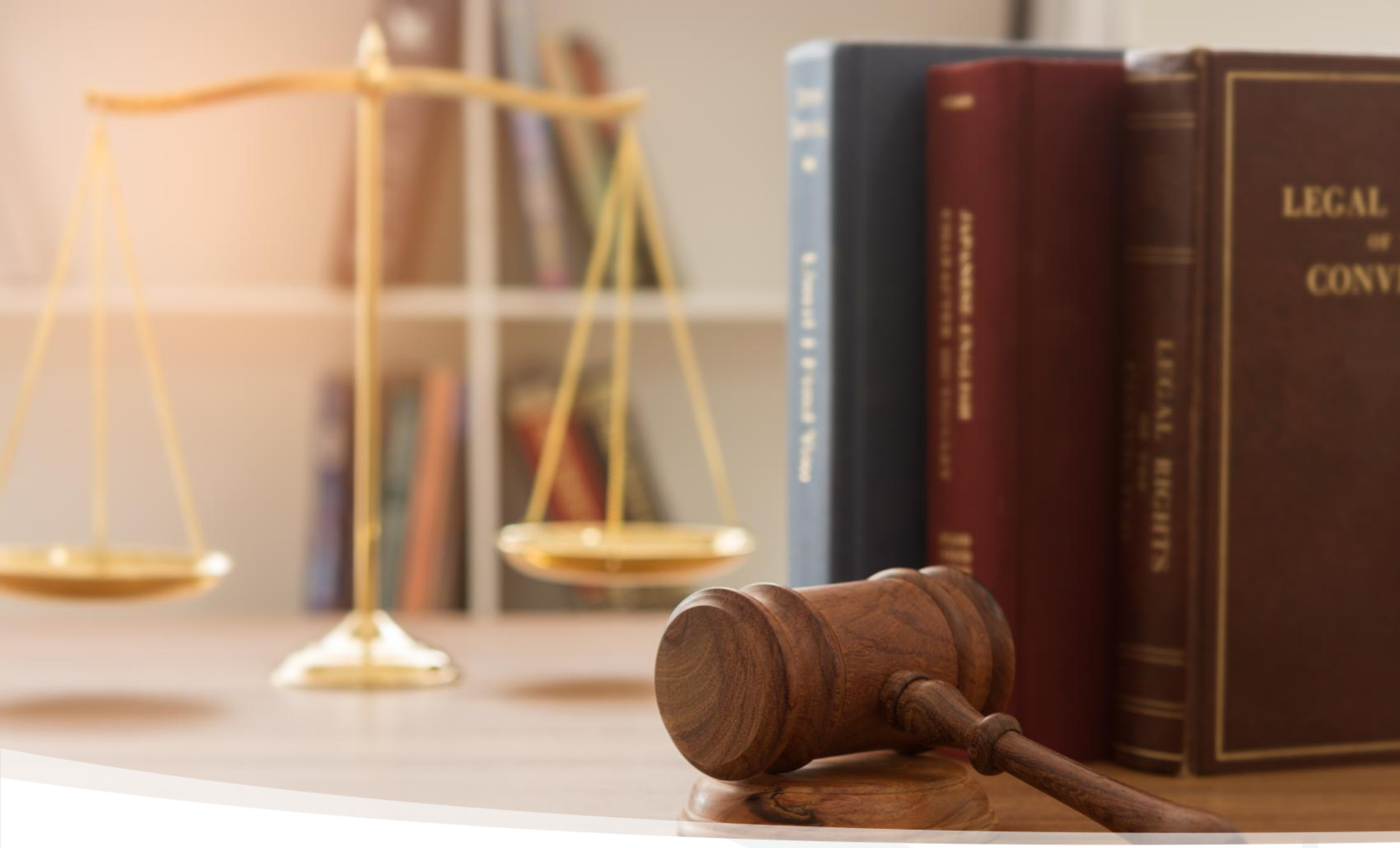

2026

HR COMPLIANCE
MAY LEGAL UPDATES

Information on new updates and reminders on federal and state legal updates.

VensureHR

Table of Contents

Federal Legal Updates

Federal Funding Recipients Face New Proposed Certification

As a reminder, on January 28, 2026, the General Services Administration (GSA) published a request for comments on proposed revisions to the System for Award Management (SAM.gov) registration requirements for federal financial assistance recipients.

The proposal would revise the Financial Assistance General Representations and Certifications. It would require applicants and recipients of federal financial assistance to make additional compliance certifications tied to federal anti-discrimination law, immigration-related restrictions, and national-security/public-safety restrictions.

This update applies to organizations that seek or receive federal financial assistance through SAM.gov, including grants, cooperative agreements, loans, insurance, and direct appropriations. The public comment period closed on March 30, 2026.

Overview

- The GSA proposed revising the SAM.gov registration requirements for entities that seek or receive federal financial assistance, including grants, cooperative agreements, loans, insurance, and direct appropriations.
- A central proposed certification would require recipients to certify compliance with the U.S. Constitution, federal anti-discrimination laws, and relevant executive orders prohibiting unlawful discrimination on the basis of race or color in federally funded programs.
- The draft makes clear that federal anti-discrimination rules apply even to programs labeled Diversity, Equity, and Inclusion (DEI) or diversity, equity, inclusion, and accessibility (DEIA). It identifies risk areas such as race-based preferences, proxy criteria, segregation, race-based selection practices, and training content that stereotypes, excludes, singles out protected groups, or creates a hostile environment.
- The proposal includes anti-retaliation language protecting employees, participants, and beneficiaries who raise concerns, file complaints, object to, or refuse to participate in practices they reasonably believe violate federal anti-discrimination laws.
- Beyond DEI-related issues, the proposed certification would also require recipients to certify compliance with certain immigration-related and national-security or public-safety restrictions.

What Employers Need to Do

- Review any programs, policies, or practices that use race or color directly or indirectly in hiring, promotion, scholarships, contracting, resource allocation, or access to opportunities supported by federal financial assistance.
- Reassess training content for potential stereotyping, exclusion, singling out of protected groups, or hostile work environment risks.
- Confirm that anti-retaliation protections are strong enough to protect employees, participants, and beneficiaries who raise concerns, file complaints, object to, or refuse to participate in practices they reasonably believe are unlawful.
- Review internal controls and signatory authority for SAM certifications, as the proposal would require a formal attestation by an authorized official and references potential liability for false statements.
- Coordinate legal, HR, compliance, and grant-management review now if the organization receives or plans to seek federal financial assistance, as the proposed certification would make SAM registration a more substantive compliance checkpoint.

Key Risks for Employers

- Signing the certification without fully reviewing race- or color-based criteria used in hiring, promotion, scholarships, contracting, training, or resource allocation tied to federally funded programs.
- Overlooking training or complaint-handling practices that could be characterized as stereotyping, exclusionary, retaliatory, or hostile-environment conduct under the draft certification language.

Federal Legal Update

Why This Matters

This proposal is significant because it would move certain compliance certifications to the front end of the federal funding process by embedding them into SAM registration and renewal, rather than leaving them only to agency-specific award terms or post-award oversight.

For organizations with DEI or DEIA initiatives, the proposal signals heightened scrutiny of any race- or color-based practices, as well as of training content and complaint handling, even where the organization views those programs as lawful or well-intentioned.

The practical consequence is that SAM registration for financial assistance recipients could become a more consequential compliance checkpoint, with potential risk under the False Claims Act and false statements if an organization certifies inaccurately.

Additional Information

As of January 2026, GSA estimated that 222,760 entities registered in SAM for financial assistance could be affected by the revised certification requirements.

The draft certification includes a carveout for active court orders and injunctions: if a requirement is legally unenforceable against a recipient due to a binding court order or injunction, that requirement is inapplicable to that extent, while the remaining certifications stay in effect.

The proposal also references broader federal compliance obligations already tied to financial assistance, including Title VI, Title IX, Section 504, the Age Discrimination Act, conflict-of-interest rules, record access, trafficking, debarment and suspension, and false-claims provisions.

- Treating SAM registration as routine administrative paperwork rather than as a substantive organizational attestation with enforcement implications.
- Failing to align legal, HR, grants, and compliance functions before an authorized official makes the certification.
- Exposure to criminal risk under 18 U.S.C. § 1001 or civil liability under the False Claims Act (FCA) if the certification is submitted with false, fictitious, or fraudulent information.

Source References

- Regulations.gov - Supporting Statement: 3090-0290 -- System for Award Management Registration Requirements for Financial Assistance Recipients - DRAFT - Docket (GSA-GSA-2026-0001)
- Federal Register - Information Collection; System for Award Management Registration Requirements for Financial Assistance Recipients (January 28, 2026)

Federal Legal Update

OSHA Revises Heat Hazard NEP Effective April 10, 2026

On April 10, 2026, the Occupational Safety and Health Administration (OSHA) updated its National Emphasis Program (NEP) on Outdoor and Indoor Heat-Related Hazards. The revised directive became effective immediately for a period of five years.

The revised NEP removed the former numerical inspection goal and reorganized appendices on heat program evaluation and citation guidance. Programmed heat inspections are now tied to days when the National Weather Service (NWS) issues a head advisory or warning.

This update is applicable nationwide across general industry, construction, maritime, and agriculture, with programmed enforcement focused on 55 high-risk industries and with continued authority for compliance officers to expand inspections when evidence of heat-related hazards is identified.

Overview

- The revised directive cancels and replaces OSHA's prior April 8, 2022, Heat NEP and remains operative for no more than five years from April 10, 2026, unless canceled or extended by a superseding directive.
- OSHA refreshed the target list using updated BLS and OSHA data reflected in Appendix A, and the revision resulted in 46 industries removed, 22 industries added, and 33 industries retained, for a total of 55 target industries.
- The directive states that programmed inspections must occur on any day the NWS announces a heat warning or advisory for the local area, while heat priority days are days when the expected heat index is 80°F or more, prompting additional inquiry into heat controls during other inspections.
- OSHA removed outdated background material, updated links, eliminated the prior numerical inspection goal, and reorganized or added Appendix I (Evaluation of a Heat Program) and Appendix J (Citation Guidance) to improve consistency in enforcement and documentation.
- The revised NEP also adds coding for Worksite Assistance and Unprogrammed Emphasis Hazards, and it requires each Regional or Area Office to complete a 90-day outreach program before programmed inspections begin in industries newly added to the target list.

Why This Matters

The revised NEP increases OSHA's focus on heat hazards in the industries and workplaces it considers highest risk, while still allowing heat-related scrutiny during complaints, referrals, and other inspections where hazards are observed.

What Employers Need to Do

- Determine whether any covered operations fall within OSHA's updated high-risk industry list and track local NWS heat advisories and warnings (NWS Heat Alerts). Heat NEP inspections are tied to those alerts, and Appendix A identifies OSHA's highest-risk industries.
- Review and strengthen the employer's heat illness prevention approach against OSHA's Appendix I criteria, including heat and workload monitoring, cool water, hydration breaks, rest, shade/cooling, acclimatization, administrative controls, training, and assignment of a designated heat-safety representative.
- Prepare supervisors and site leaders for heat-priority-day scrutiny. Compliance officers may expand inspections opened for other reasons when the heat index is expected to be 80°F or higher and evidence of heat hazards is present.
- Review heat-related recordkeeping, incident response, and basic protective measures, including OSHA 300/301 entries, access to potable water, training, and first-aid / emergency response practices, because OSHA's citation guidance points to the General Duty Clause and related standards such as sanitation, recordkeeping, and certain construction safety requirements.
- Consider OSHA's On-Site Consultation Program, a no-cost, confidential resource designed to help small and midsize employers identify hazards and improve safety and health programs outside of enforcement.

Key Risks for Employers

- Higher inspection likelihood on extreme-heat days, especially where the employer operates in one of OSHA's 55 target industries and the NWS has issued a local heat advisory or warning.

Federal Legal Update

The guidance provides employers with a clearer understanding of what OSHA expects in a heat illness prevention program. Appendix I provides a practical evaluation framework, and Appendix J reinforces that OSHA may continue pursuing heat cases under the General Duty Clause, along with other applicable requirements such as potable water, sanitation, recordkeeping, and construction training rules.

Employers operating in multiple jurisdictions may face overlapping obligations, as OSHA identifies several State Plan jurisdictions with their own heat standards.

Additional Information

OSHA's revised NEP continues outreach, compliance assistance, and use of the agency's heat illness prevention resources, and it preserves OSHA's ability to provide worksite assistance even where evidence is insufficient for a citation.

