act prohibits employers from discriminating against employees who used employer-issued devices to document or record domestic, sexual, or gender violence. This applies to documenting or recording violence against themselves, family members, or other members of their household. Employers must grant employees access to such documentation or recordings.

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Illinois	Workplace Transparency Act	<p>Effective January 1, 2026, the Illinois Workplace Transparency Act expands the definition of “unlawful employment practice” to include any unlawful practice that is actionable under federal or state employment laws (this includes safety issues covered by OSHA and wage and hour claims). Prior to January 1, 2026, “unlawful employment practice” included any form of discrimination, harassment, or retaliation. The Act also now prohibits language in employment agreements that prevent an employee from engaging in “concerted activity” related to work issues. It also adds requirements for employment agreements, settlement agreements, arbitration agreements, and related agreements covering confidentiality. Unless specific conditions are met (mutual agreement, in writing, separate bargained for consideration and certain acknowledgments), employment agreements and arbitration agreements may not unilaterally: shorten the statute of limitations, apply non-Illinois law to Illinois-based claims, or require adjudication of Illinois claims outside of Illinois if that would prevent an employee from pursuing or receiving a right or remedy related to unlawful employment practices. For settlement agreements, separation agreements, and related agreements covering confidentiality, a confidentiality provision covering unlawful employment practices must be supported with separate, bargained for consideration that is separate from any consideration for a release or other terms. It also provides additional rights for employees to testify in proceedings concerning criminal conduct and unlawful employment practices, including allowing employees to participate in related depositions and provides new remedies available to employees in that employees can now also recover “consequential damages.” Remedies available to employees apply to challenges to enforceability of employment agreements and to defense of claims for breach of confidentiality under the Act.</p>
Maine	Overtime exemption threshold	<p>Effective January 1, 2026, Maine has higher weekly salary thresholds than federal law for certain overtime exemptions (professional, executive, and administrative). The new threshold increases to \$871.16 per week.</p>

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Maine	Minimum wage	<p>Effective January 1, 2026, Maine's minimum wage increases to \$15.10 for all hours worked in the state. Similarly, the cash wage increases to \$7.55 with a \$7.55 tip credit. Employers must post the new minimum wage notices from the Maine Department of Labor.</p>
Maine	Portland city minimum wage	<p>Effective January 1, 2026, the city of Portland's minimum wage increases to \$16.75 for all hours worked in the city. Similarly, the cash wage increases to \$8.38 with an \$8.38 tip credit. Employers must post the new minimum wage notices from the Maine Department of Labor.</p>
Maine	Rockland city minimum wage	<p>Effective January 1, 2026, the city of Rockland's minimum wage increases to \$16.00 for all hours worked in the city. Similarly, the cash wage increases to \$8.00 with a \$8.00 tip credit.</p>
Massachusetts	Paid family leave	<p>Effective January 1, 2026, the maximum weekly benefit available under the Massachusetts Paid Family leave program increases to \$1,230.39. Employers are responsible for posting updated notices and workplace posters which reflect this change.</p>
Michigan	Minimum wage	<p>Effective January 1, 2026, Michigan's minimum wage increases to \$13.73 per hour.</p>
Minnesota	Meal and rest breaks	<p>Effective January 1, 2026, Minnesota requires that employers allow employees: (1) paid rest breaks of at least 15 minutes within each four consecutive hours worked, long enough to use the nearest convenient restroom or longer if necessary; and (2) a meal break of at least 30 minutes when an employee works six or more consecutive hours. Breaks of less than 20 minutes must continue to be treated as paid working time, and these updated requirements apply unless a collective bargaining agreement lawfully establishes different break provisions.</p>

