Statutory Update



MMA-ADL.com/blog

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Federal Law Updates

The One Big Beautiful Bill Act and its Effect on Employment Benefits

On July 4 <u>HR1/Public Law No. 119-21</u>, now more commonly known as the "One Big Beautiful Bill Act", was enacted. Largely focused on tax changes and government spending initiatives, the Act did have a few employment-related benefit implications, with changes to:

- · Health Savings Accounts;
- Dependent Care Flexible Spending Accounts and the Dependent Care tax credit;
- · Commuter benefit plans;
- Employer tax credits for providing Paid Family and Medical Leave and/or child care;
- · Adoption-related tax assistance;
- · Student loan reimbursement programs; and
- Employee tax deductions for Overtime and Tips.

For detailed analysis, please see:

- MMA Health & Welfare Compliance Services (7/17/25): One Big Beautiful Bill Act Becomes Law
- IRS Fact Sheet (7/14/25): One Big Beautiful Bill Act: Tax deductions for working Americans and seniors

Family and Medical Leave Updates

Colorado Family and Medical Leave Insurance – SAWW and Maximum Weekly Benefit (eff. 7/1/25)

On June 24 Colorado's Department of Labor and Employment (CDLE) <u>announced</u> an increase in the State Average Weekly Wage (SAWW), from \$1,471.34 to \$1,534.94.

As the SAWW is a factor in the calculation of Colorado Family and Medical Leave Insurance (CO FAMLI) benefits, the following are applicable to existing and new claims as of July 1, 2025:

- · Claimants will see an increase in their weekly benefit amount, which is the sum of:
 - 1) 90% of employee's Average Weekly Wage (AWW) that is less than or equal to 50% of the SAWW (50% = \$767.47); *plus*
 - 2) 50% of the portion of wages that exceed 50% of the SAWW.
- The Maximum Weekly Benefit, which is 90% of the SAWW, increased from \$1,324.21 to \$1,381.45.

The Colorado Department of Labor and Employment has updated the <u>Premium and Benefits Estimator</u> to reflect the change.

Connecticut Paid and Unpaid Family and Medical Leave – Amendments (eff. 10/1/25)

Connecticut Paid Leave (CT PL) and the Connecticut Paid Family and Medical Leave Act (CT FMLA) both apply to all private employers, and both currently exclude municipalities (as defined <u>here</u>), local or regional boards of education, and non-public elementary or secondary schools. CT PL also excludes employees of the federal government and state employees covered by a collective bargaining agreement. Collective bargaining units representing employees of the state or employees of local or regional boards of education may negotiate for their members to participate in the CT PL program.

On June 30 the governor of Connecticut signed budget bill <u>HB7288/Public Act No. 25-174</u>, which expands eligibility for CT PL and CT FMLA effective October 1, 2025 to include employees of public school operators or non-public elementary or secondary schools whose positions do *not* require professional certification under <u>CT Gen. Stat. Ch.</u> 166.

• The new law defines "public school operator" as a local or regional board of education, an interdistrict magnet school operator, including an interdistrict magnet school operator described in section <u>CT Gen. Stat. §10-264s</u>, a state or local charter school, an endowed or incorporated academy approved by the State Board of Education pursuant to <u>§10-76d</u>, or a cooperative arrangement pursuant to <u>§10-158a</u>. This term replaces "local or regional board of education" in the definition of Employer under both laws.

- Positions that do not require certification include, but are not limited to, administrative staff, bus drivers, custodians, cafeteria staff, and paraprofessionals. Employees of public school operators whose positions do require certification are still only included in the CT PL program if negotiated through collective bargaining; employees of non-public elementary or secondary schools do not have this option.
- Employee Eligibility:
 - CT PL: Employees are eligible for CT PL benefits if they have been employed for at least 12 weeks prior to their claim and have earned at least \$2,325 during the highest earning quarter of their Base Period. An employee's Base Period is the first four of the five most recently completed quarters prior to their claim. Benefit payments are based on an employee's average weekly earnings during the two highest paid quarters of their Base Period, referred to as their Base Weekly Earnings.
 Eligibility for "non-certified" school employees covered as of October 1 will be the same in terms of the service requirement and earnings threshold; however, the CT Paid Leave Authority will be establishing alternative methods for calculating the Base Period and Base Weekly Earnings for these employees.
 - CT FMLA: Employees are eligible for leave under CT FMLA if they have worked for their employer
 for at least three months immediately preceding their request for leave.
 "Non-partified" appeal amployees appeared as of October 1 will be eligible for CT FMLA if they work
 - "Non-certified" school employees covered as of October 1 will be eligible for CT FMLA if they worked for the public school operator or non-public elementary or secondary school for at least three months in the 12-month period prior to leave.

The Paid Leave Authority has provided some guidance under the "A note for employees of schools" section of the <u>Coverage and Eligibility page</u> and on the <u>Municipality or School page</u> of the <u>CT PL website</u>. The Connecticut Department of Labor has not yet updated resources on the CT FMLA website.

Schools whose employees will be covered by Connecticut Paid Leave on October 1 should prepare by:

- registering with the CT Paid Leave Authority;
- notifying their employees of the start of CT PL contributions and eligibility for CT PL, CT FMLA and the CT Family Violence Leave Act;

It is unclear whether the Prototype of Employer's Written Notice of Employee's Rights under CT FMLA and CT PL, found <u>here</u>, will be updated or if a separate notice will be developed.

- · begin collecting contributions from their employees starting October 1; and
- · prepare to submit wage reports along with collected contributions following the end of each quarter.

More information on employer requirements may be found on the Connecticut Paid Leave website.

HB7288/Public Act No. 25-174 also amended Connecticut Paid Sick Leave; see below.

Delaware Paid Leave

Contributions toward the Delaware Paid Leave program began January 1, 2025; employees may begin claiming benefits on January 1, 2026.

Amendments (eff. 7/30/25)

On July 30 the governor of Delaware signed <u>HB128</u>, which made the following changes to the Delaware Paid Leave (DE PL) <u>law</u>, effective immediately:

Private Plans (§3716)

- Expanded application timeframe: During the development of the process for private plans it was
 outlined that employers wishing to establish a private plan may apply to do so only between October 1
 and December 1 of each year, to be effective that January 1. HB128 amends this so that applications
 will be accepted on a rolling basis, and that plans will be effective the first day of the calendar quarter
 following approval. Additional information on timing, such as how much lead time an employer must
 provide in submitting an application, may be outlined in future regulations.
- Employers with an approved self-insured private plan may collect contributions from employees beginning on July 30, 2025.

Previously, the law text was silent on this, however the <u>Final Regulations</u> issued in February instructed that regardless whether a private plan was insured or self-funded, employers were prohibited from taking contributions from employees prior to January 1, 2026. The <u>revised regulations</u>, effective August 11, 2025, remove the reference to self-funded plans from this section (*more on the revised regulations below*).

Note: Employers may only deduct for PFML contributions that were "earned" in the current pay period. Employers are not permitted to deduct for amounts that should have been deducted in previous pay periods.

- The DE PL law requires that employers with 10 or more employees in the state must provide parental leave, and that those with 25 or more employees must provide parental leave, family caregiving (including military exigency), and medical leave. HB128 states that employers with 10 to 24 employees who are not required to provide family caregiving and medical leave may elect to include either or both of these coverages in their private plan. If the employer does make this choice, all provisions of the DE PL law will apply to the "voluntary" coverage.
- HB128 also adds that employers sponsoring private plans will not be required to provide claim
 documentation to the Delaware Department of Labor unless the claim is the subject of an appeal,
 complaint, audit, or specific inquiry.

Coordination of Benefits (§3709)

- The DE PL law permits employers to coordinate benefits paid through their disability and/or paid leave
 policies with benefits received through DE PL. HB128 adds to this section to expressly state that
 disability insurance benefits may be offset by DE PL benefits pursuant to the terms of a disability
 insurance policy. Employers must provide employees with written notice of this requirement (not a
 change).
 - Further, the amendments designate DE PL as the primary payor to other available income replacement benefits (i.e., DE PL offsets other leave benefits, not just disability). Benefits must be coordinated with the DE PL benefit according to the terms of the employer's governing policy or procedures.
- Previously, the law allowed employers to require employees to use unused accrued paid time off (vacation and sick leave) before accessing DE PL benefits. Also permitted was that the use of accrued paid time off could be counted toward the total length of DE PL, if the employee was not required to exhaust all of their paid time off. HB128 replaces both of these employer provisions, stating instead that employees may not be required to use unused accrued paid time off prior to accessing DE PL benefits. The employer and employee may agree to use the employee's accrued paid time off to supplement any DE PL benefits.
- The amendments do *not* change that an employee may not access DE PL benefits if the receipt of these benefits results in the employee receiving more than 100% of their regular weekly wages.

HB128 also makes changes to various other sections of the law, with amendments regarding claimants with child support obligations, the establishment of a Paid Leave Advisory Committee, and potential methods for collection of past due assessments, interest, or penalties for violations of the DE PL law.

Regulations Updates (eff. 8/11/25)

Our <u>March 6 Update</u> included a summary of changes to the DE PL program regulations. Early this month the Delaware Department of Labor adopted further amendments. The <u>updated rules</u> became effective <u>August 11</u> and include the changes below. *Note that additional revisions may follow to address the changes to the law summarized above.*

Definitions

The definition of "Average Weekly Wage" has been changed from being based on 52-weeks to calendar quarters per wage reporting:

"Average weekly wage" means the employee's average gross earnings, that are earned in Delaware, as determined under the Federal Insurance Contribution Act, 26 <u>U.S.C. Chapter 21</u> ("FICA"), whether salaried or hourly (prior to any payroll deductions or withholdings) as reported on the quarterly Hours &

Wage report for the 4 completed calendar quarters immediately preceding the filing of a claim application. If 4 completed calendar quarters are unavailable, the Division will accept the weekly average of the 3 completed calendar quarterly Hours & Wage reports immediately preceding the filing of a claim application.

If the employee is salaried, divide the employee's gross Delaware FICA wages* for the past 4 completed calendar quarters immediately preceding the claims application by 52 weeks to obtain the average weekly wage.