For small and midsize employers, OSHA's On-Site Consultation Program remains available on a no-cost, confidential basis and separate from enforcement, helping employers identify hazards and strengthen safety and health programs before issues lead to injuries or enforcement action.

- Inspection expansion during non-heat inspections may occur when compliance officers observe heat hazards in plain view or when supported by records or employee statements on heat priority days.
- General Duty Clause exposure, since OSHA's citation guidance continues to frame heat as a recognized hazard that may be cited when the agency can document hazardous conditions and feasible abatement measures.
- Recordkeeping and documentation issues, because inspectors are directed to review OSHA 300/301 logs, records of heat-related treatment or transport, weather and heat-index conditions, workload factors, and employer program implementation.
- Broader corporate follow-up where the directive contemplates letters to corporate entities if similar operations at other locations may expose workers to comparable heat hazards.

Source References

- OSHA - Press Release - US Department of Labor updates national emphasis program to protect workers from indoor, outdoor heat hazards (April 10, 2026)
- OSHA National Emphasis Program - Directive No. CPL 03-00-024 – Outdoor and Indoor Heat-Related Hazards (Update April 10, 2026)

Resources

- OSHA - Heat Illness Prevention

Treasury and IRS No Tax on Tips Rule Effective June 2026

On April 13, 2026, Treasury and the IRS published final regulations implementing the section 224 “No Tax on Tips” deduction by issuing the official list of tipped occupations and defining “qualified tips.”

The final regulations are effective on June 12, 2026; however, they apply to tips received in taxable years beginning after December 31, 2024.

This update applies to employers with workers in tipped occupations and explains how the new “no tax on tips” deduction may affect their employees. The deduction is available for taxable years beginning after December 31, 2024, and before January 1, 2029.

Overview

- The final regulations create an official, exhaustive list of occupations that customarily and regularly received tips on or before December 31, 2024, organized under a three-digit Treasury Tipped Occupation Code (TTOC) system.
- The Treasury and the IRS group the listed occupations into eight categories: Beverage and Food Service; Entertainment and Events; Hospitality and Guest Services; Home Services; Personal Services; Personal Appearance and Wellness; Recreation and Instruction; and Transportation and Delivery.
- The final list includes more than 70 occupations and adds Visual Artists, Floral Designers, and Gas Pump Attendants compared with the proposed regulations.
- Qualified tips must be cash tips received by an individual in a listed occupation and must be paid voluntarily, without consequence for nonpayment, not subject to negotiation, and determined by the payor.
- Cash tips include amounts paid by cash, check, credit card, debit card, gift card, readily exchangeable tokens, electronic or mobile payments denominated in cash, and foreign currency; they do not include digital assets or non-cash items such as event tickets, meals, or services.
- Tips received through mandatory or voluntary tip-sharing arrangements, such as tip pools, may qualify for employees, but participation in a tip pool alone does not make a non-listed occupation eligible.
- The deduction is limited to $25,000 per return regardless of filing status and phases out by $100 for each $1,000 of modified adjusted gross income over $150,000, or $300,000 for a joint return.
- Married taxpayers must file jointly and include a valid Social Security number issued before the return due date (including extensions) to claim the deduction.

What Employers Need to Do

- Identify which workers perform services in occupations on the Treasury’s official tipped-occupation list. Only tips received in the listed occupations can qualify for the deduction.
- Review tipping practices and POS (Point of Sale) settings to distinguish voluntary tips from mandatory charges: automatic gratuities, service charges, and other mandatory amounts generally are not qualified tips unless the customer can reduce or disregard the amount, including to zero.
- Prepare for information-reporting compliance. Qualified tips must be separately reported on Form W-2, Form 1099-NEC, Form 1099-MISC, Form 1099-K, or reported by the worker on Form 4137, except as provided under the transition rule for taxable years beginning before January 1, 2026.
- Review tip-pooling practices involving managers and supervisors. Amounts they receive through a tip pool are not qualified tips, even though direct customer tips may qualify when they are performing duties in a listed tipped occupation.
- Monitor additional IRS guidance on the specified service trade or business issue, as the final regulations reserve that subsection for future guidance rather than fully resolving it here.

Key Risks for Employers

- Misclassifying mandatory charges as tips, especially where customers do not have a real option to reduce the amount to zero.
- Failing to distinguish listed tipped occupations from non-listed roles, which can make otherwise reported amounts ineligible for the deduction.
- Improper reporting or insufficient substantiation, because qualified tips generally must appear on the specified statements or be reported on Form 4137.

- For self-employed individuals, the deduction cannot exceed net income from the trade or business in which the tips were earned and cannot create or increase a loss.

Why This Matters

These final regulations give employers and workers the first complete regulatory framework for the section 224 tips deduction. They clarify which occupations qualify, what counts as a qualified tip, and when payments labeled as tips will be excluded because they are really service charges, non-cash transfers, or recharacterized compensation.

The rule is also compliance-significant because reporting is a gatekeeper. Except for a limited 2025 transition rule, tips generally must be separately reflected on the specified information returns or reported on Form 4137 for the deduction to be available.

For employers, the practical issues are operational as much as tax-related. Tipping interfaces, service-charge practices, tip-pool administration, occupation coding, and information reporting all affect whether workers will be able to claim the. deduction and whether amounts will withstand IRS scrutiny.

Additional Information

The final regulations also reserve subsection 1.224-1(g) for future guidance on the specified service trade or business exclusion rather than finalizing those mechanics here.

- Improper treatment of manager or supervisor tip-pool amounts, which the final regulations exclude from qualified tips.
- Recharacterization exposure under the final regulations, which include anti-abuse rules and an irrebuttable presumption where the employer is the payor or the tip recipient holds a direct ownership interest of at least five percent (5%) in the payor.

Source References

- IRS - Final Regulations - Listing Occupations OBBB
- Federal Register - IRS - Occupations That Customarily and Regularly Received Tips; Definition of Qualified Tips (April 13, 2026)

White House Issues New Cyber Strategy and Cybercrime Order

The White House released "President Trump's Cyber Strategy for America" and issued Executive Order 14390, "Combating Cybercrime, Fraud, and Predatory Schemes Against American Citizens."

Together, the Strategy and Executive Order (EO) signal a shift toward a more proactive posture, including stronger disruption of cybercriminal activity, accelerated modernization priorities (such as zero-trust architecture, post-quantum cryptography, cloud migration, and AI-enabled defenses), and expanded public-private coordination.

This update applies to private-sector organizations, particularly those that operate in or support critical infrastructure, provide cybersecurity services, or contract with the federal government, and it has an effective date of March 6, 2026.

Overview

The Cyber Strategy (six pillars): The Strategy is organized around six policy pillars that frame federal priorities and future implementation.

1. Shape Adversary Behavior: The Strategy emphasizes using the full range of government capabilities and increasing coordination with the private sector to identify and disrupt malicious actors.

2. Promote Common-Sense Regulation: The Strategy indicates an intent to streamline cybersecurity regulation and move away from compliance-only "checklist" approaches while still recognizing privacy considerations.

3. Modernize and Secure Federal Networks: The Strategy highlights modernization themes, including post-quantum cryptography, zero-trust architecture, cloud transition, and scalable AI-enabled cybersecurity tools, along with procurement improvements and more active "hunt" operations on federal networks.

4. Secure Critical Infrastructure: The Strategy prioritizes improving resilience in critical infrastructure and supply chains and calls out sectors such as energy, financial services, telecommunications, data centers, water utilities, and health care, with a focus on hardening systems and improving recovery.

5. Sustain Superiority in Critical and Emerging Technologies: The Strategy emphasizes AI and other emerging technologies (including quantum-related priorities) as strategic, with an emphasis on securing technology foundations and maintaining technological advantage.

What Employers Need to Do

- Update board/leadership monitoring for near-term EO milestones: Organizations should track the EO deadlines (May 5, June 4, and July 4, 2026) and monitor outputs for changes in coordination mechanisms, enforcement emphasis, and expectations for private-sector support.
- Align cyber program roadmaps to the Strategy's recurring technical priorities: Organizations should evaluate whether their program roadmaps address emphasized themes such as zero-trust architecture, post-quantum cryptography planning, cloud transition, and scalable AI-enabled defenses. These areas are consistently identified as federal modernization objectives.
- Pressure-test third-party and data-sharing governance: Organizations should review third-party and incident-related data-sharing provisions (including vendor agreements and customer commitments) to understand when and how information may be shared in response to government requests, consistent with applicable law and contractual obligations.
- Reassess "critical vendor" and supply-chain risk posture: Organizations that operate in, support, or sell into critical infrastructure sectors should strengthen supply-chain due diligence and recovery readiness, given the Strategy's focus on supply chains and system recoverability.
- Prepare for potential shifts in incident reporting and engagement: Organizations in highly regulated environments should monitor reporting expectations, as practical changes are expected to develop through follow-on actions beyond the Strategy.

6. Build Talent and Capacity: The Strategy frames cyber workforce development as a strategic national asset and calls for expanded training and pipeline efforts.

Implementation Note: The Congressional Research Service (CRS) describes the Strategy as high-level and indicates that the implementation details and funding decisions will be addressed in future actions.

Executive Order 14390 (combatting cyber-enabled crime): The Executive Order declares cyber-enabled fraud and predatory schemes a major threat and sets out a government-wide plan to identify and dismantle transnational criminal organizations involved in cybercrime.

Key Directives Include:

- A 60-day interagency review of operational, technical, diplomatic, and regulatory frameworks to improve efforts against these organizations.
- A 120-day action plan to identify responsible organizations and propose solutions to prevent, disrupt, investigate, and dismantle them, including establishing a dedicated operational coordination element within the National Coordination Center.
- A 90-day recommendation to the President from the Attorney General on establishing a Victims Restoration Program funded by seized and forfeited assets, to the extent permitted by law.

Calendarized deadlines based on the EO date (March 6, 2026):

- **May 5, 2026:** 60-day review due.
- **June 4, 2026:** 90-day Victims Restoration Program recommendation due.
- **July 4, 2026:** 120-day action plan due.

Why This Matters

- **Expect Increased Public-Private Engagement Requests:** The EO's action plan contemplates improved coordination and use of technical capabilities, threat intelligence, and operational insights from non-federal entities "as appropriate," which can translate into more structured requests for information sharing and support.
- **Modernization Themes May Influence Vendor Selection and Investment Priorities:** The Strategy repeatedly elevates zero-trust architecture, post-quantum cryptography, cloud modernization, and AI-enabled cyber tools—signals that can shape both private-sector roadmaps and federal procurement demand.

Key Risks for Employers

- **Increased Engagement Requests After Incidents:** The EO envisions more coordinated federal activity, which can increase the likelihood of government inquiries for indicators, tactics, or operational insights from impacted organizations or their service providers.
- **Contractual and Privacy Exposure from Information Sharing:** Expanding public-private coordination can create tension with contractual confidentiality obligations, privacy expectations, and cross-border considerations if information is shared without a clear internal governance process.
- **Procurement Competitiveness and Auditability Expectations:** Vendors may face higher expectations for security documentation, testing, and operational transparency as federal procurement places greater emphasis on cybersecurity modernization.
- **Execution Uncertainty:** CRS emphasizes that the Strategy is high-level and that implementation details, budgets, and the impact on agencies and private-sector expectations remain to be seen.

Federal Legal Update

- **Critical infrastructure expectations remain central:** The Strategy and CRS framing emphasize securing critical infrastructure sectors and supply chains, suggesting ongoing scrutiny of resilience, recoverability, and third-party risk even where regulation is described as streamlined.
- **The Strategy itself does not create new legal obligations, but follow-on actions can:** CRS stresses the Strategy is high-level and that practical impact depends on future implementing actions and oversight.

Source References

- EO 14390 - Combating Cybercrime, Fraud, And Predatory Schemes Against American Citizens (March 6, 2026)
- Federal Register - EO 14390 of March 6, 2026
- CyberStrategy for America (March 6, 2026)

Federal Legal Update

DOL Expanded Public Access to VETS-4212 Data

As a reminder, on February 18, 2026, the U.S. Department of Labor (DOL) launched a new open data portal at data.dol.gov to expand public access to labor-related information across the agency.

The portal replaced the DOL's prior enforcement data page, which was decommissioned on February 23, 2026, and it included a broader range of datasets, including federal contractor veteran employment data from the Veterans' Employment and Training Service (VETS).