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Minnesota	Paid family and medical leave	<p>Effective January 1, 2026, Minnesota's Paid Family and Medical Leave (PFML) program begins providing most Minnesota workers with up to 12 weeks of Medical Leave and 12 weeks of Family Leave, subject to a combined cap of 20 weeks of state-funded leave per benefit year, administered through the Department of Employment and Economic Development.</p>
		<p>Employers must begin withholding employee premiums and remitting their share of the 0.88% premium on taxable wages as of January 1, 2026, decide whether to participate in the state plan or pursue an approved equivalent private plan, and coordinate PFML with existing leave policies so that protected leaves run concurrently when permitted.</p>
Minnesota	Paid sick leave	<p>Effective January 1, 2026, Minnesota's Earned Sick and Safe Time (ESST) law permits employers to advance (i.e., frontload) earned sick and safe time to employees before it is accrued, based on the hours an employee is anticipated to work for the remainder of the accrual year. If the advanced amount is less than what the employee ultimately would have accrued based on actual hours worked, the employer must provide additional earned sick and safe time to make up the difference, and any frontloaded time must otherwise comply with the minimum standards in the ESST statute.</p>
Minnesota	Retirement benefits	<p>Beginning in the first quarter of 2026, Minnesota plans to open enrollment in the Minnesota Secure Choice Retirement Program, a state-facilitated IRA program for private-sector employees who do not have access to an employer-sponsored retirement plan. Under the authorizing statute, the Secure Choice Board must begin operations no earlier than January 1, 2025, and must open the program in phases, with all phases launched within two years of the initial opening.</p> <p>Employers that do not sponsor a retirement plan will, as they are phased in, be required to register with the program, facilitate automatic payroll deductions into Secure Choice IRAs for employees (who may change contribution rates or opt out entirely), and remit contributions to the state-administered program in accordance with program rules.</p>

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Minnesota	Minimum wage	<p>Effective January 1, 2026, Minnesota's minimum wage increases to \$11.41 per hour for all employers and the 90-day training wage for workers under age 20 increases to \$9.31 per hour.</p> <p>Employers must update the required state minimum wage poster and provide updated written wage notices to employees reflecting any change in pay rate before the change takes effect.</p>
Minnesota	Minneapolis minimum wage	<p>Effective January 1, 2026, the Minneapolis minimum wage increases to \$16.37 per hour for employees working at least two hours inside the city of Minneapolis and will continue to be indexed annually each January 1.</p> <p>Employers must display the city minimum wage poster in a conspicuous location and in any additional languages required based on the workforce.</p>
Minnesota	St. Paul minimum wage	<p>Effective January 1, 2026, the Saint Paul minimum wage for large and macro employers increases to \$16.37 per hour. Further scheduled rate increases for small and micro employers go into effect on July 1, 2026.</p> <p>Employers must post the updated HREO Labor Standards Workplace Poster—covering minimum wage, earned sick and safe time, and wage theft protections—in a location where employees can easily see it.</p>
Missouri	Minimum wage	<p>Effective January 1, 2026, Missouri's minimum wage increases to \$15.00 per hour.</p>
Montana	Minimum wage	<p>Effective January 1, 2026, Montana's minimum wage increases to \$10.85 per hour.</p>
Montana	Non-competes	<p>Effective January 1, 2026, Montana's non-compete law bans non-compete and non-solicitation agreements for physicians. However, this ban does not prohibit payback provisions for loans, relocation bonuses, signing bonuses or tuition repayment agreements.</p>
Nebraska	Minimum wage	<p>Effective January 1, 2026, Nebraska's minimum wage increases to \$15.00 per hour.</p>