* The employee's gross earnings earned in Delaware, as determined under FICA.

Employee Count / Benefit Threshold Changes

The DE PL law requires that employers with 10 or more employees in the state must provide parental leave, and that those with 25 or more employees must provide parental leave, family caregiving (including military exigency) and medical leave.

Prior versions of the regulations stated that whenever an employer's employee count reaches the 10 or 25 employee threshold, the employer must provide the corresponding coverage(s) within 5 weeks of the date the change occurred in order for the employer to have adequate time to notify their employees of the change in benefits. The new coverage(s) must remain in effect for at least 52 consecutive weeks.

The updated regulations provide employers with a little more breathing room, stating that:

- Employers will be required to determine their employee count at the beginning of each quarter.
- Once an employer's employee count reaches the 10 or 25 employee threshold, the employer
 must provide employees with 30 days' notice of the change in benefits, within 10 days of the
 date the headcount reached the threshold. The new coverage(s) and employee payroll
 deductions will be effective the first day of the quarter following the expiration of the 30-day
 notice requirement. The new coverage(s) must remain in place for four consecutive calendar
 quarters.
- If more than four calendar quarters passes and the employee count remains below a threshold (10 or 25 employees), the same timeframe applies: the employer must provide their employees with 30 days' notice of the change within 10 days, and the corresponding coverage(s) and employee payroll deductions will end on the first day of the quarter following the expiration of the 30-day notice period.
- This cycle restarts each time the employee count reaches one of the thresholds.

Contributions

For 2025 and 2026, the total DE PL contribution rate is .8% of wages, up to the <u>OASDI limit</u> set by the Social Security Administration (\$176,100 in 2025 and announced each October for the following calendar year). The total rate is broken down by coverage as follows:

- Parental leave: .32% of wages
- Medical leave: .4% of wages
- Family caregiving leave (incl. qualifying exigency): .08% of wages

An employer may deduct from employee wages no more than 50% of the contribution required for each leave type.

The revised regulations added some context for employers who might choose a different contribution setup (updates in italics):

An employer must select its employer/employee contribution split if it differs from the Act's default of 50/50. Employers may contribute more than 50% of the total contribution, but not less than 50%. If an employer decides to contribute a variation of 50/50, the employer must properly notice the employer's variation to all affected employees and report the contribution split on its quarterly Hour & Wage report.

The Division of Paid Leave and all of the employer's employees must be notified of any change in the employee/employer contribution split, either increase or decrease, by December 1 of the year prior to the January 1 effective date the following year.

• Employers may have different employee/employer contribution splits for different classes of employees, if: (1) the split applies equally to all that employee classes' lines of coverage; and (2) the employee classes are defined without reference to protected classes.

Although an employer may have a different employee/employer contribution split for different classes of employees, the employee/employer contribution split must be the same for all lines of coverage in the same employee class.

Maximum Claim Duration

Under the DE PL law eligible employees are entitled to up to 12 weeks per Application Year* for parental leave, and up to 6 weeks per 24-month period for medical leave, family caregiver leave, and military exigency leave combined. The maximum amount of leave is 12 weeks per Application Year.

* The Application Year is the <u>12-month period of leave as defined under the FMLA</u> and as selected by the employer.

The regulations had previously indicated that the 6 weeks/24-month maximum for medical leave, family caregiver leave, and military exigency leave would be determined by reviewing a 24-month period "look-back period" ending on the first day of requested leave.

The revisions to the regulations clarify that the 24-month period for medical leave, family caregiver leave, and military exigency leave will consist of two Application Years, and new claims will be reviewed as follows:

- for employers whose Application Year is a calendar year, the 24-month period begins on January 1 of the first Application Year in which the employee used the benefit type, and continues through to December 31 of the second Application Year; or
- for employers whose Application Year is a fixed 12-month period, the 24-month period begins on the first day of the first Application Year in which the employee used the benefit type, and continues through to the last day of the second Application Year; or
- for employers whose Application Year is a 12-month period measured forward, the 24-month
 period begins on the first day of requested leave for that benefit type and continues for 24
 months from the date the employee first used the benefit type; or
- for employers whose Application Year is a rolling 12-month period measured backward, the 24-month period begins on the first day of requested leave for that benefit type within the previous 24 months.

The revised regulations add that, although an employee may have more than one qualifying event per 24-month benefit period, the total number of weeks available for a particular leave type during that benefit period may not exceed six.

Taxation of Benefits

The regulations previously stated that state and federal income tax would automatically be withheld from DE PL benefit payments: a flat 3% for state income tax, and the average effective rate for the prior year for federal income tax.

The updated regulations amend this, so that a claimant may elect to have federal and state income tax withheld from their benefit payments. If this option is chosen, state tax will be withheld at 3% and federal tax will be withheld at 10%.

District of Columbia Paid Family Leave – Minimum Wage and Weekly Benefit Increase (eff. 7/1/25)

The minimum wage for (non-tipped) District of Columbia employees <u>increased</u> from \$17.50 per hour to \$17.95 per hour effective July 1, 2025. As this value factors into the calculation of DC PFL benefits, beginning July 1, 2025 the benefit formula is:

- Employees who earn an average weekly wage* equal to or less than \$1,077** are entitled to weekly benefits equal to 90% of their average weekly wage, rounded to the nearest dollar.
- Employees who earn an average weekly wage* greater than \$1,077** are entitled to weekly benefits equal to the sum of the following, rounded to the nearest dollar:
 - 1) \$969*** plus
 - 2) 50% of the amount by which their average weekly wage exceeds \$1,077**.
- Maximum Weekly Benefit: \$1,153

(the maximum would apply for employees earning ~\$75,100 and above annually; this maximum is adjusted each October)

- * An employee's Average Weekly Wage is the total wages subject to contribution under §32-541.03 earned during the 4 quarters during which the employee's wages were the highest out of the 5 quarters immediately preceding the qualifying leave event, divided by 52. Multiple sources of income may be combined to determine average weekly wage.
- ** 150% of the DC minimum wage multiplied by 40 (\$56,000 annual earnings)
- *** 90% of 150% of DC minimum wage multiplied by 40

The DC PFL Benefits Calculator has been updated to reflect the new minimum wage.

Maine Paid Family and Medical Leave

Our <u>March 6 Update</u> included reminders about employer registration requirements and the private plan application process that began April 1. Below are a few changes that have happened since then.

Amendments (eff. 9/24/25)

On June 12 the governor of Maine approved <u>LD894</u>, which makes several amendments to the ME PFML law (26 MRS Ch. 7, Sub Ch. 6-C) effective September 24, 2025, including:

Intermittent Leave

As amended <u>last year</u>, §850-B(5) of the law states that:

"Leave permitted by this section may be taken by an employee intermittently in increments equalling not less than one day, or on a reduced leave schedule otherwise agreed to by the employee and the employer, except that the employee and employer may not agree for leave to be taken in increments of less than one hour. The taking of leave intermittently or on a reduced leave schedule may not result in a reduction in the total amount of leave to which the employee is entitled."

LD894 further amends this to specify that the minimum increment is one work day, remove the reference to reduced schedule leave (from this section), and omit the (somewhat confusing) sentence regarding the reduction of total leave entitlement. The new section reads:

"Leave permitted by this section may be taken by an employee intermittently in increments equaling not less than one work day, unless a lesser increment is agreed to by the employee and the employer, except that the employee and employer may not agree to leave under this section to be taken in increments of less than one hour."

Contributions

Non-compliance penalties: §850-F(9) of the law currently states that an employer that fails to make required state program contributions will be assessed a penalty of 1% of its total annual payroll for each year of non-compliance, plus to any amounts previously owed, plus the total amount of ME PFML benefits paid to employees for whom it failed to make premium contributions.

LD894 adds a new subsection (11) stating that if an employer fails to make a payment in whole or in part of contributions, including penalties or assessments imposed, and the employer has exhausted all rights to an appeal, the Department of Labor may enforce collection by (1) filing a civil action in the name of the Commissioner, and (2) collecting the amount owed by levy on a 3rd party that has possession or control of property in which the employer may have an interest.

Successor employer liability: Subsection 12 is added to §850-F so that an individual or organization
that acquires an employer or a substantial part of its assets is liable for any premium contributions,
penalties and assessments unpaid by the employer in the amount owed. The successor's liability
may not exceed the reasonable value of the acquisition. Upon written request, the Department of
Labor will provide the successor with information about the amount owed and other information as
determined necessary.

Private Plan Penalties

§850-H(6) of the law currently states that employers who violate private plan requirements are subject to a fine of up to \$100 per violation. LD894 adds to this that, if a private plan is found to have lapsed during the plan approval period, the employer may be assessed a fine equal to the amount of the premiums the employer would have owed to the state program for the lapse period, plus a penalty of 1% of the employer's total payroll for that same period. An employer may not make any deductions from employees to pay this fine.

Updated Resources

- Employers are invited to review our recent post, <u>Preparing for Maine's PFML program: A quick guide</u>, on the Connecting with Compliance blog.
- The MDOL has continued to refresh the tools and resources on the <u>ME PFML webpage</u>; recent developments include:
 - the addition of Frequently Asked Questions for Employees that provide employees information on the ME PFML program and details about the application process for when benefits begin May 1, 2026; and
 - July updates to the Frequently Asked Questions for Employers addressing employer and employee notice requirements and job and benefits protection. One addition of note:

Does taking PFML affect employees' ability to earn other benefits (like PTO or bonuses)?

No. Taking PFML does not affect an employee's right to accrue or receive other employment benefits. While on leave, the employee is still entitled to:

- Accrue vacation time and sick time (if employer policy provides for such time).
- Continue earning bonuses, advancement, seniority, or service credit.
- Maintain participation in benefit plans or programs.

This means employers must treat the leave period as if the employee were actively working for the purpose of these benefits.

Employers are encouraged to monitor developments on the <u>ME PFML webpage</u>, and to sign up for the "Get Notified!" list for updates.

Minnesota Paid Leave

Minnesota's paid family and medical leave program, Minnesota Paid Leave (MN PL), becomes effective January 1, 2026 for both contributions and benefits.