This update applies to covered federal contractors and subcontractors. The new portal increased public visibility into previously filed VETS-4212 veteran employment reporting data.

Overview

- DOL launched a modern open data portal in February 2026 to centralize and modernize public access to labor-related data.
- The portal was developed in connection with the OPEN Government Data Act of 2019 and the Federal Data Strategy. It was designed to improve transparency, usability, and technical access to DOL data.
- The new platform included more than just legacy enforcement data and specifically highlighted datasets such as national weekly unemployment insurance claims, federal contractor veteran employment data, and county-level childcare price data.
- For federal contractors and subcontractors, the most notable addition was public access to VETS-4212 workforce reporting data submitted to VETS.
- Under the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA) and related reporting rules, covered contractors report workforce and new-hire data concerning protected veterans through the annual VETS-4212 filing.
- Current federal acquisition rules provide that the VETS-4212 reporting requirement applies where the contractor or subcontractor has a covered award of $200,000 or more, subject to the applicable exceptions.
- The portal also included technical tools such as a data visualization gallery and a modern Application Programming Interface (API), and DOL said it planned to continue expanding datasets and user tools over time.

What Employers Need to Do

- Review previously filed VETS-4212 reports for accuracy and completeness, because the new portal increased public visibility into veteran employment reporting submitted to DOL.
- Confirm whether the organization met the applicable VETS-4212 reporting threshold, because current federal acquisition rules tie the reporting obligation to contracts or subcontracts of $200,000 or more.
- Reassess internal reporting controls for veteran self-identification, hiring-location counts, new-hire counts, and employee totals before the next filing cycle.
- Prepare for the possibility that public VETS-4212 data may be reviewed not only by outside parties but also during compliance evaluations.
- Coordinate HR, compliance, and federal contractor reporting teams so that future VETS-4212 submissions are consistent with broader affirmative action and contractor-compliance records.

Key Risks for Employers

- Treating VETS-4212 reporting as routine paperwork despite its increased visibility on DOL's public data platform.
- Filing inaccurate or inconsistent veteran workforce or new-hire data that could draw scrutiny once publicly accessible.
- Misunderstanding whether a contract or subcontract met the current reporting threshold for VETS-4212 obligations.
- Failing to align VETS-4212 submissions with other contractor compliance records that may be reviewed in evaluations or audits.

Federal Legal Update

Why This Matters

This development mattered because it turned VETS-4212 reporting into a more visible public-facing compliance datapoint rather than a form employers might have viewed as primarily administrative.

For federal contractors, the practical issue was not just the existence of the new portal, but the fact that company-specific veteran employment reporting became easier to access and analyze.

That increased transparency also raised the importance of ensuring that VETS-4212 filings were accurate, internally consistent, and supportable if later reviewed by regulators or other interested parties.

Additional Information

DOL said the new portal would be improved over time through expanded datasets, stronger search tools, additional user features, and continued AI-related compatibility.

The VETS program materials also explain that VETS-4212 data is used by the Office of Federal Contract Compliance Programs (OFCCP) in compliance evaluations.

Source References

- DOL - Press Release - US Department of Labor launches open data portal to enhance access to labor data (February 18, 2026)
- DOL - Vets Webpage

DOL Warns States on Unemployment Benefits for Strikers

On January 8, 2026, the U.S. Department of Labor's Employment and Training Administration, Office of Unemployment Insurance, issued a memorandum with Q&As to help states maintain federal conformity and compliance when state law allows unemployment insurance (UI) benefits for workers who are unemployed due to a strike.

The memorandum is guidance (not a statute or regulation) and does not itself change state UI laws, but it explains the federal conditions states must apply to avoid conformity/compliance consequences.

This guidance is directed to state unemployment insurance administrators in states that allow unemployment benefits during strikes (commonly cited as New Jersey, New York, Oregon, and Washington) and should be treated as effective as of January 8, 2026, the date it was issued.

Overview

1) Paying UI to Strikers is Not Automatically Prohibited Under Federal Law: The memorandum explains that there is not a per se federal prohibition on paying UI to striking workers and points to FUTA § 3304(a)(5) as the primary federal provision addressing labor disputes in this context.

2) The "Big Three" Eligibility Requirements Must Still Apply (No Blanket Carve-outs): The memorandum states that when a state pays UI to striking workers, claimants must still be:

- Able to Work
- Available for Work
- Actively Seeking Work

The memorandum ties these requirements to Social Security Act § 303(a)(12) and states that a state may not exempt individuals from them while remaining consistent with federal UI law.

3) Work Search Must be Real and Monitored Weekly: The memorandum emphasizes that states must require at least some evidence of work-search activity for each week benefits are claimed and must monitor weekly whether claimants meet the able/available/actively-seeking requirements.

It also directs states to verify that the job search is genuine and that the claimant has not withdrawn from the labor market, including where activities such as picketing occur to the exclusion of seeking other work.

What Employers Need to Do

- **Monitor UI Guidance in Strike-benefit States and Update Playbooks:** An employer operating in a state that permits UI benefits during strikes should monitor state agency implementation because the federal memo emphasizes weekly monitoring of able/available/active work search and disallows blanket exemptions.
- **Coordinate Return-to-Work Communications with a "Refusal Of Work" Lens:** If an employer considers requesting that employees return to work during an ongoing labor dispute, the employer should anticipate that a refusal may prompt a state "refusal of work" adjudication and that the state may evaluate FUTA labor-standards factors in that analysis.
- **Prepare HR and Labor Relations Teams for "Work Search" Verification Issues:** Where state UI benefits are available to strikers, the federal memo emphasizes that claimants must demonstrate genuine work-search activity and cannot rely solely on union contact unless narrow hiring-hall criteria apply. Employers should ensure internal teams understand these distinctions when responding to agency inquiries or employee questions.
- **Track "Strike vs. Lockout" Characterizations Under State Law:** Because eligibility can vary depending on whether a work stoppage is characterized as a strike or a lockout under applicable state law, employers should incorporate that distinction into labor-dispute planning and communications.

Key Risks for Employers

- Even if a state pays unemployment benefits to striking workers, the state must still apply the federal able-to-work, available-for-work, and active work-search rules—or risk federal penalties that can also affect employers' federal unemployment tax credits.

4) "Staying in Touch with the Union" is Not Enough: The memorandum states that remaining in contact with the union alone does not satisfy the active work search requirement (unless the limited hiring-hall criteria apply).

5) Narrow Hiring-hall Pathway (Limited Criteria): The memorandum describes a narrow approach under which work search may be satisfied where all apply:

1. The worker is a member of a union with a hiring hall,
2. The worker is eligible for referrals (e.g., member in good standing), and
3. The worker complies with union requirements where the hiring hall is the only permissible way to seek work under the union contract or membership rules.

6) Return-to-Work Requests can Trigger a "Refusal of Work" Analysis: The memorandum explains that if an employer asks employees to return before the labor dispute is resolved and the employee refuses, the state may need to evaluate eligibility under state refusal-of-work rules, but it is fact-specific.

7) Blanket Exemptions for Strikers Create Federal Conformity Problems: The memorandum states that if a state law exempts striking workers from job search requirements, that would place the state in violation of federal unemployment compensation requirements.

8) Consequences DOL Flags for States (and the "Ripple" for Employers): The memorandum warns that a lack of substantial compliance can result in loss of Title III Social Security Act administrative grants.

It also notes that state conformity matters because employers' FUTA tax credits depend on the state UI program's continued compliance with federal requirements.

Why This Matters

UI Eligibility Rules for Strikers Can Affect Strike and Lockout Strategy: The memorandum highlights that state agencies may evaluate work-search activity and refusal-of-work issues weekly, which can influence how strike-related communications and return-to-work requests are handled.

Federal Conformity Can Affect Employer Tax Outcomes: The memorandum links state conformity to employer FUTA tax credits and warns states about the risk of losing federal administrative grants, which can create broader uncertainty in state UI administration.

Operational Compliance Expectations May Shift Quickly: For example, Oregon's unemployment agency states that striking workers must complete at least one work-seeking activity weekly and notes that requirements "may change" due to ongoing discussions with the Department of Labor.

- **UI Administration Uncertainty and Program Risk:** The federal memo warns states about potential loss of Title III administrative grants and underscores the importance of federal conformity for employer FUTA tax credits.
- **Fact-specific Adjudications Tied to Labor Disputes:** Return-to-work requests and refusal decisions can trigger fact-intensive determinations under state law, informed by FUTA labor standards.

Source References

- EO 14390 - Combating Cybercrime, Fraud, And Predatory Schemes Against American Citizens (March 6, 2026)

State Legal Updates

State Legal Update

Alabama Portable Benefits Law and Tax Deductions for 2026

Vensure would like to remind employers that on April 10, 2025, Governor Kay Ivey signed Senate Bill (SB) 86, the "Portable Benefits Act," into law, creating a framework for portable benefit accounts for independent contractors and allowing certain Alabama tax deductions for contributions to those accounts.

The law applies to hiring parties and independent contractors in Alabama. It became effective on December 31, 2025, and permits related deductions for tax years beginning after that date (i.e., tax year 2026 and forward).

Overview

- The Portable Benefits Act allows hiring parties to fund benefits for independent contractors through contractor-owned accounts administered by a qualifying provider.
- A portable benefit account is an account opened by an independent contractor to fund benefits such as health benefits, income replacement insurance, life insurance, or retirement benefits, and the law broadly allows contributions by any person or entity.
- From an operational perspective, the key issue is how contributions are made: hiring parties may contribute their own funds, but any withholding from contractor compensation is allowed only if the arrangement meets the law's written-consent, disclosure, voluntariness, opt-in, and opt-out requirements.
- The law also includes a limited safe harbor providing that a hiring party's contribution to a portable benefit account as compensation may not be treated by an Alabama court as evidence of an employment relationship, including for purposes of liability under the Alabama Workers' Compensation Act.
- For tax years beginning after December 31, 2025, the law allows hiring parties to deduct 100% of their own contributions as a business expense and allows qualifying independent contractors to deduct both hiring-party contributions and their own contributions, while prohibiting double deductions.

Why This Matters

This law gives Alabama employers a new option to support independent contractors while preserving an argument that contributions alone should not indicate an employment relationship under Alabama law.

It also creates a potentially valuable Alabama tax benefit for both hiring parties and contractors, but only if contributions and any withholding arrangements are structured in accordance with the statute's specific requirements.

What Employers Need to Do

- Evaluate whether the organization wants to offer portable benefit accounts and if it is appropriate.
- Revise independent contractor agreements before implementation if contributions will be funded through withholding from contractor compensation, because withholding is allowed only if it is expressly agreed to in writing by both parties, is clear and unambiguous, is prominently displayed in the contract or a separate notice, is voluntary, requires opt-in, and permits opt-out at any time.
- Coordinate with tax, legal, payroll, and procurement teams for 2026 and later tax years, because a hiring party may deduct 100% of its own contributions as a business expense on its Alabama income tax return, while a qualifying independent contractor may deduct both hiring-party contributions and the contractor's own contributions, subject to the statute's prohibition on deducting the same item more than once.
- Use a qualified portable benefit account provider if implementing a program, because the law contemplates administration by a bank, investment management firm, or a technology provider or program manager offering services through a bank or investment management firm.

Key Risks for Employers

- **Misclassification Overreach Risk:** Employers may overread the statute's protection and assume it resolves broader worker-classification issues, even though the enrolled text more narrowly states that the contribution may not be construed by an Alabama court as evidence of an employment relationship.
- **Withholding Compliance Risk:** Employers that fund contributions through deductions from contractor compensation may face contractual or compliance issues if the arrangement is not clearly documented in writing, prominently disclosed, voluntary, opt-in based, and subject to opt-out at any time.

Additional Information

Statutory Placement and Definitions

- The law defines a “hiring party” as a person or entity that hires or enters into a contract for the performance of work with an independent contractor.
- A “portable benefit account provider” includes a bank, an investment management firm, or a technology provider or program manager that offers services through a bank or investment management firm.
- For purposes of the act, a “bank” means a banking corporation or trust company entitled to operate within Alabama under Title 5 of the Code of Alabama.

Contributions and Contractor Elections

- The law allows any person or entity, including an internet or application-based entity, may contribute funds to one or more portable benefit accounts.
- Where contributions are made through withholding from compensation owed to an independent contractor, the law requires the withholding to be expressly agreed to in writing, clearly and prominently disclosed, voluntary, based on opt-in, and subject to opt-out at any time.