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New Hampshire	FMLA	<p>Effective January 1, 2026, employers with 20 or more employees are required to grant their employees up to 25 hours annually of unpaid, job protected leave to attend certain medical appointments related to childbirth, postpartum care, and pediatric care for their children within the first year of birth or adoption. Under the new law, employees may attend their own medical appointments for childbirth-related or postpartum care or pediatric medical appointments for their child. While the new leave is unpaid, employers must allow employees to use accrued vacation or other appropriate paid leave for any portion of the leave. Employers may also request employees to provide reasonable documentation to confirm the leave is used for its intended purpose.</p>
New Hampshire	Veterans' spouses	<p>Effective January 1, 2026, employers with 50 or more employees at a single location in New Hampshire are required to add new employment protections for employees whose spouses are involuntarily mobilized for military service. Under the new law, House Bill 225 (HB 225), employers cannot discharge employees, deny employment, or subject employees to adverse action because of their spouse's mobilization. While federal law, such as the Uniformed Services Employment and Reemployment Rights Act, provides job protection for service members themselves, HB 225 extends similar protections to service members' spouses in New Hampshire.</p>
New Jersey	Minimum wage	<p>Effective January 1, 2026, New Jersey's minimum wage increases as part of the constitutionally required CPI-adjusted schedule:</p> <ul style="list-style-type: none"> <li data-bbox="670 1396 1160 1459">▪ Most employees: \$15.92 per hour (up from \$15.49 in 2025); <li data-bbox="670 1480 1144 1543">▪ Seasonal & small employers (<6 employees): \$15.23 per hour; <li data-bbox="670 1564 1209 1596">▪ Agricultural workers: \$14.20 per hour; <li data-bbox="670 1617 1290 1723">▪ Tipped employees: Minimum cash wage \$6.05 per hour with a tip credit up to \$9.87 (total must reach state minimum); and <li data-bbox="670 1744 1176 1807">▪ Direct care staff in long-term care facilities: \$18.92 per hour.

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New York	Minimum wage	<p>Effective January 1, 2026, New York's minimum wage increases as follows:</p> <ul style="list-style-type: none"> ▪ New York City, Long Island & Westchester: \$17.00 per hour; and ▪ Remainder of New York State: \$16.00 per hour.
New York	Overtime exemption thresholds	<p>Effective January 1, 2026, New York State sets higher weekly salary thresholds than federal law for certain overtime exemptions (executive and administrative):</p> <ul style="list-style-type: none"> ▪ NYC, Long Island & Westchester: \$1,275 per week (~\$66,300 per year); and ▪ Remainder of NY State: \$1,199.10 per week (~\$62,353.20 per year).
New York	Retirement benefits	<p>Effective March 18, 2026, for employers with more than 30 employees, the New York Mandatory Retirement Program begins. New York's Secure Choice Program is a state-run retirement program that mandates and facilitates the creation of Roth IRAs for private-sector employees who do not have access to a qualified retirement plan through their employers.</p> <p>Beginning in March of 2026, New York will require most private-sector employers to register for the Program or certify their exemption from the Program. Employers with 30 or more employees must register by March 18, 2026; those with 15-29 must register by May 15, 2026; those with 10-14 employees must register by July 15, 2026.</p>

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New York City	Paid sick leave	<p>Effective February 22, 2026, new amendments expand the NY City Earned Sick Time Act (ESSTA). Employers must provide 32 hours of unpaid safe and sick time to covered employees, in addition to the paid sick and safe time that was already provided by the statute; and the covered uses of safe and sick time expand to reach new employee circumstances, including but not limited to when an employee is a caregiver to a child or care recipient and needs to provide such care, when an employee or the employee's family member has been the victim of workplace violence, and when the employee's workplace or the employee's child's school or other childcare provider is closed due to a public disaster and as ordered by public officials..</p> <p>The amended ESSTA requires employers to make the additional 32 hours of unpaid safe/sick time available immediately at hire, as well as to "frontload" it at the start of each new benefit year. The unpaid safe/sick time may be used immediately by employees upon receipt. Further, under the amended ESSTA, if an employee communicates to their employer that they need time off for a purpose covered by safe/sick time, the employer must provide paid safe/sick time unless the employee has no such time available or the employee specifically requests to use other leave in lieu of paid safe/sick time.</p>
North Carolina	Biological sex definitions	<p>Effective January 1, 2026, North Carolina utilizes a new definition of "biological sex," which applies to all its administrative rules, regulations, and adopted public policies. The statute defines biological sex as "the biological indication of male and female in the context of reproductive potential or capacity, such as sex chromosomes, naturally occurring sex hormones, gonads, and nonambiguous internal and external genitalia at birth, without regard to an individual's psychological, chosen, or subjective experience of gender."</p>