Model Notice Available (due by 12/1/25)

- Beginning December 1, 2025, employers are required to notify their employees of their rights and benefits under the MN PL program by:
 - posting a notice in a conspicuous place at each worksite, in English and each language other than English which is the primary language of five or more employees or independent contractors of that worksite, if such translation is available from the Minnesota Department of Employment and Economic Development (DEED);
 - 2) providing notice to each current employee* (by December 1) in the employee's primary language; and
 - 3) providing notice to each new employee* within 30 days of the start of employment in the employee's primary language.
 - * Per the MN PL law, delivery is made when an employee provides written or electronic acknowledgment of receipt of the information, or signs a statement indicating refusal to sign such acknowledgment. In cases where an employee refuses to acknowledge receipt, an employer must be able to demonstrate the way the employee had been notified. Future guidance may address how employers may satisfy this requirement.
- Notices may be provided in paper or electronic format. For notice provided in electronic format only, the
 employer must provide access to an employer-owned computer during an employee's regular working hours
 for them to review and print the notice.
- The <u>model notice</u> is available in the <u>Employer Resource Toolkit</u>. Translations will be posted soon; employers may reach out to the <u>MN PL Contact Center</u> if they are in need of a translation not automatically provided.
- Seasonal employees employed for no more than 150 days during any consecutive 52-week period in
 hospitality (see full definition <u>here</u>) must be given notice they are not eligible to receive MN PL benefits. The
 notice must be provided to current seasonal employees by December 1, 2025 and at the time an
 employment offer is made. It is expected that DEED will provide a model notice for this purpose.

Final Regulations

On June 16 the DEED published <u>adopted regulations</u> in the <u>State Register</u>. The regulations provide some guidance around topics such as equivalent/private plans, voluntary program participation, employee responsibilities during claim, required documentation, and fraud. However, as they were developed under "expedited" conditions, we'll likely see updates to them in the coming months. Below are a few items that may be of interest to employers (*this is not a full summary of the regulations*):

- Employer Response to Requests for Information (state program): An employer must respond to DEED's
 request for information about an employee's application within seven calendar days of the request. If
 DEED does not receive a response, the application will be processed without the information requested
 from the employer.
- Designation of supplemental benefits: Under the MN PL law, employers may, but are not required to, designate certain benefits as "supplemental benefits" to allow for "top up" of the MN PL benefit (MN PL benefits may be prorated if supplemental benefits are not designated as such). Supplemental benefits may be in the form of employer-provided benefits such as, but not limited to, salary continuation, vacation leave, sick leave, or other paid time off, and the combined benefit may not exceed 100% of the employee's regular wages. It is the employee's choice whether or not to use supplemental benefits along with MN PL benefits.

The regulations build on this by stating that an employer may choose whether to designate payments to a covered individual as supplemental benefits through the employer's internal policies and procedures. An employer must report any supplemental benefits for a covered individual to DEED. In addition, the

regulations make it clear that employers are prohibited from requiring an employee to use supplemental benefits.

- Offset of benefits received from other states: If an applicant is eligible for paid leave benefits from a
 public program in a state other than Minnesota, for the same qualifying event that renders the applicant
 eligible for paid leave benefits from Minnesota's program, benefits paid by Minnesota must be offset by
 any benefits received from the other state.
- · Frequency of Benefit Payments:
 - · Continuous leave benefits must be paid weekly.
 - For applications submitted and approved prior to the effective date of leave, DEED will begin processing the first payment seven calendar days after the effective date of leave.
 - For applications submitted or approved after the effective date of leave, DEED will begin processing the first payment either seven calendar days after the effective date of leave or the next business day following approval of the application, whichever is later.
 - Intermittent leave is eligible for payment up to once weekly. To seek payment for an intermittent leave, an applicant must report to DEED the dates and times of absences related to the leave.
- Equivalent/Private Plans
 - Notice to Employees: In addition to established program notice requirements (<u>above</u> and in <u>MN</u>
 <u>Stat. §268B.26</u>), employers sponsoring private plans must provide notice to their employees about this coverage by the later of:
 - 1) 30 days from the start date of employment, or
 - 2) 30 days before premium collection begins.

The notice must include:

- an affirmation that the private plan confers all of the same rights, protections, and benefits provided to employees under the state-administered plan;
- the effective date of the approved private plan:
- a description of the private plan's wage replacement benefits;
- a description of the private plan's leave and employment protection benefits;
- a description of the process to determine employee eligibility;
- a description of the process to calculate and collect employee contributions;
- the employee's appeal rights; and
- the employee's optional alternatives to appeal a benefits determination to the private plan administrator, if such alternatives exist.

It is not clear whether DEED will provide a model or template for this notice.

Employers must also provide notice to employees about any termination of a private plan.

- Reporting: In addition to wage detail reports required each quarter, beginning November 1, 2026, private plans (both insured and self-funded) must submit an annual report to DEED. The report must be provided by November 1 each year and include the following:
 - total eligible claims;
 - · the number and percentage of claims attributable to each category of benefit;
 - claimant demographics by age, race or ethnicity, gender, average weekly wage, occupation, and the type of leave taken;
 - the percentage of claims denied and the reasons the claims were denied;
 - average weekly benefit amount paid for all claims and by category of benefit;
 - changes in the benefits paid compared to previous fiscal years;
 - · processing times for initial claims processing, initial determinations, and final decisions;
 - average duration for cases completed; and
 - the number of cases remaining open at the close of the year.

- Surety bond collection (self-funded plans only): The surety bond acquired by the employer must name the Department of Employment and Economic Development as an obligee and must allow for recovery of costs and fees incurred by the Department in pursuing a claim on the bond.
 DEED will collect the full value of the surety bond when a self-funded plan (1) is involuntarily terminated; or (2) voluntarily terminated, but the plan does not provide coverage through the effective date of the termination.
- Plan amendments: Any substantive* amendments to an approved private plan must be filed with DEED no less than 30 days before the amendment goes into effect. If the amendment to the employer plan involves a private insurance product, that insurance product must be approved by the Commissioner of Commerce and be issued by an insurance company authorized to transact insurance business in the state.
 - * Neither the law nor the regulations define "substantive"; this may be provided in future guidance.
- Employee access to records: An employee covered by a private plan is entitled to, upon request
 and free of charge, access to, and copies of, all documents, records, and other information
 relevant to their claim for benefits. A private plan must provide the data requested within ten
 business days of receipt of the request.

Equivalent Plan Updates

The Minnesota Department of Employment and Economic Development (DEED) has begun accepting applications for equivalent/private plans.

- Whether participating in the state MN PL program or offering MN PL coverage through an equivalent plan, employers must have accounts set up with both Unemployment Insurance (UI) and Minnesota Paid Leave for each of their Federal Employer Identification Numbers (FEIN). Employers use these accounts combined to meet responsibilities under Paid Leave such as reporting wage details, remitting premiums, and reviewing leave applications (see the Employer Accounts webpage for more details).
- Equivalent plan applications will be reviewed and approved on a rolling basis, and become effective
 the first day of the quarter following approval. Employers wishing to have their equivalent plan in place
 when the MN PL program launches on January 1, 2026 should submit their application by November
 10, 2025. Update 10/22/25: DEED has advised that this date was extended to November 15.
- An approved equivalent plan can cover both Family and Medical Leave, or only one leave type. Employers who offer an equivalent plan for only one type of leave must pay premiums and participate in in the state program to provide coverage for the other type.
- Applications are submitted via the employer's Paid Leave Administrator account.
 - Plans may be insured or self-funded:
 - Insured plans must be offered through an authorized carrier; see the <u>Approved Equivalent Plans listing</u> for carriers with approved plans.
 - During application, the "plan number" and "policy number" will be requested. The plan number is the "SERFF Tracking Number" on the <u>Approved Equivalent Plans listing</u>. The policy number is generated by the insurance carrier for the employer's MN PL policy and is found in policy documentation. A copy of the full policy will need to be submitted during application.
 - Self-funded plan applications must be accompanied by a <u>surety bond information form</u> and a plan document.
 - To set up a surety bond, employers need to work with a surety company authorized to do business in Minnesota. The value of the surety bond must be equal to the total annual premiums that would be due under the state program. The <u>Premium Calculator</u> may be used to estimate annual premiums.
 - The <u>Equivalent Plan Self-Insurance Guide</u> may be used to assist in drafting the plan document.

- A separate application is required for each of the employer's FEINs with employees working in Minnesota.
 - For employers with 5 or more FEINs who wish to include all of them in one application,
 Paid Leave has set up a process to help employers submit a consolidated request.
 This request will cover all subsidiaries and allow the employer to pay all corresponding
 fees in one transaction (see fees below). Employers may reach out to the Paid Leave
 team at EmployerServices.DEED@state.mn.us for instruction.
- An "approval and oversight" fee must be paid (per FEIN), with the amount based on employer size:
 - \$250 for employers with fewer than 50 employees;
 - \$500 for employers with 50 to 499 employees; and
 - \$1,000 for employers with 500 or more employees.

This fee is required for initial application for private plan approval, as well as any time the employer applies to amend the private plan.

- A list of equivalent plan requirements may be found on the <u>Equivalent Plans webpage</u>, which include (this is not the full list):
 - all employees who would be covered under the state plan must be covered under the equivalent plan;
 - · costs to employees cannot be more than what their premiums would be under the state plan; and
 - coverage must be extended following separation of employment until the former employee is
 hired by a new employer or 26 weeks pass, whichever occurs first. If a former employee files an
 application for benefits under the equivalent plan, the plan pays benefits for the totality of the
 leave. An equivalent plan may not cut off eligibility for a former employee during the course of an
 approved leave.
- Employers with approved equivalent plans are not required to remit contributions to the state for coverage provided under the plan; however, they must still submit quarterly wage detail reports and comply with requirements to notify employees about MN PL coverage.
- An equivalent plan must be in effect for a period of at least one year and, thereafter, continuously until withdrawn by the employer.
- Plans must be renewed each year on the original the policy effective date. A renewal fee will be required.

See additional Equivalent/Private Plan information taken from the adopted regulations above.

More information may be found on the <u>Equivalent Plans webpage</u> and in the 'Equivalent Plan Substitutions' section of the <u>Employer FAQ</u>.