Tax Deductions

- For tax years beginning after December 31, 2025, a hiring party may deduct 100% of the amount contributed as a business expense on its Alabama income tax return to compute Alabama taxable income.
- A qualifying independent contractor may deduct, as an adjustment to income on the Alabama individual income tax return, 100% of the amount contributed by the hiring party during the applicable tax year, as well as any contributions the contractor made during that tax year.
- The statute further provides that nothing in the section allows any item to be deducted more than once.

- **Tax Documentation Risk:** Employers may create tax-reporting or deduction issues if contributions are not tracked clearly, particularly because the statute allows deductions beginning with tax years after December 31, 2025, and expressly prohibits deducting the same item more than once.
- **Provider Qualification Risk:** Employers that use a non-qualified portable benefit account provider or fail to structure the program consistent with the statute may fall outside the law’s framework, potentially undermining intended protections and tax treatment.

Source References

- Alabama SB 86 – Labor and employment, independent contractors, establishment of portable benefits accounts
- Alabama Legislature Search - SB 86 - Labor and employment, independent contractors, establishment of portable benefits accounts

State Legal Update

California Launches DROP Data Broker Deletion Tool

California's Delete Act (Senate Bill 362) required CalPrivacy to launch a state-run deletion tool by January 1, 2026. That tool is now live as Delete Request and Opt-Out Platforms (DROP), which allows California residents to submit a single deletion and opt-out request to registered data brokers.

Consumers can submit requests now, but data brokers are not required to begin processing them until August 1, 2026. In-scope businesses should prepare in advance of that date.

This update applies to businesses that qualify as "data brokers" under California's Delete Act (SB 362). It covers DROP deletion and opt-out requests submitted on or after January 1, 2026, with mandatory broker processing beginning August 1, 2026.

Overview

1) What DROP is and Why It Exists

- DROP is a state-run platform that allows Californians to tell registered data brokers to delete their personal information and not sell it through a single request.
- The Governor's office describes DROP as a first-in-the-nation tool enabled by SB 362 (the Delete Act) to make it easier for Californians to exercise deletion rights across many brokers.

2) What California Residents Can Do Now

- Californians can use DROP to verify eligibility, create a profile, and submit a single request that is sent to 500+ registered data brokers.
- DROP also allows consumers to return later to check status and update profile information.

3) Eligibility and Verification (How Consumers Authenticate)

- To submit a deletion request, a user must be a California resident and verify via the California Identity Gateway (or use Login.gov as an option).
- CalPrivacy states that users do not need to create an Identity Gateway account and that verification information is handled through the State's verification pathway.

4) Key Compliance Timeline for Data Brokers:

- January 1, 2026: Consumers can submit DROP requests.
- August 1, 2026: Data brokers must begin processing deletion requests and must retrieve requests at least every 45 days and complete required deletion steps.

What Employers Need to Do

1) Determine Whether Your Organization is a "Data Broker" Under the Delete Act: CalPrivacy explains that a data broker is a business that knowingly collects and sells a consumer's personal information to third parties without a direct relationship with the consumer, subject to specified exceptions.

2) If in Scope, Ensure Registration is Completed and Maintained: CalPrivacy instructs that data brokers must register annually (during January) through the DROP system and warns that failure to register by January 31 may result in administrative fines and costs.

3) Prepare Operationally for the August 1, 2026, DROP Processing Obligations: CalPrivacy states that, beginning August 1, 2026, data brokers must access DROP at least every 45 days to retrieve requests and process deletion requests, including deleting associated personal information (including inferences) unless an exception applies, and maintain a suppression list to help ensure the data is not re-collected or resold.

4) Update Request-handling Workflows To Support DROP Status Reporting and Timing: CalPrivacy's regulations summary notes that brokers must report request status in DROP and describes ongoing operational requirements tied to the platform (including periodic retrieval and processing).

5) Monitor Enforcement Activity and Budget for Potential Exposure: CalPrivacy has already issued enforcement decisions for failure to register (including fines against Datamasters and S&P Global) and is signaling active oversight through its Data Broker Enforcement Strike Force.

Key Risks for Employers

- **Misclassification risk:** Some companies may meet the definition of a data broker based on their data-sharing practices, even if they do not view themselves as brokers.

5) Notable Exclusions/Carve-outs (high level): Certain regulated activities may fall outside the data broker definition, including those governed by the Fair Credit Reporting Act (FCRA), the Gramm-Leach-Bliley Act (GLBA), or HIPAA, depending on the specific activity involved.

6) Enforcement Signals (Registration and Early Actions): CalPrivacy reports enforcement actions for failure to register, including fines against Datamasters and S&P Global, and notes the role of its Data Broker Enforcement Strike Force.

Why This Matters

DROP changes the practical reality of consumer deletion rights by enabling a single verified request to reach hundreds of registered data brokers. This increases the likelihood and volume of deletion and opt-out requests that data brokers must operationalize beginning August 1, 2026.

For businesses that qualify as data brokers (including organizations that may not self-identify that way), this creates near-term compliance priorities around registration, integration, and request-handling readiness—backed by active enforcement for registration failures.

- **Operational Readiness Risk for August 1, 2026:** Data brokers must retrieve requests at least every 45 days and implement processing and reporting workflows tied to DROP.
- **Enforcement/Penalty Exposure:** CalPrivacy has already imposed fines for failure to register and is actively enforcing the data broker regime through its strike force.
- **Downstream Impact for Non-brokers:** Even organizations not in scope may see indirect effects as brokers begin processing deletion requests that implicate shared/vendor-sourced datasets and partner relationships.

Source References

- DROP Main Webpage
- California Governor - Press Release (January 20, 2026)
- DROP Broker Registry

California Mandates Restaurant Allergen Disclosures

On October 13, 2025, Governor Gavin Newsom signed California Senate Bill 68 (SB 68), the Allergen Disclosure for Dining Experiences Act, into law.

The law amended the California Retail Food Code and added Health and Safety Code section 114093.5, requiring written notification of major food allergens in menu items at certain restaurants, subject to federal menu-labeling rules.

This update applies to covered chain restaurant food facilities with at least one California location that are already subject to federal menu-labeling requirements, and it takes effect on July 1, 2026.

Overview

- SB 68 made California the first state to require written restaurant menu disclosures for major food allergens.
- The law applies only to food facilities already subject to federal menu-labeling requirements under 21 U.S.C. section 343(q)(5)(H), which generally covers chain restaurants with 20 or more locations operating under the same name and offering substantially the same menu items.
- Covered restaurants must provide written notification of the presence of the nine major food allergens (milk, eggs, fish, crustacean shellfish, tree nuts, peanuts, wheat, soybeans, and sesame) that they know or reasonably should know are contained as ingredients in each standard menu item.
- Restaurants may comply either by listing allergens directly on the menu or by providing allergen information in a digital format, such as a QR code, so long as a written non-digital alternative is also available for customers who cannot access digital content.
- SB 68 does not require cross-contact warnings or guarantees that food is allergen-free, and it does not apply to compact mobile food operations, non-permanent food facilities, or prepackaged foods already subject to federal allergen-labeling requirements.
- Menu specials or test items offered for fewer than 60 total days in a year, or fewer than 90 consecutive days, are exempt under the federal menu-rule framework incorporated into SB 68.
- Enforcement will rest with the California Department of Public Health (CDPH) and local enforcement agencies, and violations remain enforceable under the California Retail Food Code, where noncompliance may constitute a misdemeanor.

What Employers Need to Do

- Review whether the restaurant or branded system is covered by SB 68, including whether it is part of a chain with 20 or more locations operating under the same name and offering substantially the same menu items, with at least one location in California.
- Audit standard menu items and ingredient data to identify any of the nine major food allergens the restaurant knows or reasonably should know are contained as ingredients.
- Decide whether allergen disclosures will appear directly on menus or through a digital format. If using a digital format, prepare a written non-digital alternative such as an allergen chart, grid, booklet, or allergen-specific menu.
- Update all menu and ordering channels where customers encounter standard menu items, including printed menus, menu boards, drive-through boards, kiosks, websites, mobile apps, and online ordering platforms.
- Strengthen internal controls among culinary, procurement, marketing, menu-design, and digital-ordering teams so allergen disclosures remain accurate when recipes, ingredients, suppliers, or formulations change

Key Risks for Employers

- Misidentifying whether the law's chain-restaurant threshold covers a restaurant concept, franchise system, or location network.
- Publishing allergen information that becomes inaccurate because of recipe changes, supplier substitutions, menu variants, or inconsistent data across ordering platforms.
- Using digital disclosures without maintaining a written non-digital alternative for guests who cannot access electronic formats.
- Treating the law as a limited menu-labeling exercise instead of a broader operational compliance issue involving procurement, culinary, marketing, and technology teams.

State Legal Update

Why This Matters

- SB 68 is a significant shift for covered restaurant chains because it turns allergen information into a written menu-disclosure obligation rather than leaving it primarily to staff knowledge, informal communication, or internal allergen-reference materials.
- For employers operating covered restaurant brands, compliance is not only a menu-design project. It also requires accurate ingredient tracking, cross-functional coordination, and consistent updates across physical and digital ordering channels when recipes, suppliers, or formulations change.
- Although the statute does not require cross-contact warnings, many commentators expect meaningful litigation risk if disclosures are inaccurate, incomplete, or inconsistent—especially once a guest gives notice of an allergy.

Additional Information

The California Department of Public Health has published an implementation page explaining the covered allergens, who must comply, how restaurants may disclose allergen information, the available exemptions, and agency contact information for questions.

- Assuming that regulatory enforcement is the only exposure, when private consumer-protection or negligence-based litigation may also follow inaccurate disclosures or allergy-related incidents.

Source References

- California SB 68 - Major food allergens
- California Department of Health (CDPH) - Food and Drug Branch (FDG) - SB 68 Major Food Allergens

Resources

- FDA - Food Allergies

Costa Mesa Regulates Self-Checkout Staffing

As a reminder for employers with employees in Costa Mesa, on February 17, 2026, the City Council approved a self-service checkout staffing ordinance for certain grocery and drug retailers, and the City lists the ordinance.

The ordinance requires covered stores that offer self-checkout to keep at least one traditional staffed checkout lane open, dedicate employee supervision to self-checkout, limit certain transactions, and post required customer-facing signage.

This update applies to employers operating covered drug retail establishments and food retail establishments in Costa Mesa that offer self-service checkout, and the ordinance took effect on April 20, 2026.

Overview

- Costa Mesa's self-service checkout staffing ordinance applies to covered drug retail establishments and food retail establishments operating in the city.
- A covered Food Retail Establishment is a retail store that is either over 15,000 square feet and primarily sells household foodstuffs for off-site consumption, or over 85,000 square feet with at least 10% of sales-floor area dedicated to non-taxable food merchandise.
- Whenever self-checkout is available, a covered store must keep at least one non-self-service checkout station staffed by an employee.
- Covered stores must assign dedicated employee coverage to self-checkout areas during all business hours, and at least one employee must supervise up to three self-checkout stations without other responsibilities that interfere with direct visual inspection and surveillance.
- Stores must post signage stating that self-checkout should be limited to purchases of about 15 items.
- Stores must prohibit self-checkout purchases of age-restricted items requiring identification, including alcohol and tobacco products, and of security-tagged, locked-up, or otherwise theft-protected items that require employee intervention before purchase.
- Covered stores also must post customer-accessible signage notifying the public about the ordinance, including a link or QR code to the City's website and a physical and/or email address to which reports of violations may be delivered. Failure to maintain that address waives the store's right to argue lack of proper notice in a civil action under the ordinance.

What Employers Need to Do

- Determine whether each Costa Mesa location is covered, including whether it qualifies as a Drug Retail Establishment or a Food Retail Establishment meeting the ordinance's square-footage and food-sales criteria.
- If self-checkout is offered, keep at least one non-self-service checkout station staffed by an employee whenever self-checkout is available and maintain dedicated supervision at a ratio of at least one employee for every three self-checkout stations.
- Adopt and implement a workforce policy prohibiting self-checkout purchases of age-restricted items requiring identification, including alcohol and tobacco, and of theft-protected items requiring employee intervention before purchase.
- Post all required signage, including item-limit signage and customer-facing notice containing a link or QR code to the City's ordinance page and a physical and/or email address for reporting violations.
- Train managers on the ordinance's 15-day notice-and-cure process, private right of action exposure, and anti-retaliation rule protecting employees who assert or support rights under the ordinance.