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Ohio	Pay transparency	<p>Effective December 3, 2025 (enforcement delayed until January 1, 2027), Columbus requires employers with 15 or more employees within the city to include a reasonable salary range or scale in all job postings. Employers must provide a clear compensation range for positions advertised or posted, reflecting wages, commissions, and other monetary earnings, and update job posting templates and hiring policies accordingly.</p>
Ohio	Minimum wage	<p>Effective January 1, 2026, Ohio's minimum wage increases to \$11.00 per hour for non-tipped employees and \$5.50 per hour for tipped employees pursuant to the state's inflation-indexing requirement.</p>
Oregon	Sick leave	<p>Effective January 1, 2026, Oregon expands paid sick leave to cover employees who use accrued sick time for blood donation. Specifically, the law covers blood donations made in connection with a voluntary program approved or accredited by the American Association of Blood Banks or the American Red Cross.</p>
Oregon	Pay per visit home care updates	<p>Effective January 1, 2026, Oregon prohibits home health care and home hospice agencies from paying their staff on a per visit basis. The bill does not apply to physicians, nurse practitioners, psychiatrists, psychologists, volunteers, certain statutorily defined home and direct care workers, and those classified as a supervisor.</p>
Oregon	Wage theft prevention notice	<p>Effective January 1, 2026, Oregon's new pay transparency law requires employers to provide new hire employees with certain information. Specifically, the law requires that employers provide a written explanation of earnings and deductions shown on employee's itemized paystubs or wage statements. The explanation must include general information on all types of pay rates, all benefit contributions and deductions, all types of deductions that may apply, purpose of deductions, allowances claimed as part of minimum wage, employer-provided benefits, and all payroll codes for pay rates and deductions. Employers can satisfy this requirement by making the information available to employees in an easily accessible location, such as a link to a website, a document posted in a central location, a shared file, or delivery by e-mail.</p>

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Oregon	Workplace violence new plan for healthcare employers	<p>Effective January 1, 2026, Oregon law covers workplace violence obligations for healthcare employers. The law requires certain employers to “develop and implement an assault prevention and protection program for employees” based on “periodic security and safety assessments to identify existing or potential hazards for assaults.” Among other factors, the assessment must include: (1) a measure of frequency of workplace violence and attempts of workplace violence committed on the premises of a health care employer or in the home of a patient receiving health care services during the preceding five years; (2) an analysis of root causes and consequences of workplace violence committed against employees, including a plan for addressing those causes; and (3) findings on the extent to which various security considerations were implemented to mitigate the risks of workplace violence.</p> <p>Other obligations imposed by the new law for certain healthcare employers include annual workplace violence training; new identification badge requirements that allow an employee to display only their first name; the creation of safety committees; enhanced security measures, like physical barriers; and other data reporting measures.</p> <p>Oregon’s new law applies to health care employers, including hospitals, home care agencies, hospice programs, and other health-related settings.</p>
Pennsylvania	Crown Act	<p>Effective January 24, 2026, Pennsylvania’s CROWN Act expands the definition of “race” in the Pennsylvania Human Relations Act to include traits historically associated with race, such as hair texture and protective hairstyles (including braids, locs, twists, and afros). The law also clarifies that religious head coverings and hairstyles associated with religious practices fall within the scope of “religious creed” as defined in the Pennsylvania Human Relations Act.</p>