Additional Updates

As a follow up to the information provided in our <u>June 13 Update</u>:

State Average Weekly Wage and Maximum Weekly Benefit for 2026

Last month the Minnesota Department of Labor and Industry (DLI) <u>announced</u> that the <u>State Average Weekly Wage (SAWW)</u> will increase from \$1,372 to \$1,423 effective October 1, 2025. The SAWW factors into several components of MN PL:

- 1) Financial eligibility test: A MN PL applicant is eligible for benefits if they earned at least 5.3% of the state's average annual wage, rounded down to the nearest \$100, during their <u>Base Period</u>. This would be about \$3,900 based on the new SAWW.
- 2) Benefit calculation: MN PL benefits will be calculated according to the following formula:
 - 1) 90% of the employee's average weekly wages that are 50% or less than the SAWW; plus
 - 2) 66% of wages between 51% and 100% of the SAWW; plus

3) 55% of wages that exceed 100% of the SAWW.

The maximum weekly benefit is equal to the SAWW.

Once an applicant's claim has started, their weekly benefit amount is not affected by a change in the SAWW. A change in the SAWW will apply to claims effective on or after the last Sunday in October.

More information, including a benefits calculator, may be found on the <u>Payments and Time Off</u> webpage.

3) "Small employers" pay 25% of the total contribution rate (so, .22% in 2026) and their employees pay the same contribution rate as those of larger employers (50% of the total contribution rate, or .44% in 2026).

An employer will be considered a "small employer" for 2026 if:

- 1) the highest number of Minnesota employees reported in a single quarter between October 1, 2024 and September 30, 2025 is 30 or fewer; and
- 2) the average employee wage is less than 150% of the SAWW.

See our <u>March 6 Update</u> and the <u>Premium Rate and Contributions webpage</u> for more details on the small employer rate.

Update 10/16/25: DEED confirmed for us in an email that for applicability of the small employer rate in 2026 the average employee wage should be compared against the SAWW in effect during the period 10/1/24-9/30/25: \$1,372. 150% of this is \$2,058 weekly, or \$107,016 annually.

Change to Maximum Contribution Rate

As noted in our March 6 Update, the MN PL contribution rate was increased from .70% to .88%. The rate is split 50/50 by employers and employees (.44% each), and may be applied against employee wages up to the OASDI limit set by the Social Security Administration (\$176,100 in 2025 and announced each October for the following calendar year). Small employers may be eligible for a smaller contribution, as summarized above.

Beginning in 2026 the rate will be reviewed and adjusted each July 31, up to the maximum stated in the law. On June 14 the governor signed <u>SF17</u>, which reduced this maximum from 1.2% to 1.1%.

See the Premium Rate and Contributions webpage for more information on contributions.

More on SF17 under Minnesota Earned Sick and Safe Time below.

- The MN PL Contact Center team recently added phone support to assist employers and employees with
 questions about the program. Paid Leave staff may be reached at 651-556-7777 or toll-free at 844-556-0444
 from 9:00 am to 4:00 pm, Monday through Friday, except for state holidays. Questions may also be
 submitted online.
- DEED has continued to add content to the <u>MN PL website</u>, including updates to the <u>Employer Resource</u>
 <u>Toolkit</u>, information for <u>employees</u>, and the Frequently Asked Questions for <u>Employers</u> and for <u>Employees</u>.
 Employers are encouraged to <u>subscribe</u> for regular updates.

Note: Among the guidance in the Employee FAQ is the following:

If I welcome a child in 2025, am I eligible for Paid Leave in 2026?

Yes, you can take bonding leave in 2026, as long as the leave is completed within 12 months of the child's birth, adoption, or foster placement. This means that parents who welcome a child in 2025 may each take up to 12 weeks of bonding leave in 2026.

For example, parents who welcome a child on June 1, 2025, would have between January 1, 2026 and June 1, 2026 to take up to 12 weeks each of bonding leave. Parents who welcome a child on March 1, 2025 would need to take their leave between January 1, 2026 and March 1, 2026. This means they would have time to take up to 8 weeks of bonding leave each.

New York Paid Family Leave - SAWW and Maximum Weekly Benefit (eff. 1/1/26)

On June 16 the New York State Workers' Compensation Board (NYS WCB) announced that the Maximum Weekly Benefit for Paid Family Leave (NY PFL) will increase from \$1,177.32 to \$1,228.53 for claims beginning on or after January 1, 2026.

The maximum weekly NY PFL benefit is based on 67% of the prior year's State Average Weekly Wage, which increased from \$1,757.19 in 2023 to 1,833.63 in 2024.

For more information on NY PFL, visit the NYS WCB's website.

Oregon Paid and Unpaid Family and Medical Leave

Paid Leave Oregon - Equivalent Plan Renewal Reminder (due by 9/1/25)

Employers who exercise the option to comply with Paid Leave Oregon (PLO) requirements through an "equivalent plan" must apply for reapproval once a year for a three-year period following initial approval. Future renewals will not be required unless changes are made to the plan.

- Application for reapproval is due no later than 30 days prior to the anniversary of the original effective date of the approved equivalent plan.
 - For the purposes of determining the reapproval requirement, the equivalent plan approval date
 and effective date are the first day of the calendar quarter immediately following the date of the
 original approval letter from OED.
 - For equivalent plans with an effective date of September 3, 2023 (the earliest effective date for equivalent plans), the anniversary date is October 1 beginning in 2025 (i.e., these plans must be renewed before September 1, 2025 or risk cancelation).
 - Employers should check emails for the renewal notice from the Paid Leave Oregon division of the Oregon Employment Department (OED). The reapproval <u>application</u> may be submitted by mail or online through the employer's Frances Online account.
 - It is important to keep contact information on Frances Online current to avoid missing notifications and updates.
 - Remember that a separate application must be submitted for each business, based on Business Identification Numbers (BIN).
 - Self-insured plan reapproval applications must be accompanied by <u>proof of solvency</u>. Insured plan applications must include information on the insurance carrier and policy details.
 - Fees:
 - \$250 for reapproval of an equivalent plan that has substantive amendments* to the plan as originally approved; or
 - \$150 for reapproval of an equivalent plan that has no changes or only non-substantive amendments* to the plan as originally approved.
 - Payment is required at the time the application is submitted.
- After the three-year period following the plan's original effective date, an application for reapproval must
 be submitted any time a substantive amendment* occurs. For non-substantive amendments, a copy of
 the revised equivalent plan must be submitted to OED at the time the change becomes effective.
 - * See OAR 471-070-2210 (6) and (7) for examples of "substantive" vs. "non-substantive" amendments.

More information may be found on the <u>Equivalent Plans webpage</u> and in related documents located in Resources.

Oregon Family and Medical Leave Act – Updated Model Notice (7/1/25)

Our <u>March 20, 2024</u> and <u>June 6, 2024</u> Updates included coverage of significant amendments to Paid Leave Oregon (PLO) and the Oregon Family and Medical Leave Act (OFLA) made by <u>SB1515</u>, most of which were effective July 1, 2024.

One change to OFLA was implemented on a temporary basis: from July 1 through December 31, 2024 eligible employees were entitled to an additional two weeks of unpaid leave to effectuate the legal process required for placement of a foster child or the adoption of a child. This provision became a qualifying reason for paid leave under PLO effective January 1, 2025.

An updated worksite notice reflecting OFLA's July 1 amendments was released by Oregon's Bureau of Labor and Industries (BOLI) last June; the revised poster included reference to the legal process for placement/adoption "through 2024". On June 16, 2025, BOLI announced July 1 updates to their Required Worksite Posters, the only change to the OFLA poster being the removal of this reference. Employers are encouraged to update their postings with the new version, which is available in English and several translations.

Rhode Island Temporary Disability Insurance and Temporary Caregiver Insurance

Maximum Weekly Maximum Weekly Benefit Increase (eff. 7/1/25)

Effective July 1, 2025 the maximum weekly benefit for Rhode Island Temporary Disability Insurance (RI TDI) and Temporary Caregiver Insurance (RI TCI) increased from \$1,070 to \$1,103 (\$1,489 with the Dependency Allowance). The minimum weekly benefit remains \$139.

More information, including the updated <u>UI/TDI Quick Reference</u> document, may be found on the Rhode Island Department of Labor and Training's <u>website</u>.

Amendments (eff. 1/1/26, 1/1/27 and 1/1/28)

The governor of Rhode Island recently signed legislation amending the Temporary Disability Insurance law (which includes Temporary Caregiver Insurance):

HB6066/SB974 (signed June 26)

Increase to the taxable wage base in 2026

Each September the Rhode Island Department of Labor and Training (DLT) sets the value for the maximum wages against which the contribution rate may be applied (the "taxable wage base") for the following calendar year, based on the formula outlined in §28-40-1 of the RI TDI law. While this value has increased each year (for 2025 it is \$89,200), the value stated in the law text since 1995 has been \$38,000. Effective January 1, 2026 the law has been amended to set the taxable wage base at \$100,000, with future year increases based on the existing formula.

Expanded definition of covered family members in 2026

RI TCI benefits may currently be claimed for an employee to care for a child, spouse, domestic partner, parent, parent-in-law, or grandparent with a serious health condition. Effective January 1, 2026 siblings are added to this list of covered family members. "Sibling" includes biological siblings, half-siblings, step-siblings, foster siblings, and adopted siblings.

Increase to the weekly benefit rate beginning in 2027

Currently, weekly RI TDI/TCI benefits are equal to 4.62% of the wages paid to an employee in the highest quarter of their Base Period*. HB6066/SB974 increases the benefit rate as follows:

- 5.38% for Benefit Years* that begin January 1, 2027 through December 31, 2027; and
- 5.77% for Benefit Years* that begin on or after January 1, 2028.
 - * A claimant's Base Period is the first 4 of the last 5 completed calendar quarters before the start date of a new claim, and their Benefit Year is the 52-week period beginning on the Sunday of the week during which they are first unable to work. Benefit payments begin as of the first day of unemployment due to illness/injury (TDI) or due to caregiver/bonding (TCI).