Key Risks for Employers

- Misclassifying a Costa Mesa location as outside the ordinance when it meets the covered drug-store or food-store criteria.
- Operating self-checkout without a staffed traditional lane or without the required dedicated supervision ratio of one employee for every three self-checkout stations.
- Allowing prohibited transactions at self-checkout, including age-restricted items or items requiring employee intervention to remove theft-deterrent protections.
- Failing to post required customer-facing signage or maintain a valid physical or email address for notice of alleged violations.

- Enforcement uses a notice-and-cure process: a customer or employee must first notify store management in person and in writing, the store then has 15 calendar days to cure, and only after the cure period expires may a civil action be filed in California Superior Court if the violation remains uncured.
- If a customer or employee prevails, available relief includes the greater of a civil penalty of up to $100 per employee per violation—with daily uncured increases of $100 per employee per day up to a maximum of $1,000 per employee per day—or actual damages, plus reasonable attorneys' fees and costs for the prevailing party.

Why This Matters

Costa Mesa's ordinance adds operational staffing, transaction-control, and notice requirements to self-checkout practices for covered grocery and drug retailers, which means affected employers cannot treat self-checkout as a largely unattended or lightly supervised retail function.

The ordinance also creates litigation exposure through a private right of action, escalating uncured penalties, and prevailing-party fee recovery, so even short-lived compliance failures may become expensive if stores do not cure promptly after notice.

Because the ordinance also includes anti-retaliation protections, covered employers should view compliance as both an operations issue and an employee-relations issue.

Additional Information

The ordinance requires self-checkout stations to be placed where they can be observed and monitored by employees and local law enforcement, and the City states that implementation may take into account operational and logistical feasibility.

The City also states that the City Council will review the ordinance's impacts and effectiveness in 2027, which suggests the measure may be revisited after implementation.

- Exposure to civil actions, escalating penalties, attorneys' fees, and retaliation claims if the store does not cure timely or if employees are treated adversely for asserting rights under the ordinance.

Source References

- Costa de Mesa Ordinance - Title 9, Chapter II, Article 7 - Relating To Grocery And Drug Store Staffing Standards For Self-Service Checkout Stations (February 17, 2026)
- Costa Mesa - Press Release

Resources

- City of Costa Mesa - Public Notice Signage Template

State Legal Update

Colorado Replaces AI Act With Narrower ADMT Law

In May 2026, Colorado enacted Senate Bill 26-189, which repealed and replaced its 2024 Artificial Intelligence Act with a new framework focused on Automated Decision-Making Technology (ADMT).

The new law regulates ADMT only when it materially influences a consequential decision, including employment decisions.

This update applies to covered entities using ADMT, and the law takes effect on January 1, 2027, covering decisions made on or after that date.

Overview

- Colorado replaced its original 2024 AI law with a new, narrower framework centered on Automated Decision-Making Technology (ADMT).
- The law applies only when ADMT materially influences a consequential decision, a key threshold that narrows coverage.
- Consequential decisions still include high-impact areas such as employment, housing, lending, education, and health care.
- The law removes the prior “high risk AI system” model, along with broad governance concepts tied to algorithmic discrimination.
  - “Governance” refers to the policies, controls, and oversight practices a business uses to manage how a technology is designed and used, including how it addresses risks and ensures responsible outcomes.
- It also eliminates several major requirements from the earlier law, including:
  - Duty of Care Obligations
  - Risk Management Programs
  - Algorithmic Impact Assessments
- Instead, the new framework is more targeted and disclosure-focused, emphasizing:
  - Notice
  - Post-decision Transparency
  - Human Review Rights
  - Record Retention
- The law includes significant carve-outs, excluding many routine tools and processes such as:
  - Spreadsheets and Basic Analytics Tools
  - Cybersecurity and Fraud Prevention Systems

What Employers Need to Do

- Identify AI Automated Decision-Making Tools used in employment decisions, especially hiring, promotion, compensation, or termination processes.
- Determine whether those tools materially influence outcomes, not just whether AI is present.
- Implement notice procedures informing individuals when covered ADMT is used.
- Establish a post adverse outcome process, including explanations and meaningful human review.
- Update recordkeeping practices to retain required documentation for at least three years.

Key Risks for Employers

- Assuming AI tools are no longer regulated because the law is narrower, without analyzing whether they materially influence employment decisions.
- Overlooking hiring, screening, or compensation technologies that affect outcomes even indirectly.
- Failing to implement proper notice and post decision explanation processes.
- Not establishing a meaningful human review mechanism when adverse decisions occur.
- Neglecting required record retention, which creates exposure during enforcement or audits.

Source References

- Colorado SB 26-198 - Automated Decision-Making Technology
- Colorado Delays the Colorado Artificial Intelligence Act for June 2026 (VensureHR)

- Administrative HR Processes and Workflow Tools
- Systems That Only Summarize or Organize Information for Human Review

Why This Matters

The new law matters because Colorado moved away from one of the most aggressive AI regulatory models in the U.S. and replaced it with a narrower, more business-friendly framework that focuses on targeted obligations rather than broad compliance programs.

For employers, the key takeaway is that AI regulation has shifted from “What tools are you using?” to “Do those tools meaningfully shape employment decisions?” Even with a human in the loop, tools that rank candidates, score employees, or influence pay or eligibility decisions may still fall within scope.

Additional Information

The revised law is enforced exclusively by the Colorado Attorney General, and it does not create a private right of action.

Compared to the prior framework, this law centers on a notice, transparency, and process-based model, meaning employers should revisit prior compliance efforts and adjust them rather than discard them.

State Legal Update

Connecticut Passes Broad AI Omnibus Bill

On May 1, 2026, the Connecticut General Assembly completed legislative passage of Senate Bill 5 (SB 5), a sweeping "online safety" and artificial intelligence measure that commentary has described as the Connecticut Artificial Intelligence Responsibility and Transparency Act.

The law takes effect in stages, with the most important employer requirements beginning in October 2026 and October 2027.

This update is applicable to Connecticut employers that use automated employment-related decision technology or may issue WARN notices, and key employer-facing provisions were set to take effect on October 1, 2026, and October 1, 2027.

Overview

- Senate Bill 5 was a broad Connecticut AI omnibus measure, not a workplace-only bill. It combined employer rules with consumer, chatbot, synthetic content, workforce development, and state AI policy provisions.
- For employers, the bill's most important provisions regulated automated employment-related decision technology, broadly covering tools that process personal data and generate outputs that are a substantial factor in, or materially influence, employment-related decisions.
- Beginning October 1, 2027, employers using covered tools to interact with applicants or employees would need to disclose, in plain language, that the person was interacting with such technology unless that fact would be obvious to a reasonable person.
- When a covered tool would be used as a substantial factor in an employment-related decision, the employer would need to provide written notice before the decision, including the tool's purpose, trade name, the categories and sources of personal data analyzed, and contact information.
- If the decision was adverse, the bill contemplated explanation, data review, correction, and appeal rights, including a high-level explanation of the principal reason or reasons and, where technically feasible, human review.
- The bill also would amend Connecticut discrimination law to make clear that discriminatory use of an automated employment-related decision process is unlawful and that AI use does not shield an employer from discrimination liability. Courts and enforcement agencies could consider evidence, or the lack of evidence, of anti-bias testing and similar proactive efforts.
- Senate Bill 5 would require employers issuing WARN-style notices to disclose whether layoffs relate to the use of artificial intelligence or other technological changes.

What Employers Need to Do

- Inventory any recruiting, hiring, promotion, discipline, discharge, screening, interview, assessment, scheduling, or analytics tools that could qualify as an automated employment-related decision technology under the bill's broad definition.
- Review notice templates and workflows for applicants and employees so the organization can disclose when individuals are interacting with covered automated tools and provide advance written notice before certain AI-assisted employment decisions.
- Prepare adverse-decision procedures that can explain, at a high level, the principal reason for an adverse outcome, how the tool contributed, what type of data was used, and the source of that data, while allowing an opportunity to review and correct inaccurate data and, where technically feasible, seek human review.
- Reassess vendor contracts, governance practices, and internal documentation for anti-bias testing, validation, mitigation efforts, and human oversight, as the bill made clear that using an automated tool would not be a defense to discrimination claims.
- Update WARN-related layoff notice processes so the organization can determine whether a covered layoff is related to artificial intelligence or another technological change before notice is submitted to the Connecticut Department of Labor.

Key Risks for Employers

- Failing to identify workplace tools that could qualify as covered automated employment-related decision technology because the bill's definition was intentionally broad.
- Using covered tools in hiring or other personnel decisions without the required interaction disclosures or advance written notices.
- Lacking processes to explain adverse decisions, identify data sources, correct inaccurate data, or provide human review where technically feasible.

- Outside the employment context, the bill also created state AI offices, programs, and education initiatives while regulating AI companions, frontier-model reporting, and synthetic content.
- The bill's effective dates were staggered, with many core provisions beginning October 1, 2026, some workforce and education provisions beginning July 1, 2026, AI companion provisions beginning January 1, 2027, and certain automated-employment disclosure obligations beginning October 1, 2027.

Why This Matters

Senate Bill 5 mattered because it combined broad AI oversight and compliance rules, consumer-protection, and innovation policy with employer-specific rules that would directly affect how organizations use automated tools in hiring and other employment decisions.

For employers, the most consequential point was that the bill did not simply require transparency; it also tied automated employment decision technology directly to discrimination risk and made clear that blaming the tool or a vendor would not eliminate liability.

The staggered implementation schedule also meant employers could not assume everything would begin at once, but they still needed to start planning early because the bill would require updates to notices, adverse-decision workflows, vendor management, and WARN-related practices.

Additional Information

Senate Bill 5's broader policy structure showed that Connecticut was not pursuing only restrictions; it was also pairing regulation with workforce development, education, state coordination, and innovation initiatives such as the AI Academy, Learning Laboratory, and safe-harbor programs.

Commentary also indicated that, with limited exceptions, many provisions were expected to be enforced primarily by the Attorney General as unfair or deceptive trade practices rather than through broad private-right-of-action litigation.

- Treating AI as a shield against discrimination claims instead of documenting anti-bias testing, validation, mitigation, and human oversight.
- Overlooking the bill's separate AI-related WARN disclosure requirement when layoffs are connected to artificial intelligence or another technological change.

Source References

- Connecticut SB 5 - An Act Concerning Online Safety.

State Legal Update

Illinois Court Expands Pay Risk for Off-the-Clock Tasks

On March 19, 2026, the Illinois Supreme Court held in Johnson v. Amazon.com Services, LLC that section 4a of the Illinois Minimum Wage Law (IMWL) does not incorporate the federal Portal-to-Portal Act (PPA) exclusion for “preliminary” and “postliminary” activities.

The case arose from claims by Amazon warehouse employees who alleged they were not paid for mandatory pre-shift COVID-19 screenings that typically took 10 to 15 minutes before they could clock in, and the Seventh Circuit certified the Illinois-law question to the state supreme court after a federal dismissal.

This update applies to Illinois employers with hourly or other employees who perform required pre- or post-shift tasks, as federal compliance alone is no longer enough to determine compensable time under Illinois law.

Overview

- The Illinois Supreme Court ruled that section 4a of the Illinois Minimum Wage Law does not incorporate the Portal-to-Portal Act (PPA) exclusion for preliminary and postliminary activities, such as required tasks performed before or after a shift.
- The court emphasized that the text of section 4a provides a general overtime rule and specific exceptions, but none adopt the PPA’s preliminary or postliminary exclusion.
- The court relied on Illinois regulations that broadly define ‘hours worked’ to include all time an employee is required to be on duty, on the employer’s premises, or under employer control.
- Illinois law and regulations do not mirror the federal Portal-to-Portal Act framework. As a result, Illinois employers must assess compensable time under Illinois law rather than rely solely on federal law.
- The practical effect is that required pre- and post-shift activities may now be compensable under Illinois law even if they would not qualify as compensable under the Fair Labor Standards Act (FLSA) and PPA.
- Activities that may now present greater Illinois wage-and-hour risk include security screenings, pre-shift health screenings, donning or doffing required gear, system boot-up or log-in time, troubleshooting before work starts, software updates, safety or equipment inspections, and retrieving or returning tools or equipment.