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Pennsylvania	City of Philadelphia ban-the-box	<p>Effective January 6, 2026, Philadelphia extends its Fair Criminal Record Screening Standards (FCRSS) ordinance to clarify what offenses and types of records may be considered in employment decisions and to reduce the lookback period for misdemeanor convictions. Additionally, if an employer identifies that it intends to run a background check as part of a job offer or advertisement, the employer must also state that any consideration of a background check will be an individualized assessment based on the applicant's record and the specific job role in question. The amendment also adds new pre-adverse action requirements, including that applicants must be provided: a summary of their rights under the FCRSS, a statement that the employer will consider, if provided by the applicant, any evidence of errors in the criminal history records and evidence of rehabilitation/mitigation with a list of appropriate evidence (as identified by the amendment), and information/instruction on how the applicant can provide evidence or additional information to the employer. The amendment also includes anti-retaliation language for applicants that exercise their rights under the FCRSS.</p>
Pennsylvania	City of Pittsburgh paid sick leave	<p>Effective January 1, 2026, Pittsburgh's Paid Sick Days Act increases the accrual rate and annual usage caps for employees working within the city. Employees now accrue one hour of paid sick time for every 30 hours worked in Pittsburgh (previously one hour per 35 hours). Employers with 15 or more employees must allow employees to accrue and use up to 72 hours of paid sick leave annually, while employers with fewer than 15 employees must allow up to 48 hours.</p>

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Rhode Island	Notice of terms for hiring	<p>Effective January 1, 2026, Rhode Island employers are required to provide written notice in English to each employee at the start of employment containing certain information. Specifically, the notice must contain: (1) the rate and basis of pay, including whether pay is by hour, shift, day, week, salary, piece, commission, or otherwise; (2) allowances pursuant to meals and lodging; (3) the policy on sick, vacation, personal leave, holidays, and hours; (4) the employee's employment status and whether the employee is exempt from overtime or minimum wage; (5) a list of deductions that may be made from the employee's pay; (6) the number of days in the pay period, the regularly scheduled payday, and the payday on which the employee will receive the first payment of wages earned; (7) the legal and operating name of the employer; (8) the physical address of the employer's main office or principal place of business; and (9) the employer's telephone number.</p> <p>Employers must keep a copy of the notice provided, which should be signed by the employee to recognize acknowledgment of their receipt. Employers who violate this new provision are subject to a fine by the Rhode Island Department of Labor and Training of up to \$400 for a first or second violation.</p>
Rhode Island	Temporary caregiver leave	<p>Effective January 1, 2026, Rhode Island's Temporary Caregiver insurance expands coverage to include employees who need to take temporary caregiver leave to either (1) participate as a bone marrow donor or (2) participate as a living organ donor. For bone marrow transplants, the expansion allows no more than 5 days of recovery from any procedures, medical tests, or surgeries related to donor participation. For living organ donations, the expansion allows for no more than 30 days of recovery.</p>
Rhode Island	Temporary caregiver leave	<p>Effective January 1, 2026, Rhode Island increases the temporary caregiver leave from 7 to 8 weeks in a benefit year. Employers remain required to restore an employee returning from temporary caregiver leave to a comparable position with equivalent seniority.</p>

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Rhode Island	Temporary disability insurance	Effective January 1, 2026, Rhode Island's Temporary Caregiver insurance program expands wage replacement benefits to workers who need time off to care for a sibling. The amendment defines "sibling" as "children with a common parent, including biological siblings, half-siblings, step-siblings, foster siblings, and adopted siblings."
South Dakota	Minimum wage	Effective January 1, 2026, South Dakota's minimum wage increases to \$11.85 per hour for non-tipped employees and \$5.925 per hour for tipped employees.
Texas	Artificial intelligence	Effective January 1, 2026, the Texas Responsible Artificial Intelligence Governance Act (TRAIGA) establishes rules for harmful AI uses, such as self-harm incitement, deepfakes, and discrimination. TRAIGA also establishes the Texas Artificial Intelligence Council, enlisting a group of experts to advise on the ethical, privacy, and public safety implications of implementing or developing AI systems. TRAIGA outlines a set of prohibited practices, including the use of AI to manipulate human behavior, assign a social score (by government entities), discriminate against individuals unlawfully, infringe on individuals' constitutional rights, and capture individuals' biometric data without consent.
Vermont	Minimum wage	Effective January 1, 2026, Vermont's minimum wage increases to \$14.42 per hour.
Virginia	Minimum wage	Effective January 1, 2026, Virginia's minimum wage increases to \$12.77 per hour.
Washington	Healthcare worker meal and rest breaks	Effective January 1, 2026, Washington's law governing meal and rest breaks for healthcare workers is amended to add additional requirements for when and how a healthcare worker can waive a meal or rest break. This amendment expands the instances in which a meal and rest break may be waived and sets specific substantive requirements for the waiver itself.
Washington	Minimum wage	Effective January 1, 2026, Washington's minimum wage increases \$17.13. Additionally, nearly 10 Washington cities and counties are set to increase their minimum wage.