HB6065/SB829 (signed July 1)

RITCI benefits for bone marrow or organ donation in 2026

Beginning January 1, 2026 employees will be eligible to collect RI TCI benefits for a period they are unable to work due to procedures, medical tests, and surgeries related to bone marrow or organ donation. Benefits will be limited to 5 business days for recovery from bone marrow donation, and 30 business days for recovery from organ donation.

As a <u>reminder</u>, the maximum duration for RI TCI benefits increased from 6 weeks to 7 weeks effective January 1, 2025, and will increase again to 8 weeks beginning January 1, 2026.

Updates to the RI TDI/TCI website are expected in the coming months; the worksite poster will also be updated for 2026.

Vermont Parental and Family Leave Act – Amendments (eff. 7/1/25)

Originally enacted in 1989, Vermont's Parental and Family Leave Act (21 VSA §471-§472a) entitles eligible employees to up to 12 weeks of job-protected leave per 12-month period for:

- parental leave, during the employee's pregnancy and following the birth of the employee's child or within a year following the initial placement of a child 16 years of age or younger with the employee for the purpose of adoption; or
- family leave, for the serious health condition of the employee or the employee's child, stepchild or ward who lives with the employee, foster child, parent, spouse, or parent of the employee's spouse.

In addition to the 12 weeks of leave for the reasons above, employees are also entitled to "short term family leave" of up to four hours per 30-day period, not to exceed 24 hours in 12 months. This time may be used in a minimum of two-hour increments for the employee to:

- attend preschool or school activities related to their child's educational advancement;
- attend or accompany their child, spouse, parent, or parent-in-law to routine medical or dental appointments;
- accompany their spouse, parent, or parent-in-law to appointments associated with their well-care being; or
- respond to a medical emergency involving their child, spouse, parent, or parent-in-law.

Parental leave requirements apply to employers with 10 or more eligible employees; family leave requirements apply to employers with 15 or more eligible employees. Eligible employees are those who have been continuously employed by the same employer for a period of one year for an average of at least 30 hours per week.

Leave is <u>unpaid</u>, except that an employee may choose to use up to six weeks of sick, vacation or other time off for pay during their absence.

On May 22 the governor of Vermont signed <u>HB461/Act No. 32</u>, which made the following amendments effective July 1, 2025:

- Eligible employees are those who have been continuously employed by the same employer for a period
 of one year for an average of at least 30 hours per week (no change) or meet the service requirement for
 airline flight crew employees set forth in 29 CFR §825.801 (FMLA).
- · Parental leave is redefined as leave for:
 - 1) the employee's pregnancy;
 - 2) the employee's recovery from childbirth or miscarriage;
 - 3) the birth of the employee's child and to care for or bond with the child within one year after the child's birth;
 - 4) the initial placement of a child 18 years of age or younger with the employee for the purpose of adoption or foster care and to care for or bond with the child within one year after the placement for adoption or foster care.

- Reasons for leave are expanded from parental and family leave to also include:
 - 1) safe leave for needs resulting from the employee or the employee's family member being a victim or alleged victim of domestic violence, sexual assault, or stalking. Safe leave may be used to recover from injuries; to seek or obtain medical care, counseling, or legal services; to meet with law enforcement; to relocate; or to participate in safety planning. Note that the employee is not eligible if they are the perpetrator or alleged perpetrator of the offense.
 - 2) leave for qualifying exigency, identified pursuant to <u>29 CFR §825.126</u> (*FMLA regulations*), that is related to active duty service by a family member in the U.S. Armed Forces.
 - 3) bereavement leave due to the death of an employee's family member, which may include needs associated with the administration or settlement of the deceased family member's estate. Bereavement leave must be taken within one year after the family member's death, and is limited to two weeks (of the 12-week entitlement) per 12-month period, with no more than five workdays taken consecutively.

Along with parental leave, these new leave types apply to employers with 10 or more eligible employees; leave for an employee's or family member's serious health condition still only applies for employers with 15 or more eligible employees.

- "Family member" is more broadly defined:
 - Person to whom the employee is legally married under the laws of any state or a civil union or domestic partner of an employee;
 - Child, regardless of age, an employee's biological, adopted, or foster child; an employee's stepchild or legal ward; a child of the employee's spouse or civil union or domestic partner; or a child to whom the employee stands in loco parentis, regardless of legal documentation; an individual to whom the employee stood in loco parentis when the individual was under 18 years of age; or any individual for whom the employee provides caregiving responsibilities similar to those of a parent-child relationship;
 - Parent of the employee or an employee's spouse or civil union or domestic partner, regardless of whether the relationship to the employee or the employee's spouse or civil union or domestic partner is a biological, foster, adoptive, or step relationship; a legal guardian of an employee or employee's spouse or civil union or domestic partner; or a person who stands in loco parentis for the employee or who stood in loco parentis when the employee or employee's spouse or civil union or domestic partner was under 18 years of age;
 - Grandparent, grandchild, or sibling of the employee or the employee's spouse or civil union or domestic partner, regardless of whether the relationship to the employee or the employee's spouse or civil union or domestic partner is a biological, foster, adoptive, or step relationship.
- Short term family leave may be used for any covered family member; the maximum duration remains four hours per 30-day period, not to exceed 24 hours in 12 months
- Pay during leave may be received upon the employee's choice to use sick, vacation, other time off, or short-term disability insurance, and is no longer limited to six weeks. Use of these benefits does not extend leave entitlement.
- Employers may require written notice of the intent to take leave, which must include the leave dates. For leave for the birth or adoption of a child the employer may not require more than six weeks' notice. For unforeseeable leave, the employee must provide notice as soon as practicable.
- Employers may request reasonable documentation of the need for leave. Any private medical information or information relating to a safe leave that the employer receives must be kept confidential.
- Employees who do not return from leave must return to the employer the value of any compensation that
 the employer paid to or on behalf of the employee during the leave, except payments for accrued leave.
 Exceptions to this are if the employee was on leave due to their own serious health condition or on safe
 leave where the employee is the victim or alleged victim.

Earlier this month the Vermont Department of Labor posted <u>Frequently Asked Questions</u> about the revised law. An <u>updated version of the model notice is expected shortly</u>, and will be located on the <u>Vermont Mandatory</u> <u>Workplace Posters webpage</u> once available, The notice must posted and maintained in a conspicuous place.

Accrued Paid Leave Updates

Connecticut Paid Sick Leave – Amendment (eff. 6/30/25)

On June 30 the governor of Connecticut signed <u>HB7288/Public Act No. 25-174</u>, making amendments to the state's paid and unpaid family and medical leave laws effective October 1, 2025 (see summary <u>above</u>). The law also made an amendment to the accrued paid leave law, which became <u>effective upon signing</u>.

<u>Connecticut Paid Sick Leave</u> provides that employees may accrue 1 hour of paid time for every 30 hours worked, to up to 40 hours per year. Employees must be permitted to use up to 40 hours of accrued time per year, in one-hour increments, for needs associated with their or a covered family member's health, family violence or sexual assault, or due to a public health emergency.

The Act establishes an exception to the one-hour use increment for certain employees:

A local or regional board of education or a municipal employer* that provides paid sick leave or any other paid leave, or combination of other paid leave, that is accrued at a greater rate than the rate required under the Paid Sick Leave law to school employees*, police officers, firefighters or employees of a public works department* may require such employees to use accrued paid sick leave at the increment prescribed in the collective bargaining agreement negotiated by the organization designated or elected as the exclusive bargaining representative for such employees.

This change may not prohibit an employee from using up to 40 hours of accrued time per year for qualifying reasons.

* "Municipal employer" is as defined in §7-467(1), "school employee" is as defined in §53a-65(13), and "public works department" means a municipal department responsible for the construction, regulation or maintenance of all things in the nature of public works and improvements.

The Connecticut Department of Labor has revised the <u>Frequently Asked Questions</u> to reflect these changes. It is not clear whether the model poster and notice will also be updated; employers are encouraged to monitor the <u>Paid Sick Leave website</u> for changes.

Maine Earned Paid Leave – Amendment (eff. 9/24/25)

Maine's <u>Earned Paid Leave law</u> provides that employees of employers with more than 10 employees are entitled to accrue one hour of paid leave for every 40 hours worked, to up to 40 hours per year. Accrued time is available to the employee once they have been employed for 120 calendar days, and may be used for any reason.

Currently, unless time is "frontloaded" at the beginning of each year, up to 40 hours of leave that is accrued but unused at the end of the year must be carried over to the following year. However, the employee is limited to a total accrual, or "bank", of 40 hours of leave in the new year.

On July 1 the governor approved <u>LD55</u> which, effective September 24, 2025, removes the carryover + accrual limitation so that employees may still accrue up to 40 hours in a year regardless of how many hours were carried forward from the previous year (*i.e.*, an employee's paid leave balance could reach 80 hours in one year). Note that the new law does not change that employees are only entitled to use 40 hours per year, though an employer may allow a higher limit.

Note: Currently only the Frequently Asked Questions address carryover when time is frontloaded rather than accrued, the <u>law text</u> and <u>current regulations</u> do not. While it is not expected that the provision that carryover is not required with frontloading will be impacted by this amendment, employers may want to monitor the <u>Rollover of Unused Earned Paid Leave FAQ</u> for any change.

Update 10/1/25 – the FAQ now reflect the following:

Is an employer that front-loads Earned Paid Leave obligated to roll-over unused leave?

Yes. Accrued and unused hours of Earned Paid Leave from the previous year must be available for use by an employee in the year of employment immediately following the previous year.

Employers are advised to amend the carryover language in their paid leave policy if needed. Also, as the <u>worksite</u> <u>poster</u> doesn't currently touch on carryover, an updated version may not be released; the poster may be found on the <u>Labor Posters</u> webpage under 'Regulation of Employment Posters'.

Minnesota Earned Sick and Safe Time – Amendments, Updated Model Notice (eff. 7/1/25)

Minnesota's Earned Sick and Safe Time (MN ESST) law (MN Stat. §181.9445-§181.9448) provides that employees who perform, or are expected to perform, at least 80 hours per year in state may earn 1 hour of paid time off for every 30 hours worked, to up to 48 hours per year. In lieu of accrual, employers may "frontload" time by providing either 48 hours at the start of the year with a payout of unused hours at year-end, or 80 hours at the start of the year with no payout of unused hours.