What Employers Need to Do

- Audit Illinois timekeeping and pay practices immediately to identify any required off-the-clock pre- or post-shift tasks, including screenings, security checks, donning or doffing required gear, system log-ins, troubleshooting, software updates, equipment inspections, and tool retrieval or return.
- Reevaluate whether pre- and post-shift activities occurring on company premises or under employer control should be treated as compensable work time under the IMWL, even if they would likely be excluded under federal law.
- Review clock-in and clock-out rules, facility-entry practices, and any procedures that delay an employee’s ability to begin recording time, because the compensable workday may begin earlier than some employers currently assume.
- Train managers not to require or allow employees in Illinois to perform unpaid work before or after their scheduled shifts without HR or legal review.
- Assess potential backpay exposure across the workforce. Even small amounts of unpaid time can create significant wage-and-hour liability when aggregated over many employees and workweeks.

Key Risks for Employers

- Relying on federal law alone to determine compensability for Illinois pre- and post-shift activities.
- Failing to pay for required time on the employer’s premises before or after a shift, especially where employees must complete screenings, checks, log-ins, or similar tasks before clocking in or after clocking out.
- Maintaining timekeeping systems or workplace procedures that delay time capture until after required preliminary tasks have already begun.
- Underestimating aggregate liability where small daily increments of unpaid time affect many workers over extended periods.

Why This Matters

This decision creates a meaningful split between Illinois wage law and federal wage law for pre- and post-shift tasks, meaning employers can no longer assume that a federal PPA defense will resolve state-law claims.

For Illinois employers, the ruling increases the likelihood that employer-mandated activities occurring before or after a scheduled shift will support state-law wage claims if employees are required to be on the premises or under the employer's control.

The result is a higher risk of unexpected backpay exposure and overtime disputes, particularly in large hourly workforces where short amounts of unpaid time can accumulate quickly.

Additional Information

The Illinois Supreme Court acknowledged that Illinois courts may look to the Fair Labor Standards Act for guidance when state and federal provisions are parallel but clarified that the Illinois Minimum Wage Law and Illinois regulations are not parallel to the Portal-to-Portal Act on this issue.

As a result, employers evaluating Illinois compensable-time questions should focus first on the IMWL and the Illinois Department of Labor's broad "hours worked" definition, rather than starting from federal preliminary and postliminary exclusions.

Source References

- Illinois Johnson v. Amazon.com Services, LLC
- Illinois Courts - Case Finder

State Legal Update

Indiana AG Consumer Data Bill of Rights for 2026

The Indiana Attorney General (AG) has published an official Consumer Data Bill of Rights that summarizes consumer rights, the complaint process, and basic compliance expectations under Indiana's Consumer Data Protection Act, enacted as SB 5 (Public Law 94-2023).

The Attorney General's Bill of Rights is consumer-facing guidance that summarizes the law's requirements and explains how consumers may exercise their rights or file a complaint with the Attorney General.

This update applies to businesses that may be subject to Indiana's Consumer Data Protection Act, which took effect on January 1, 2026.

Overview

- Indiana's privacy law was enacted through SB 5, became Public Law 94-2023, added IC 24-15, and took effect on January 1, 2026.
- The AG's official Consumer Data Bill of Rights organizes the statute into practical consumer-facing themes—Right to Know, Right to Control, Right to Protect, and Right to Take Action—and explains how Hoosiers (people from Indiana or Indiana residents) may exercise rights or file complaints.
- The law applies to organizations that do business in Indiana or target Indiana residents and, during a calendar year, either process personal data of 100,000 or more Indiana consumers or process personal data of 25,000 or more Indiana consumers while deriving more than 50% of gross revenue from the sale of personal data, unless an exemption applies.
- For employers, one important scope point is that a "consumer" means an Indiana resident acting only in a personal, family, or household context, and the law separately exempts certain employment and application data used in that role.
- Covered controllers must be prepared to honor requests to confirm/access, correct, delete, obtain a copy or representative summary, and opt out of targeted advertising, sale of personal data, and certain profiling, all within the statute's required timelines.

Why This Matters

The AG's guidance gives covered businesses a clearer picture of how Indiana expects consumer rights to be communicated and operationalized now that the law is in effect.

What Employers Need to Do

- Confirm whether the organization is in scope, because Indiana Code Article 24-15 generally applies only if the business conducts business in Indiana or targets Indiana residents and meets one of the statute's threshold tests.
- Review consumer-facing privacy notices and request channels, because covered controllers must provide a reasonably accessible privacy notice, explain how consumers may exercise and appeal rights, and provide one or more secure and reliable submission methods.
- Operationalize response, appeal, and authentication workflows, because controllers generally must respond within 45 days, may take one 45-day extension when reasonably necessary, and must provide an appeal path that includes a way for consumers to contact the Attorney General if an appeal is denied.
- Review sensitive data, targeted advertising, and data sale practices, because Indiana requires opt-in consent for sensitive data and opt-out rights for targeted advertising, sale of personal data, and certain profiling.
- Update processor agreements and data protection assessment processes where needed, because the statute requires specific controller-processor contract terms and data protection impact assessments for certain high-risk processing created after December 31, 2025.

Key Risks for Employers

- **Consumer request operations risk:** Employers that also collect Indiana consumer data through websites, apps, or customer-facing platforms may face compliance issues if they are not prepared to authenticate, respond to, and appeal requests within the statute's deadlines.

State Legal Update

Even though employee and applicant data are generally outside the consumer-rights framework, employers that also operate consumer-facing websites, apps, portals, or marketing programs may still need to comply with Indiana's notice, request-handling, consent, and contract requirements.

Additional Information

Indiana's law includes several notable exemptions, including exemptions for state entities, financial institutions, and data subject to GLBA, HIPAA-covered entities and business associates, nonprofits, institutions of higher education, and certain public utilities, as well as data-level carveouts for categories such as HIPAA data, FCRA data, FERPA data, Driver's Privacy Protection Act data, and specified employment/application-related data.

Indiana also requires controllers to conduct and document data protection impact assessments for high-risk processing, including targeted advertising, sale of personal data, certain profiling, sensitive-data processing, and other processing that presents a heightened risk of harm; those duties apply only to processing activities created after December 31, 2025.

The law provides no private right of action and preempts local rules and ordinances governing the processing of personal data by controllers or processors.

- **Sensitive Data and AdTech Risk:** Covered businesses may face exposure if they process sensitive data without consent or fail to provide clear opt-out mechanisms for targeted advertising, the sale of personal data, or certain profiling.
- **Vendor Contract Risk:** Controllers may create avoidable compliance gaps if processor agreements do not include the contract terms and assistance duties required by IC 24-15.
- **Enforcement Risk:** The Indiana Attorney General has exclusive enforcement authority and may seek injunctive relief, civil penalties of up to $7,500 per violation, and recovery of certain enforcement costs, although the law provides a 30-day notice-and-cure period before suit.

Source References

- Indiana SB 5 - Consumer data protection
- April 2023: Indiana Legislature Passes Consumer Data Privacy Bill (VensureHR)

Resources

- Indiana - Data Consumer Bill of Rights

Maine Enacts Pay Transparency Law Effective 2026

On April 24, 2026, Maine enacted H.P. 18 / L.D. 54 as Chapter 771, creating new pay transparency and pay-history recordkeeping requirements under 26 M.R.S.A. § 622-A.

This update is applicable to Maine employers, with pay-range posting obligations applying to employers with 10 or more employees and pay-history recordkeeping obligations applying to all employers and takes effect July 29, 2026.

Overview

- Maine enacted a new pay transparency law through L.D. 54, adding 26 M.R.S.A. § 622-A and joining the growing number of jurisdictions that require pay disclosures in job postings.
- Employers with 10 or more employees must include the prospective range of pay in a job posting.
- A posting includes recruiting for a specific available position, whether done directly by the employer or through a third party, and includes both electronic and printed postings.
- The law defines range of pay as the compensation range the employer anticipates relying on, which may be based on an applicable pay scale, a previously determined wage range, the actual wages of employees in equivalent positions, or the budgeted amount for the role.
- If compensation is based solely on commission, the employer does not need to list a pay range, but the posting must state that the position is paid solely on commission.
- Upon request, an employer must disclose the pay range for the position currently held by an employee.
- Regardless of size, employers must maintain records of each position held by an employee and the employee's pay history during employment and for 3 years after termination.
- The law appropriates funding for an additional Labor and Safety Inspector position and related enforcement costs, signaling likely enforcement attention from the Maine Department of Labor.

Why This Matters

Maine's new law imposes two distinct compliance tracks: a pay-range disclosure rule for employers with at least 10 employees and a recordkeeping rule that applies to all employers.

The law also creates practical compliance pressure because the definition of posting is broad and reaches both direct and third-party recruiting in electronic and printed formats.

For employers with multi-state recruiting or centralized HR systems, Maine adds another pay-transparency jurisdiction that may require updated posting templates, compensation governance, and retention practices.

What Employers Need to Do

- Review job-posting practices to ensure that covered postings include a compliant prospective range of pay when the employer has 10 or more employees.
- For positions paid solely on commission, ensure the posting states that compensation is based solely on commission rather than listing a pay range.
- Prepare to respond to requests from current employees for the pay range of the position they currently hold.
- Implement or update recordkeeping systems to retain each employee's positions held and pay history during employment and for 3 years after termination.
- Consider periodic multi-state reviews of pay transparency practices, especially if postings may reach Maine candidates or if the employer already operates in other pay-transparency jurisdictions.

Key Risks for Employers

- Failing to include a compliant pay range in covered Maine job postings once the law takes effect.
- Misapplying the commission-only exception by omitting both the pay range and the required statement that compensation is solely commission-based.
- Being unable to provide current employees with the pay range for their existing positions when requested.
- Inadequate retention of position-history and pay-history records during employment and for the required 3-year post-termination period.
- Increased Maine Department of Labor oversight because the law funds an additional enforcement position.

Additional Information

One unresolved issue noted in the secondary analysis is that the statute does not clearly specify whether the 10-employee threshold applies to employees in Maine or company-wide.

Given this ambiguity, employers should apply the threshold on a company-wide basis when determining coverage for job-posting disclosures to reduce the risk of noncompliance pending further guidance from the Main Department of Labor.

Source References

- Maine LD 54 - An Act to Require Employers to Disclose Pay Ranges and Maintain Records of Employees' Pay Histories

Maryland Restricts Captive Audience Meetings

On April 28, 2026, Maryland enacted Senate Bill 417, the Maryland Worker Freedom Act, prohibiting employers from taking adverse action against an employee or refusing to hire an applicant because the person declines to attend, participate in, or listen to an employer-sponsored meeting on certain political or religious matters, subject to specified exceptions.

The Commissioner of Labor and Industry must make the required poster and model notice available by November 1, 2026, and employers must both post the notice in the workplace and provide it to each new employee upon hiring.

This update is applicable to Maryland employers that hold or require attendance at employer-sponsored meetings on political or religious matters, and the Act takes effect on October 1, 2026.

Overview

- The Maryland Worker Freedom Act prohibits employers and their agents, representatives, and designees from taking adverse action against an employee or refusing to hire an applicant because the person declines to attend, participate in, or listen to an employer-sponsored meeting in which the employer communicates its opinion on certain political or religious matters.
- "Political matters" is defined broadly to include elections for political office, political parties, proposals to change legislation, regulations, or public policy, and the decision to join or support a political party or a potential civic, community, fraternal, or labor organization.
- "Religious matters" is also defined broadly to include matters relating to religious belief, affiliation, and practice, or the decision to join and support a religious organization or association.
- The law does not prohibit all employer communications on these topics. Employers may still hold meetings if attendance and participation are voluntary, and communicate information required by law and necessary for employees to perform their job duties.
- The statute contains exemptions for certain religious corporations, organizations, and associations, certain religious educational institutions or societies, political organizations communicating their political tenets or purposes, educational institutions where political or religious matters are part of regular coursework, certain nonprofit tax-exempt training programs, legally required training, and governmental new employee orientations.