State	Topic	Summary of Employment Law Update
Washington	Non-competes	Effective January 1, 2026, the income threshold for non-compete agreements increases to \$126,858.83 per year for employees and \$317,147.09 per year for independent contractors. Only employees and independent contractors earning above these thresholds may enter non-compete agreements.
Washington	Overtime	Effective January 1, 2026, to qualify as an overtime-exempt worker, an employee must be paid at least 2.25 times the minimum wage (\$80,168.40) annually, regardless of the size of the employer.
Washington	Paid family and medical leave	Effective January 1, 2026, Washington's Paid Family and Medical Leave program (PFML) provides additional protection to employees, including expanding job restoration rights, changing benefits continuation periods, addressing leave stacking issues, and reducing minimum claim duration periods. Job restoration requirements now apply to employers with more than 25 employees, for any employee who has worked for at least 180 days before taking leave (with additional changes for employers with less than 25 employees coming in 2027 and 2028), and they add information about what an employee must do to exercise job restoration and what information an employer must provide employees about job restoration. Employers are also required to maintain health benefits for employees during any period the employee is entitled to job protection. Employers may count FMLA leave against an employee's PFML job restoration period if the employee is provided written notice within 5 business days of the employee's request for FMLA leave and monthly thereafter. PFML may also now be taken in a minimum of 4 consecutive hour increments, rather than the prior 8 hour requirement.
Washington	Paid sick leave	Effective January 1, 2026, victims of hate crimes are eligible to take leave under Washington's Domestic Violence Leave program. Hate crimes are defined as commission, attempted commission, or alleged commission of assault, physical damage to or destruction of property that place a person in reasonable fear of harm to person or property, where the Act is based on race, color, religion, ancestry, national origin, gender, sexual orientation, gender expression, or disability.

State	Topic	Summary of Employment Law Update
Washington	Workplace safety training	Effective January 1, 2026, hotel, motel, retail, security guard and property services companies that employ “isolated” employees must provide them panic buttons for use during their employment. Covered employers are also required to provide certain mandatory trainings on sexual harassment, assault, discrimination and the use of panic buttons. Employers must maintain records of these trainings and of the purchase and use of panic buttons. Employers must also provide a list of resources to “isolated” employees. Employers are subject to civil penalties for violations of this Act.
Washington	Workplace violence	Effective January 1, 2026, healthcare employers are required to develop and implement a workplace violence prevention plan for the purpose of preventing violence and protecting employees in the workplace. This law sets forth certain substantive and procedural requirements for the violence prevention plan and requires healthcare employers to investigate and report incidents of workplace violence to the state. Healthcare employers include hospitals; home health, hospice, and home care agencies; evaluation and treatment facilities; behavioral health programs; and ambulatory surgical facilities (all of which are defined by Washington law).
Washington, D.C.	Automatic expungement of certain criminal history	Effective January 1, 2026, a new amendment to the Second Chance Act introduces automatic sealing and expungement for certain criminal records. The amendment allows for automatic removal of certain decriminalized or low-level offenses, like older marijuana possession, arrests that did not result in conviction, and certain misdemeanors after a 10-year waiting period. This impacts employers as criminal history records will be less accessible, meaning employers will need to adapt their processes for evaluating applicant criminal history. In addition, employers will need to review their adverse action processes and potentially, hiring processes, to ensure records that have been sealed or expunged are not inadvertently considered.

Please note that the above is a non-exhaustive summary of recent employment law developments. For questions or assistance with employment law compliance in 2026, or to ensure you are informed about the latest updates, please contact your Polsinelli attorney.