Employees may use time for reasons related to their or a covered family member's health; to address needs arising from domestic abuse, sexual assault, or stalking; during a public emergency; or to tend to matters associated with the death of a family member.

On June 14 the governor of Minnesota signed budget bill SF17, which included amendments to the MN ESST law:

Effective July 1, 2025

- The law currently states that employers may require advance notice of the need to use accrued time. This
 requirement may not exceed seven days for foreseeable leave; if the need for leave is unforeseeable, the
 employee may provide notice as soon as practicable. SF17 changes the verbiage for unforeseeable leave
 to "as reasonably required by the employer".
- Currently, an employer may require reasonable documentation from the employee for the use of time for more than three consecutive workdays. SF17 shortens this to two consecutive workdays.
- Employers may not require an employee to search for or find a replacement worker as a condition for use
 of accrued time. SF17 adds that an employee may, however, voluntarily search for or trade shifts with
 another employee to cover the hours during which MN ESST will be used.

Effective January 1, 2026

• Employers have the discretion to advance time to an employee prior to accrual (for example, to assist with a need for a new employee). SF17 qualifies this to add this that an advance must be based on the number of hours the employee is expected to work for the remaining portion of the accrual year. If the advanced amount is less than the amount the employee would have accrued based on the actual hours worked, the employer must provide additional time to make up the difference.

The Minnesota Department of Labor and Industry has made updates to the MN ESST website and Frequently Asked Questions to reflect the changes. Also available is an updated version of the employee notice.

- The notice must be provided to each employee at the start of employment, in English and the primary language of the employee if that is not English (*translations may be found here*).
- Employers must provide the notice in a manner that is at least as effective as one of these options:
 - physically posting a copy of the notice at each location where employees perform work;
 - providing a paper or electronic copy of the notice to all employees; or
 - posting the notice on a web-based or app-based platform that employees use to perform work.
- An employer that provides an employee handbook to its employees must also include in the handbook a
 copy of the required earned sick and safe time information.
- As a reminder, at the end of each pay period employers are also required to provide information stating an
 employee's current amount of earned MN ESST hours available use and the number of hours used during
 the pay period.
 - Employers may choose a reasonable system for providing this information, including but not limited to listing information on or attached to each earnings statement or an electronic system where employees can access this information. An employer who chooses to provide this information by electronic means must provide employees access to an employer-owned computer during their regular working hours to review and print.

SF17 also made a modification to the Minnesota Paid Leave law; see above.

Missouri Earned Paid Sick Time - Repealed (eff. 8/28/25)

Our <u>June 13 Update</u> included reference to legislation presented to the governor of Missouri to repeal the state's accrued paid leave law that went into effect on May 1.

On July 10 the governor approved the bill (HB567) which, effective August 28, 2025:

- · repeals accrued paid sick time provisions and requirements; and
- keeps the state minimum wage increases effective January 1, 2025 (to \$13.75/hr) and January 1, 2026 (to \$15/hr), but removes adjustments based on the Consumer Price Index in future years. HB567 also extends the increases to public employers as well as private.

Minimal guidance has been provided by the Missouri Department of Labor and Industrial Relations (DOLIR) to address the impacts of the paid sick time repeal – the Frequently Asked Questions on the <u>Paid Sick Time webpage</u> have been amended only to state that "*Employers may continue to offer employees earned paid sick time after Aug. 28, 2025, if they wish but are no longer required to do so beginning Aug. 28, 2025."*

Unfortunately, this leaves grey area as to what responsibilities employers might have in managing the hours accrued from May 1 through August 27 after August 28, such as use parameters, carryover of unused time (if any), recordkeeping, etc. It is unclear if the DOLIR will provide additional guidance, so employers may want to consult with legal counsel.

As a side note, this is likely not the last we've seen of accrued paid leave in Missouri: supporters of Proposition A (the ballot measure approved by voters during the 2024 election) have filed paperwork to place a constitutional amendment on the ballot during the 2026 election cycle, with similar minimum wage and accrued paid leave requirements (Initiative Petition 2026-047).

Nebraska Healthy Families and Workplaces Act (eff. 10/1/25)

Nebraska's accrued paid leave law, the Healthy Families and Workplaces Act (HFWA) (NRS §48-3801 - §48-3811) becomes effective October 1, 2025.

Updates/Guidance

In our <u>June 13 Update</u> we summarized recent amendments to the law; since then, the Nebraska Department of Labor (NDOL) has worked to update guidance via their <u>Frequently Asked Questions</u>. Below are a few aspects of the law as amended, with some context provided by the FAQ (*this is not a complete summary of the law or of the FAQ*):

Applies to:

- Employers with 11 or more employees.
- Employees working in the State of Nebraska 80 or more hours in a calendar year.

Accrual:

- Beginning the later of October 1, 2025 or after 80 hours of consecutive employment in a calendar year in Nebraska, an employee is eligible to accrue 1 hour of paid time for every 30 hours worked.
- · Annual accrual limits:
 - "Small businesses" with at least 11 but fewer than 20 employees: 40 hours
 - Employers with 20 or more employees: 56 hours

Employers may set higher limits; they may also "frontload" time at the beginning of each year.

- Calculation of Employer Size:
 - The law defines a "small business" as an employer with at least 11 but fewer than 20 employees during a given week, including full-time, part-time, or temporary employees. The definition excludes any employer that maintained 20 or more employees on its payroll in each of 20 or more calendar weeks in the current or preceding calendar year. This could be interpreted that an employer's count is based on all of its employees. The FAQ, however, state that "Regardless of whether the employer is in state or out of state, for the purpose of determining business size, the Department only includes

individuals that worked at least 80 hours in the state of Nebraska for the employer in a calendar year".

While regulations may provide official confirmation, this clarification means that even very large employers could qualify as "small" under HFWA.

Accrual during use:

• §48-3802(7) of HFWA states that "Paid sick time must be compensated at the same hourly rate and with the same benefits, including health care benefits, as the employee typically earns during hours worked and that is provided by an employer to an employee for the purposes described in NRS §48-3804, and in no case shall the amount of this hourly rate be less than that provided under §48-1203 (the state minimum wage)".

As we've previously noted, this language suggests that paid sick time under HFWA continues to accrue while an employee is using accrued time, which is a departure from other accrued paid leave laws. Again, while the <u>FAQ</u> are not meant to serve as regulations, they confirm that this is indeed the case:

Do employees accrue paid sick time while using paid sick time?

An employee accrues the same benefits during time taken for paid sick time as they typically earn during hours worked.

Update 9/4/25: This particular item was recently removed from the FAQ, so we sent an inquiry to NDOL for some guidance as to whether accrual during use will be required. The response was that this specific topic is under review and NDOL is working to release clarifying information soon. We will be monitoring the <u>Labor Standards webpage</u> and the <u>FAQ</u> for updates.

Use:

- Employees may use time as it is accrued, in the smaller of hourly increments or the smallest increment that the employer's payroll system uses to account for absences or use of other time.
- · Accrued time may be used:
 - for needs associated with an employee's mental or physical illness, injury or health condition, including preventive care, diagnosis, and treatment;
 - for needs associated with a family member's mental or physical illness, injury or health condition, including preventive care, diagnosis, and treatment;
 - to attend a meeting necessitated by a child's mental or physical illness, injury, or health condition, at a school or place where the child is receiving care; or
 - for reasons associated with a public health emergency.
- · Annual use maximums:
 - Employees of "small businesses"* with at least 11 but fewer than 20 employees: 40 hours
 - Employees of employers with 20 or more employees: 56 hours
 - * See Calculation of Employer Size above.

Carryover:

- All accrued but unused time must carry over from one year to the next, even if time is frontloaded.
 Note that the annual use limits above still apply.
- In lieu of carryover, an employer may choose to pay out accrued but unused paid sick time, as long as the employee begins the new year at or above the minimum paid sick time requirement.

Existing Policies:

- Paid sick time provided to an employee on or after January 1, 2025 and before October 1, 2025 counts toward an employer's obligations under the HFWA for calendar year 2025.
- Any employer with a paid leave policy, such as a paid time off policy, who makes available an
 amount of paid leave that meets or exceeds HFWA's requirements and that may be used in
 accordance with NRS §48-3804 (use of paid sick time, employee notice and documentation) is not
 required to provide additional paid sick time and is not obligated to allow an employee to accrue or
 carryover benefits beyond the employer's existing paid leave policy.

Payout at Termination:

Paid sick time is not required to be paid out upon separation of employment. However, should the
employer meet HFWA requirements via a combined PTO policy (vacation and sick), all accrued but
unused paid time off is due to the employee as wages pursuant to the Nebraska Wage Payment
and Collection Act.

Model Notice Available (due by 9/15/25)

NDOL has posted the model <u>Poster</u> and <u>Employee Notice</u> in English and Spanish on its <u>Labor Standards</u> webpage under 'Paid Sick Time'.

As a reminder, employers are required to notify employees of their rights and responsibilities under HFWA as follows:

- 1) Beginning September 15, 2025, employers must display a poster in a conspicuous and accessible place in each establishment where such employees are employed, in English and any language that is the first language spoken by at least 5% of the employer's workforce if NDOL has provided a model notice in such language.
 - If an employer does not maintain a physical workplace or an employee teleworks or performs work through a web-based or app-based platform, the employer may provide notice of such information via electronic communication or a conspicuous posting in the web-based or app-based platform.
- 2) Employers must provide each employee a written notice about earned paid sick time that includes the following information:
 - employees are entitled to paid sick time beginning October 1, 2025;
 - the amount of paid sick time;
 - the terms of its use guaranteed under the Nebraska Healthy Families and Workplaces Act;
 - that retaliatory personnel action against employees who request or use paid sick time is prohibited;
 - that each employee has the right to file a suit or complaint if paid sick time as required by the Act is
 denied by the employer or the employee is subjected to retaliatory personnel action for requesting or
 taking paid sick time; and
 - the contact information for NDOL where questions about rights and responsibilities under the act can be answered

This notice must be provided in English and any language that is the first language spoken by at least 5% of the employer's workforce if NDOL has provided a model notice in such language:

- to all employees by September 15, 2025; and
- upon an employee's commencement of employment.
- 3) The amount of paid sick time available to the employee, the amount of paid sick time taken by the employee to date in the year, and the amount of pay the employee has received as paid sick time must be recorded in, or on an attachment to, the employee's regular paycheck. Per the <u>FAQ</u>, this requirement may be satisfied with an online system that employees can access.