What Employers Need to Do

- Review any required meetings, presentations, or communications touching on political or religious matters, including union-related topics, to determine whether attendance or participation is mandatory.
- Train managers and recruiters not to discipline, threaten, penalize, or refuse to hire employees or applicants who decline to attend or participate in covered meetings.
- Distinguish clearly between voluntary meetings, which remain permitted, and mandatory meetings that may trigger the new protections.
- **Prepare to satisfy both notice obligations under the law:** (1) post the required poster or notice in a conspicuous workplace location accessible to employees, and (2) provide the required notice to each new employee on hiring, using materials developed by the Commissioner of Labor and Industry.
- Evaluate whether any existing training, orientation, or communication programs fall within one of the statute's exemptions, including legally required compliance training or governmental new employee orientation.

Key Risks for Employers

- Treating attendance at covered meetings as mandatory and then disciplining, threatening, or penalizing employees who decline to attend or participate.
- Refusing to hire applicants who decline to attend or participate in covered employer-sponsored meetings.
- Misclassifying a meeting as exempt or job-related when it in fact communicates the employer's opinion on covered political or religious matters outside the statute's exceptions.
- Failing to comply with notice and posting obligations once the Commissioner issues the model materials, especially because failure to provide notice is an aggravating factor when relief is awarded.

- An employee may file a written complaint with the Commissioner of Labor and Industry within 180 days after the alleged violation, and the Commissioner must investigate and attempt to resolve the matter informally through mediation.
- If the matter is not resolved and the Commissioner finds a violation, the Commissioner may assess civil penalties of up to $10,000 for an initial violation and up to $25,000 for a subsequent violation, issue a cease-and-desist order, and award other relief such as injunctive relief, compensatory damages, reinstatement, back pay with interest, restoration of benefits and other terms of employment, and attorneys' fees and costs.
- The Commissioner may petition a circuit court to enforce an order issued under the law.
- The law imposes workplace notice obligations, and the Commissioner of Labor and Industry must develop and make available a poster and model notice by November 1, 2026, which employers must both post in the workplace and provide to each new employee on hiring.

Why This Matters

This law directly limits an employer's ability to require employees or applicants to sit through employer-sponsored communications on political or religious matters and then penalize them for refusing.

Because the definition of "political matters" expressly includes decisions to join or support a labor organization, the law has clear implications for employer communications related to unionization and other workplace organizing issues.

The statute also creates meaningful enforcement exposure through administrative complaints, mediation, civil penalties, remedial orders, and notice obligations, which means employers should review both communication practices and compliance infrastructure before the October 1, 2026, effective date.

Additional Information

The Commissioner must make the poster and model notice available in English and in other languages commonly used by employees in the State.

The fiscal and policy note also indicates that the law will require additional Maryland Department of Labor enforcement resources, which suggests that compliance expectations may be more than purely technical.

- Exposure to significant remedies, including civil penalties up to $10,000 for an initial violation and $25,000 for a subsequent violation, plus cease-and-desist relief, damages, reinstatement, back pay, restoration of benefits, and attorneys' fees and costs.

Source References

- Maryland SB 417 - Labor and Employment - Mandatory Meetings on Religious or Political Matters - Employee Attendance and Participation (Maryland Worker Freedom Act)

State Legal Update

Nevada Wildfire Smoke Safety Law for Employers in 2026

On June 10, 2025, Nevada approved Senate Bill (SB) 260, directing the Division of Industrial Relations (DIR) to adopt workplace rules addressing employee exposure to poor air quality from wildfire smoke; the title reflects the law's focus on wildfire smoke protections for outdoor work.

- Section 2, which provides that NRS 354.599 does not apply to additional local-government expenses related to the act, and Section 3, the act's effective-date provision, became effective upon passage and approval.
- Section 1, which establishes Nevada's wildfire-smoke employer framework in Chapter 618 of NRS, became effective upon passage and approval for rulemaking and other preparatory administrative tasks and on January 1, 2026, for all other purposes.
- DIR later released a draft regulation package and Small Business Impact Statement on January 6, 2026, and held a public workshop on March 3, 2026, regarding proposed NAC Chapter 618 amendments to implement SB 260.

This update applies to Nevada employers with more than 10 employees who work outdoors and may be exposed to wildfire smoke, except for mine operators, employers of commercial truck drivers, and providers of emergency services.

Overview

- SB 260 creates a Nevada wildfire-smoke workplace safety framework that uses the Air Quality Index (AQI) as the trigger for required protections and directs DIR to establish measures at AQI 150 to less than 200 and AQI 200 or more.
- The statute also directs DIR to set an AQI level caused by wildfire smoke at which an employer must not allow employees to perform critical tasks outdoors. Still, SB 260 itself does not place that stop-work number directly in the statute.
- Covered employers must establish a communications system that tells employees, understandably, when they are being exposed during a shift to AQI 150 or more and what protective controls are available, and that lets employees report both exposure and symptoms such as asthmatic attacks, difficulty breathing, or chest pain.
- SB 260 also requires DIR to adopt training standards for employees who work outdoors and may be exposed to wildfire smoke, with training that is understandable, explains employer requirements, and addresses the risks of not using personal protective equipment.

What Employers Need to Do

- Determine whether the organization is covered and identify which roles involve outdoor wildfire-smoke exposure, including any "critical tasks outdoors" that may require contingency planning once DIR finalizes the stop-work threshold.
- Establish or refine Air Qualifying Index (AQI) monitoring and internal alert procedures, because covered employers must notify employees when AQI attributable to wildfire smoke is 150 or more during a shift and must allow employees to report exposure and related symptoms.
- Build or update training for outdoor employees in a manner that employees can understand, because SB 260 requires training standards covering employer obligations and the risks of not using personal protective equipment while working outdoors in wildfire smoke.
- Review Personal Protective Equipment (PPE), schedule-adjustment, and exposure-reduction options now, because DIR's January 2026 draft would require exposure-reduction controls and, at a minimum, voluntary N95 filtering facepiece respirators when AQI attributable to wildfire smoke is 150 or more.
- Continue tracking DIR rulemaking materials, because implementation details have been developed through the January 6, 2026, draft package and the March 3 public workshop on proposed amendments.

Key Risks for Employers

- Rulemaking uncertainty risk: SB 260 sets the framework, but many operational details still depend on regulations, so employers that wait may have limited time to adjust once final rules are adopted.
- Outdoor work disruption risk: DIR must set the AQI point at which employers may not allow critical tasks outdoors, and the January 2026 draft proposes AQI 500, which could materially affect staffing and scheduling during severe smoke events.

- DIR's January 6, 2026 draft regulations show what implementation may look like in practice: a one-time written job hazard analysis, wildfire-smoke provisions in the written safety program, AQI/PM2.5 monitoring options, exposure-reduction controls at AQI 150 or more, voluntary N95 availability, and a proposed AQI 500 threshold for stopping critical tasks outdoors; because these are proposed regulations, they may still change before adoption.

Why This Matters

Nevada has moved from a general statutory framework to a more concrete wildfire-smoke compliance model that ties employer obligations to AQI thresholds, employee communications, and outdoor-work training.

Because SB 260 leaves many operational details to regulation, employers with outdoor workforces should not wait for final rules to identify exposed roles, communication channels, and basic response measures for smoke events.

Additional Information

SB 260 also authorizes DIR to provide written guidance to help employers comply and to account for rural and remote working conditions.

In addition, the statute states that the regulations adopted under SB 260 must not impose additional liability on an employer for purposes of industrial insurance or occupational disease insurance.

- Communication and symptom-response risk: Covered employers must have a working system to notify employees at AQI 150 or more and receive reports of wildfire-smoke exposure and symptoms during a shift.
- Training and PPE readiness risk: Employers may face compliance gaps if outdoor workers are not trained in understandable formats or if respirators and other exposure-reduction measures are not ready when smoke conditions deteriorate.

Source References

- Nevada SB 260 - AN ACT relating to employment
- State of Nevada Department of Business & Industry Industrial Relations (DIR)
- Official Nevada OSHA Regulations page
- DIR - Small Business Impact Statement Questionnaire Proposed Permanent Regulations Amending NAC Chapter 618 (January 6, 2026)
- DIR - Notice Of Public Workshop To Solicit Comments On Proposed (March 3, 2026)

Oregon Clarifies Paid Leave Coordination and Claims Rules

As a reminder for employers that have employees in Oregon, Senate Bill 858 was signed by Governor Tina Kotek on May 14, 2025, as a technical update to Oregon's paid family and medical leave insurance program, commonly known as Paid Leave Oregon.

The measure clarified how Paid Leave Oregon benefits coordinated with accrued paid leave, updated the disqualification rule for weeks in which an employee was eligible for state or federal unemployment wage-replacement benefits, created an authorized-agent process for deceased or incapacitated claimants, and clarified when contribution obligations stopped under an approved employer-offered equivalent plan.

The update applied to Oregon employers with employees in Oregon, and amendments became operative on January 1, 2026.

Overview

- SB 858 made targeted technical changes to the administration of Oregon's paid family and medical leave insurance program.
- The amendments to Oregon Revised Statutes section 657B.030 confirmed that Paid Leave Oregon benefits were in addition to paid sick time, vacation leave, or other paid leave earned by an employee, but as a default rule, the combined amount could not exceed full wage replacement during the leave period.
- An employer could choose to allow employees to use accrued paid leave in addition to Paid Leave Oregon benefits, even if the combined amount exceeded full wage replacement, and the employer could determine the order in which different types of accrued leave were used, subject to any agreement or collective bargaining agreement.
- The law also updated the disqualification rule so that, in any week an employee was eligible for workers' compensation time-loss benefits or wage-replacement benefits under a state or federal unemployment benefits program, the employee was disqualified from receiving Paid Leave Oregon benefits for that week.
- For employers with an approved employer-offered equivalent plan, the law clarified that neither the employer nor covered employees were required to make Paid Leave Oregon contributions for any calendar quarter beginning on or after the effective date of the approved plan and continuing for the duration of the plan.

What Employers Need to Do

- Review leave-coordination practices to confirm whether employees may use accrued paid leave with Paid Leave Oregon benefits and whether the employer will allow stacking above full wage replacement.
- Confirm policies or collective bargaining agreements address the order in which different types of accrued paid leave will be used when more than one type is available.
- Ensure payroll, leave, and benefits teams understand that Paid Leave Oregon benefits are not payable for any week in which an employee is eligible for wage-replacement benefits under a state or federal unemployment benefits program.
- For employers with an approved equivalent plan, verify contribution practices so that employer and employee contributions stop for calendar quarters beginning on or after the plan's effective date and for the duration of the approved plan.

Key Risks for Employers

- Applying inconsistent leave-stacking practices or failing to define whether accrued paid leave may be used above full wage replacement.
- Continuing to collect employer or employee contributions after an approved equivalent plan should have stopped contribution obligations.
- Allowing Paid Leave Oregon benefits to overlap with weeks in which an employee was eligible for state or federal unemployment wage-replacement benefits.
- Failing to coordinate properly when claim-related communications or appeals involve an authorized agent or another representative acting on behalf of a deceased or incapacitated covered individual.

Source References

- Oregon SB 858 - Relating to the administration of the family and medical leave insurance program; and prescribing an effective date.

For employers, it clarified how Paid Leave Oregon coordinated with accrued paid leave and equivalent-plan contributions, directly affecting payroll administration, paid-time-off practices, and compliance.

It also confirmed that employees generally could not receive Paid Leave Oregon benefits for a week in which they were eligible for state or federal unemployment wage-replacement benefits, while giving employers clearer flexibility on whether accrued paid leave could be used only up to full wage replacement or beyond it.

Additional Information

The law also updated Paid Leave Oregon claim administration by allowing an authorized agent to act on behalf of a deceased or incapacitated covered individual and by clarifying related confidentiality and appeal-representation rules.

- Oregon Secretary of State (SOS) Administrative Rules - Paid Leave Oregon (471-070-0001)

Resources

- Paid Leave Oregon - Resources Hub
- Paid Leave Oregon – Employer's Guidebook
- Paid Leave Oregon - FAQs

State Legal Update

Oregon Expands Worker Protections Tied to Immigration Status

On March 31, 2026, Governor Tina Kotek signed Oregon House Bill 4111 (HB 4111) into law. The law bars the use of a party's or witness's immigration status as evidence in civil proceedings, subject to limited exceptions, and makes it unlawful for employers to discriminate, retaliate, or otherwise take adverse action when an employee updates or attempts to update information after a lawful change in employment authorization documentation.

This update applies to all Oregon employers, and the law takes effect on June 5, 2026.