Philadelphia, PA Promoting Healthy Families and Workplaces Act - Updated Model Notice

Our <u>June 13 Update</u> included amendments to Philadelphia's <u>accrued paid sick leave law</u> effective May 27 with the signing of the Protect Our Workers, Enforce Rights ("POWER") Act (<u>Bill No. 250065</u>).

One of the changes mentioned is that paid sick leave notice requirements now fall under a new section applying to all worker protection ordinances (§9-6607), which states that employers must notify their employees of their rights, including that retaliation is prohibited and instructing employees how to file a complaint for violations, by either:

- 1) providing each employee with written notice; or
- displaying a poster in a conspicuous and accessible place in each establishment where workers are employed.

Notice must be supplied in English and in any language that is the first language spoken by at least 5% of the employer's workforce.

The Philadelphia Department of Labor's Office of Worker Protections (OWP) has posted an updated version of the <u>Paid Sick Leave Notice Poster</u> in English and <u>several translations</u> on its <u>Paid Sick Leave Resources webpage</u> (*tip: sort publications by Release Date for the July 31, 2025 documents*).

Pittsburgh, PA Paid Sick Days Act – Amendments (eff. 1/1/26)

Pittsburgh's Paid Sick Days Act provides that employees who work within the geographic boundaries of the city at least 35 hours per year are eligible to accrue 1 hour of paid sick time for every 35 hours worked. Accrual is based on hours worked within the city and may be used after 90 days of employment to tend to needs associated with the employee's or a covered family member's health or for reasons associated with a public health emergency. Employees of employers with fewer than 15 employees (total) may accrue up to 24 hours per year, and employees of employers with 15 or more employees may accrue up to 40 hours per year.

On June 12 the mayor signed Ordinance No. 11-2025, which increases the rate of paid sick day accrual as well as the annual accrual maximum.

Effective January 1, 2026:

- Employees will accrue 1 hour of paid sick time for every 30 hours worked within the city (see Note below).
- Employees of employers with fewer than 15 employees may accrue (and use) up to 48 hours of paid sick time per year.
- Employees of employers with 15 or more employees may accrue (and use) up to 72 hours of paid sick time per year.
- Accrued time must carry over from one year to the next, except that carryover is not required for
 employers who frontload time at the beginning of each year. This is not a change; however, employers
 who frontload time must be sure to adjust the amount granted based on the new maximums.

Note: Pittsburgh lies within Allegheny County, which has its own <u>paid sick leave ordinance</u>. The county ordinance applies to employers with 26 or more employees (total) and entitles employees to 1 hour of paid time for every 35 hours worked, up to 40 hours per year – closer Pittsburgh's current requirements. With the changes to Pittsburgh's law, employers will need to take extra care to ensure the appropriate law is being applied to each employee. Note, however, that zip code alone may not be accurate enough to determine whether an employee's work site falls within the geographic boundaries of the city. Employers can definitively determine whether a location is within the geographic boundaries of the City of Pittsburgh by using this map and entering a specific address (addresses that fall outside the light shaded area are not within the city's boundaries).

At this time employers should review current policies and systems to prepare for these changes, and are encouraged to monitor the Paid Sick Days Act webpage for guidance and an updated employee notice.

Other News

California Anti-Discrimination, Accommodations and Leave for Crime Victims - Model Notice

Our <u>October 28, 2024 Update</u> included a summary of <u>AB2499</u>, which expanded protections for employees if they or a family member are a victim of an act of violence. Effective <u>January 1, 2025</u>, the law became <u>§12945.8</u> of the <u>Fair Employment and Housing Act (FEHA)</u>.

AB2499 included the requirement that employers inform each employee of their rights established under the law, including what leave and benefits may be available to them, and tasked the Civil Rights Department (CRD) with developing a model notice for this purpose by July 1, 2025.

On July 1 the CRD posted the "Survivors of Violence and Family Members of Victims Right to Leave and Accommodations" notice on their <u>Posters, Guides and Fact Sheets webpage</u> (see the Employment tab). The <u>notice</u> and accompanying <u>Frequently Asked Questions</u> are available in English and a number of translations.

Employers weren't required to comply with notice requirements until the model notice became available. Now that it has been posted, employers must provide it to their employees:

- 1) upon hire;
- 2) annually;
- 3) upon request; and
- 4) any time an employee informs the employer that the employee or the employee's family member is a victim.

Note: This notice replaces the <u>notice</u> previously provided by the Division of Labor Standards Enforcement (DLSE).

Also, as the changes made by AB2499 also impacted the state's <u>paid sick leave law</u>, it was expected that that model notice would be updated; to date, it has not been.

Illinois Lactation Accommodations - Amendment (eff. 1/1/26)

Illinois' Nursing Mothers in the Workplace Act (820 ILCS 260) requires employers with 5 or more employees to provide nursing mothers with reasonable break time to express breast milk as needed for one year after the child's birth; break times may run concurrently with any break time already provided to the employee. An employer may not reduce the employee's pay for time used to express breast milk.

On August 1 the governor of Illinois approved <u>SB212/Public Act 104-0076</u>, amending the Act effective <u>January 1</u>, 2026 to specifically state that <u>employees must be paid</u> at their regular rate of compensation during breaks to express breast milk, and that the employer may not require an employee to use paid leave during the break time or reduce the employee's compensation during the break time in any other manner. This paid time must be provided as needed by the employee, absent undue hardship as defined in the Illinois Human Rights Act (see <u>775 ILCS 5/2-102(J)</u>).

Illinois Military Leave Act – Amendment (eff. 8/1/25)

Illinois' Family Military Leave Act (820 ILCS 151) provides unpaid, job-protected leave to an eligible employee who is the spouse, parent, child, or grandparent of a person called to state or federal military service lasting longer than 30 days.

- Employers with 15 to 50 employees must provide up to 15 days of leave; employers with 51 or more employees must provide up to 30 days of leave.
- Employees are eligible if they have worked for their employer for at least 12 months, and have been employed for at least 1,250 hours of service during the 12-month period immediately preceding the commencement of the leave.
- In addition to the service requirement above, an employee may only take leave once they have exhausted all accrued vacation leave, personal leave, compensatory leave, and any other leave that may be granted to the employee, except sick leave and disability leave.
- Family Military Leave runs concurrent with any applicable leave under FMLA for qualifying exigency.

On August 1 the governor of Illinois approved <u>SB220/Public Act 104-0078</u> which, effective immediately, renamed the law the "Military Leave Act" and added a new leave entitlement:

• Employees of employers with 51 or more employees are entitled to up to 8 hours of paid leave per calendar month to participate in a funeral honors detail. The maximum entitlement is a total of 40 hours per calendar year, or more if authorized by the employer or if provided for in a collective bargaining agreement.

"Funeral honors detail" is defined in the law as an honor guard detail provided for the funeral of any veteran in compliance with 10 U.S.C. 1491 and any associated federal regulations. A "funeral honors detail" consists of at least 2 members of the U.S. Armed Forces, one of whom is from the deceased veteran's service branch, with the remainder of the detail consisting of members of the armed forces, whether retired or not, or members of an authorized provider. The funeral honors detail performs at the funeral a ceremony that includes the folding of a United States flag and presentation of the flag to the veteran's family and the playing of "Taps".

- An employee is eligible if they meet the service requirement above, are trained to participate in a funeral honors detail, and are either an active or reserve member of the U.S. armed forces or the Illinois National Guard, or an authorized provider (or member of an authorized provider) that supports the rendering of military funeral honors.
- Employees must provide their employer with as much notice of the need for leave as is practicable, and employers may request documentation that can be used as proof of the employee's participation in the detail.
- Employees must be paid at their regular rate of pay during leave.
- Employees may not be required to exhaust other employer-provided leave prior to accessing leave.
- An employer who operates an independent living facility, assisted living facility, nursing home facility, other similar congregate care facility or a facility providing 24/7 care may deny a request for funeral honors detail if granting the request would reduce staffing levels to below the established minimum or impair the safe and efficient operations of the facility, unless doing so violates the terms of an applicable collective bargaining agreement.
- Employment and benefits protections under the existing law apply to leave taken for funeral honors detail.

Note that federal Uniformed Services Employment and Reemployment Rights Act (<u>USERRA</u>) recognizes funeral honors as protected absences. There are differences between the two laws, however, most notably being that leave under USERRA is unpaid and there are no employee service requirements for eligibility.

Montana Leave for Volunteer Emergency Responders – NEW (eff. 10/1/25)

On April 16 the governor of Montana signed <u>HB128</u> which, effective October 1, 2025, prohibits employers from terminating employees who elect to serve as volunteer emergency services providers if they are absent from or late to work while performing service duties during an emergency.

- A "volunteer emergency services provider" includes a <u>volunteer firefighter</u>, a volunteer who is an enrolled member of a <u>volunteer fire department</u>, or a volunteer <u>emergency medical technician</u>, who is not paid fulltime by the entity for which the services are performed in the local service area.
- Employees are entitled to this protection once they have satisfied any probationary period of employment.
- Employees must notify their employer of their status as a volunteer emergency services provider in writing:
 - by October 30, 2025 if they served as a volunteer emergency services provider before October 1, 2025;
 - within 30 days of joining a volunteer emergency unit or organization after October 1, 2025; and
 - within 30 days of hire if they are a volunteer emergency services provider at that time.
- Once the above written notice is provided, the employer may not terminate the employment of a volunteer
 emergency services provider if the employee is absent or late to work while performing volunteer
 emergency service duties during an emergency, though the following apply:
 - An employee must notify their employer as soon as possible that they may be absent or late because of volunteer emergency service.

However, if an employee's absence or delay would imperil public safety or prevent the employer from performing an essential function, the employer may require the employee to request and receive authorization prior to responding to an emergency.

- An employer may request an employee who is absent from or late to work to provide a written statement from a supervisor of the volunteer emergency service organization that the employee responded to an emergency and provide the date, time, and duration of the emergency.
- An employee may not claim regular pay for the time that the employee is absent from or late to
 work while performing volunteer emergency service duties. If the pay was claimed, the employer
 may deduct that amount of regular pay for the time the employee was not present at work.
- An employer may determine whether an employee may *leave* work to respond to an emergency as a part of the employee's volunteer emergency service.
- An employee whose employment is terminated in violation of this section may bring a civil action against
 the employer within one year after the date of termination of employment.

This law will be codified within $\underline{MCA \S 39-2-301}$ for private employers, and within $\underline{MCA \S 2-18-601}$ for public employers.

Nevada Civil Air Patrol Leave – NEW (eff. 10/1/25)

On May 30 the governor of Nevada approved <u>AB422</u>, amending <u>NRS Chapter 413</u> to provide leave for volunteer members of the Nevada Wing of the Civil Air Patrol.

- Beginning October 1, 2025, an employee who is a volunteer member of the Nevada Wing of the Civil Air Patrol is entitled to a leave of absence from employment for days during which the employee is:
 - engaged in training for emergency missions with the Civil Air Patrol, not to exceed 10 workdays during each federal fiscal year; or
 - responding to an emergency mission as a Civil Air Patrol volunteer, not to exceed 30 workdays during each federal fiscal year.

"Emergency mission" includes, without limitation, search and rescue and disaster response activities.

- An employee requesting such leave must provide to their employer:
 - 1) certification that the employee has been authorized by the United States Air Force, the Governor or a political subdivision of this State to respond to or train for an emergency mission; *and*
 - 2) verification from the Civil Air Patrol of the emergency need of the volunteer service of the employee.
- Leave is unpaid; however, employers may compensate employees if they choose to. Employees may not be required to exhaust any other leave to which the employee is entitled before taking leave under this law.
- Employees are entitled to this leave without loss of position, seniority, accrued leave or benefits.
- NRS 414.250 is also amended to reflect that:
 - An employee who wishes to join a Civil Air Patrol unit as a volunteer member must disclose this fact to their employer.
 - Except as otherwise provided [under the new law], if the employer chooses not to allow the employee
 to participate in the activities of such a reserve unit or Civil Air Patrol unit during his or her normal
 working hours, the employer must notify the employee as soon as practicable after the above disclosure
 is made.
 - An applicant for employment who is a member of a Civil Air Patrol unit must disclose that fact to his or her prospective employer.
- Any employee aggrieved by a violation of this law may bring a civil action to seek relief in the form of damages equal to the amount of the lost wages and benefits, and/or reasonable attorney's fees and costs.

New Hampshire Leave for Childbirth, Postpartum, and Pediatric Appointments – NEW (eff. 1/1/26)

On June 27 the governor of New Hampshire signed budget bill <u>HB2</u>, which adds §275:37-f to the state's <u>anti-discrimination laws</u>. The new section becomes effective January 1, 2026 and requires employers to provide an employee with leave to attend their own medical appointments for childbirth or postpartum care, or to attend their child's pediatric medical appointments within the child's first year.

- This requirement applies to employers with 20 or more employees.
- Leave may be limited to 25 hours. In the case where both parents of a child are employees of the same employer, the parents collectively may take leave, for a total of 25 hours in their child's first year.
- The employer is not required to pay an employee for any time taken as leave under this law. However, the employee is permitted to substitute any accrued vacation time or other appropriate paid leave for leave taken.
- The employee must provide reasonable notice to the employer prior to the leave and make a reasonable effort to schedule the leave so as not to unduly disrupt the operations of the employer.
- The employer may ask for documentation from the employee to ensure the time is being used for the intended purpose.

The law does not specify requirements for notifying employees; however, it is recommended that policies and procedures be updated to address this new entitlement.

New Hampshire Leave for Military Spouses – NEW (eff. 1/1/26)

On July 15 the governor of New Hampshire signed <u>HB225</u>, providing employment protections to employees who are legal spouses of military service members involuntarily mobilized in support of war, national emergencies, or contingency operations.

- Effective January 1, 2026, the new law applies to employers with 50 or more employees at the same location in New Hampshire. The employee count of separate employers may not be combined, regardless of common ownership.
- The law prohibits an employer from discharging, refusing to hire, or taking any adverse employment action against an employee based on the involuntary mobilization of their spouse.
 - "Involuntary mobilization" is defined as the ordering, calling-up, or activation of members of the uniformed services, including state active duty, in response to a declaration of war, national emergency, or contingency operation.
- An employee is required to notify their employer of their spouse's involuntary mobilization within 30 days of their spouse receiving official notice of such mobilization. The employer must provide the employee with written acknowledgment of the notice of deployment, explicitly confirming adherence to the terms of this law.
- Leave is unpaid, and no benefits or accrual of benefits will be provided during leave unless the employer chooses to do so.
- The employer is required to reemploy the employee in the position they held, or in a position of like seniority, status, and pay for which they are qualified, for the same duration of time the employee's spouse would have reemployment rights under the Uniformed Services Employment and Reemployment Rights Act (USERRA).
 - Upon the employee's spouse's completion of mobilization, the employee is required to report to or submit a timely application for reemployment to his or her employer.
 - The employer may choose not to reemploy the employee if the employer certifies that its circumstances have so changed as to make reemployment impossible or unreasonable, as defined in <u>20 C.F.R. Section 1002.139</u>.
- Employees who believe they have been subjected to a violation of the law may file a complaint with the New Hampshire Department of Labor within 180 days of the alleged violation. Employers found in violation will be liable for reinstatement, back pay, and any benefits lost due to the violation. The employee may also be awarded reasonable attorney's fees and costs.

The new law adds §110-C-1a to NRS Chapter 110-C.

Puerto Rico Breastfeeding/Lactation Code – NEW (eff. 8/1/25)

As the law's text is only available in Spanish, we relied upon the expertise of Littler Mendelson P.C. for the content below.

On August 1, Governor Jennifer González signed <u>Act 87-2025</u>, titled, "Puerto Rico Lactation Code" ("Code" or "Act 87-2025"). The Code compiles all previously enacted breastfeeding-related laws into one (i.e., incorporating the requirements for private and public sectors), while at the same time repeals some sections and creates new employer obligations. Employers should take note of the following provisions:

- Breastfeeding Rooms: The Code establishes that both public and private sector facilities must provide a
 designated room for nursing employees to be able to breastfeed and/or pump breastmilk. These
 designated lactation rooms must be hygienic, private, and safe physical spaces as well as have electric
 power, ventilation, access to water, and a refrigerator for storing breast milk exclusively. Under no
 circumstances can restrooms be used for this purpose.
- Breastfeeding Leave: Nursing employees, upon returning to employment after maternity leave and for a minimum of 12 months thereafter, will have the opportunity to breastfeed their child or pump breastmilk during a "reasonable time" each workday, which may not be less than one hour per working day. This applies to both full-time and part-time employees. The schedule for breastfeeding or pumping breastmilk must be agreed upon between the employee and the employer, and this schedule will not change without the express consent of both parties. Employees no longer have to provide a medical certificate in order to be entitled to breastfeeding leave. Breastfeeding leave is considered "time worked" and is therefore paid.
- Discrimination and Retaliation Provisions: The Code prohibits employers from considering an employee's
 lactation period as a basis for unfavorable evaluations, taking adverse actions against the employee, or
 using the nursing or pumping breastmilk period as justification for disciplinary actions, as these actions
 could be construed as discriminatory and/or retaliatory against the employee.
- Tax Benefits for Private-Sector Employers: The Code has an annual tax exemption solely for employers in the private sector that grant nursing employees a breastfeeding period. These tax exemptions are equivalent to one month's salary of the employee covered by the Code who uses the leave provided in it. This tax exemption will apply only to the employer and not to the employee who uses the breastfeeding or breast pumping period.
- Notice Obligations: Employers must provide notice to all its employees regarding the Code's provisions and the rights under it.

Both the Puerto Rico Department of Labor and the Puerto Rico Women's Advocate Office have jurisdiction and authority to investigate, file complaints and impose monetary penalties for noncompliance with the Code. Likewise, any impacted employee may file a complaint and seek payment for damages before the Courts or the Women's Advocate Office.

Employers should update their policies to ensure compliance with the new Code's provisions.

This article:

Littler Mendelson P.C. (8/7/25): Puerto Rico Enacts New Lactation Code

See also:

Jackson Lewis P.C. (8/8/25): <u>Breastfeeding at Work Redefined: Puerto Rico's New Code Ushers in Major Changes</u>

Rhode Island Accommodations for Menopause-Related Conditions, Model Notice (eff. 6/24/25)

Rhode Island's Fair Employment Practices Act §28-5-7.4 prohibits adverse treatment of an employee or prospective employee by an employer based on the individual's needs associated with pregnancy, childbirth or related medical condition, including the expression of breast milk. Employers are required to provide reasonable accommodation for related needs, unless undue hardship can be demonstrated, and employee may not be required to take leave if another reasonable accommodation is available. The law applies to employers with four or more employees.

On June 24 the governor of Rhode Island signed <u>SB361</u>, which extends these protections to menopause and menopause-related conditions. The change amends the definition of "related conditions" to include "the need to manage the effects of vasomotor symptoms".

The amendment was effective immediately upon signing.

Employers are required to notify their employees of their rights under the law by:

- · posting a notice in an area accessible to employees; and
- providing it individually to employees at commencement of employment and within 10 days of being notified by an employee of her pregnancy or menopause.

The Rhode Island Department of Labor has posted an updated version of the <u>model notice</u>, which is titled "Notice of Right to be Free from Discrimination Because of Pregnancy, Childbirth And Related Conditions" and can be found on their Required Posters for the Workplace webpage under 'Workplace Discrimination Posters'.

Please contact your MMA account team members with specific questions about this or other Updates.

View past Updates on the Connecting with Compliance blog at https://mma-adl.com/blog/.

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