Overview

- Oregon House Bill 4111 creates new limits on the use of immigration status in civil proceedings and adds employment protections for workers who experience a lawful change in employment authorization documentation.
- Under the law, evidence of a party's or witness's immigration status is generally not admissible in a civil proceeding, unless immigration status is necessary to prove a specific element of a claim or defense.
- The law makes it an unlawful employment practice for an employer to discriminate, retaliate, or otherwise take adverse action against an employee because the employee updates, or attempts to update, personal or employment information after a lawful change in employment authorization documentation.
- These protections are incorporated into Oregon's employment discrimination framework under Oregon Revised Statutes Chapter 659A.
- In addition, the law expands Oregon's definition of unlawful profiling for law-enforcement purposes to include immigration status.

Why This Matters

House Bill 4111 increases employer responsibility when responding to lawful employment authorization updates. Routine administrative steps may create legal exposure if they appear retaliatory, inconsistent, or tied to a worker's immigration-related documentation rather than to a legitimate business or legal requirement.

The law also reduces the likelihood that immigration status will be raised as leverage in civil employment disputes where it is not legally required. For employers, that means workplace decisions and litigation strategy should stay focused on lawful, documented employment issues rather than on immigration-status evidence that may be inadmissible.

What Employers Need to Do

- Review and update anti-retaliation policies to ensure employees are not disciplined, terminated, or otherwise treated adversely for updating or attempting to update lawful employment authorization information.
- Train managers and human resources personnel on proper handling of lawful work authorization updates and on the need to avoid adverse action unless federal law requires it.
- Review employment practices and recordkeeping procedures so immigration-related information is not improperly considered in workplace decisions or employment disputes.
- Coordinate with legal counsel before relying on, requesting, or introducing immigration-status information in civil employment matters, unless a narrow legal exception applies.

Key Risks for Employers

- Taking negative employment action shortly after an employee updates work authorization information without clear, lawful, and well-documented justification.
- Allowing managers or HR personnel to treat lawful documentation updates as a trigger for discipline, termination, or other adverse treatment.
- Raising or relying on immigration-status evidence in a civil employment matter where that evidence is not legally necessary to establish a claim or defense.
- Failing to align litigation, HR, and document-handling practices with the law's new evidentiary and retaliation limits.

Additional Information

The Oregon Legislative Information System summary states that the measure also modifies the definition of profiling for purposes of Oregon's law-enforcement profiling requirements.

Governor Kotek's office later described HB 4111 as part of a broader package of 2026 measures intended to strengthen protections for immigrant and refugee communities in Oregon.

Source References

- Oregon House Bill (HB) 4111 - Relating to immigration-related practices; and prescribing an effective date

State Legal Update

Texas Unemployment Last Work Rule for 2026

On June 20, 2025, Governor Greg Abbott signed House Bill (HB) 3699 into law, changing how Texas defines “last work” and “person for whom the claimant last worked” for initial unemployment claims; the bill’s title highlights its core change to the “last work” rule.

This update applies to employers involved in initial unemployment claims filed with the Texas Workforce Commission (TWC) and took effect on January 1, 2026.

For claims filed on or after that date, the law removes the prior 30-hours-in-a-week test and generally ties “last work” to the Texas-defined employer for whom the claimant last worked, unless state or federal law provides otherwise; claims filed before January 1, 2026, remain governed by prior law.

Overview

- HB 3699 amends Texas Labor Code Section 208.002(a) only in connection with an initial claim under the unemployment compensation system.
- The amendment removes the prior 30-hours-in-a-week rule that could determine who counted as the claimant’s “last work” employer for an initial claim.
- Under the new default rule, “last work” refers to the employer defined by Subchapter C, Chapter 201, for whom the claimant last worked, unless state or federal law provides otherwise.
- The law applies only to claims filed with TWC on or after January 1, 2026; earlier-filed claims continue under the prior statute.

Why This Matters

- This change should make the statutory “last work” rule for initial claims more straightforward by removing the prior 30-hour threshold from the definition.
- It may also affect employers that use short-term, casual, or low-hour labor, because a claimant’s most recent work may now matter even if that work did not meet the old 30-hour benchmark.

Additional Information

HB 3699 also removes prior language that referred to an employer defined “by the unemployment law of any other state” from this definition section, which may matter in some multistate claim scenarios.

What Employers Need to Do

- Review separation records and unemployment-response procedures before January 1, 2026, because the amended rule applies prospectively to initial claims filed with TWC on or after that date.
- Confirm who receives and responds to TWC notices involving short-term, casual, or low-hour workers, because the amended statute removes the prior 30-hour threshold from the “last work” analysis.

Key Risks for Employers

- **Notice and response risk:** Employers may receive “last employer” notices or factfinding requests in situations involving short hours, because the amended statute no longer uses the 30-hour threshold in the initial-claim definition.
- **Documentation and timing risk:** Employers may face avoidable protest or charge issues if separation dates, last day worked, and reasons for separation are not documented clearly before the new rule applies to TWC claims filed on or after January 1, 2026.

Source References

- Texas HB 3699 - Relating to initial claims under the unemployment compensation system

State Legal Update

Virginia Creates Paid Family and Medical Leave

On April 22, 2026, Virginia approved Senate Bill 2 and House Bill 1207, creating a new statewide Paid Family and Medical Leave (PFML) insurance program administered by the Virginia Employment Commission (VEC).

The new law establishes a phased rollout under which the VEC must have the program in place by January 1, 2028.

Virginia's PFML law creates a state-administered paid leave insurance framework that provides wage replacement and job protections for qualifying family and medical leave reasons, including bonding leave, the employee's own serious health condition, care for a family member, certain military-related leave, and certain safety-services leave.

This update is applicable to virtually all private employers, and the VEC must establish the program by January 1, 2028, payroll contributions begin on April 1, 2028, and benefit claims and payments begin on December 1, 2028.

Overview

- Virginia created a new PFML insurance program in Title 60.2 and directed the VEC to establish and administer it.
- By January 1, 2028, the VEC must have the program established; by April 1, 2028, it must begin collecting contributions; and by December 1, 2028, it must begin receiving claims and paying benefits.
- Covered leave includes bonding with a new child after birth, adoption, or foster placement; the employee's own serious health condition; caring for a family member with a serious health condition; caring for a covered service member; qualifying military exigency leave; and seeking safety services related to domestic violence, harassment, sexual assault, or stalking, with safety-services leave capped at four weeks in a benefit year.
- Eligible individuals may receive up to 12 weeks of benefits in a benefit year, and weekly benefits are generally 80% of average weekly wages, subject to a $100 minimum weekly benefit unless wages are below that amount and a maximum tied to 100% of the statewide average weekly wage.
- Leave may be taken on a continuous, intermittent, or reduced schedule basis, and employees must make a reasonable effort to schedule leave so as not to unduly disrupt employer operations when practicable.

What Employers Need to Do

- Begin reviewing leave, attendance, and benefits policies now so they can be aligned with Virginia's new PFML framework before payroll contributions start in 2028.
- Prepare payroll systems for the contribution model, including the different rules for employers with more than 10 employees versus employers with 10 or fewer employees, and the rule that deductions may not reduce wages below the applicable minimum wage.
- Plan for new notice and posting duties, including written notice at hire, annual notice, event-triggered notice when leave may qualify, and workplace posting obligations in English, Spanish, and any first language spoken by at least 5% of the workforce.
- Evaluate whether any employer-sponsored leave arrangement could qualify as an approved private plan that provides rights, protections, and benefits equal to or greater than the state program.
- Train managers and HR personnel on job restoration, benefits continuation, anti-retaliation protections, and the rule that PFML leave may not be counted as an absence under attendance-control policies.

Key Risks for Employers

- Waiting too long to assess payroll, policy, and leave-administration changes needed for April 1, 2028, contribution collection and December 1, 2028, benefit administration.
- Misapplying the contribution rules for small employers versus larger employers or making wage deductions that push pay below the applicable minimum wage.
- Failing to honor job restoration, health benefits continuation, or anti-retaliation protections for employees who request, apply for, or use PFML benefits.
- Treating PFML leave as a countable absence under attendance-control policies, which the statute expressly prohibits.

- The law defines “family member” broadly to include children of any age, grandchildren, grandparents, parents, siblings, spouses, domestic partners, step, foster, and adoptive relationships, and certain individuals who live in the employee’s home and depend on the employee for care.
- Employers with more than 10 employees must remit the full contribution and may deduct up to 50% of the required amount from employee wages. In comparison, employers with 10 or fewer employees deduct and remit only the employee-side amount and do not have to make an additional employer contribution.
- Employees who the current employer has employed for at least 120 days before leave begins are entitled to reinstatement to the same or an equivalent position, and employers must maintain health care benefits during leave as if the employee had remained actively working, with the employee continuing to pay the employee share.
- Employers must provide written notice at hire, annually, and when an employee requests leave, or the employer learns of a potentially qualifying leave need, and must maintain a workplace poster with the required information in English, Spanish, and any first language spoken by at least 5% of the workforce.
- Employers may apply to satisfy their obligations through an approved private plan, but the plan must provide rights, protections, and benefits equal to or greater than the state program and must be recertified every two years.

Why This Matters

- Virginia’s new PFML law is a major shift because it moves the state beyond unpaid federal leave protections and creates a statewide paid-leave insurance system with payroll contributions, wage replacement, notice requirements, job protection, and anti-retaliation rules.
- The law is broader than the FMLA in important ways, including who may qualify, the expanded definition of covered family members, and the availability of leave for safety services as well as intermittent or reduced schedules.
- Even though contributions and benefits do not begin until 2028, the law creates enough payroll, policy, notice, and administrative obligations that employers may want to begin planning now rather than waiting for VEC regulations.

- Assuming an existing employer-sponsored leave policy or insurance product will automatically qualify as a private plan without VEC approval and ongoing recertification.

Source References

- Virginia SB 2 - Paid family & med. leave insurance program; definitions, notice requirements, civil action, report.

State Legal Update

Virginia Limits Non-competes After Without-Cause Discharge

On April 13, 2026, Virginia enacted Senate Bill 170 (SB 170) Chapter 883, which provides that a noncompete will be unenforceable for agreements entered into, amended, or renewed on or after July 1, 2026, if the employer discharges the employee without cause and does not provide disclosed severance or other monetary payment.

This update applies to Virginia employers using non-compete agreements on or after July 1, 2026.

Overview

- Senate Bill 170 amends Virginia Code § 40.1-28.7:8 and, beginning July 1, 2026, a noncompete is unenforceable if the employer discharges the employee without cause and does not provide severance benefits or other monetary payment that was disclosed upon execution of the covenant, unless the employee is discharged for cause.
- The new restriction applies prospectively only to agreements entered into, amended, or renewed on or after July 1, 2026, and does not apply retroactively to earlier agreements.
- Although SB 170 adds a new discharge-related rule, Virginia's existing restrictions on non-competes for "low-wage employees" remain in place. This includes workers who are entitled to overtime under the Fair Labor Standards Act (FLSA), interns, students, apprentices, trainees, and certain lower-paid independent contractors.
- The Virginia Department of Labor and Industry has posted the current average weekly wage threshold at $1,507.01 per week (about $78,364.52 annually) for 2026.
- The statute defines a "covenant not to compete" broadly but also states that such a covenant may not restrict an employee from providing services to a customer or client of the employer if the employee does not initiate contact with or solicit that customer or client.
- The statute expressly preserves nondisclosure agreements protecting trade secrets and proprietary or confidential information.
- Employees may bring civil actions alleging unlawful enforcement, and courts may void unlawful covenants and award relief that can include injunctions, liquidated damages, lost compensation, damages, attorneys' fees, and costs.

What Employers Need to Do

- Update Virginia noncompete templates to clearly state any severance benefits or other monetary payment that will support enforceability after a without-cause discharge, as the payment must be disclosed when the covenant is signed.
- Consider defining "cause" in agreements and related policies, as the statute does not define that term and leaves a key trigger for enforceability open to dispute.
- Reassess restrictive-covenant strategy for Virginia, including whether to rely more heavily on nondisclosure agreements, trade secret protections, and carefully drafted non-solicitation language.
- Confirm whether the worker is already covered by Virginia's existing "low-wage employee" restrictions before using any noncompete at all, including whether the worker is entitled to overtime under the Fair Labor Standards Act (FLSA).
- Update workplace postings to include a copy of the statute or an approved summary where other required notices are posted. Posting failures can trigger escalating penalties.

Key Risks for Employers

- A noncompete may fail at the outset if the agreement does not disclose the severance benefits or other monetary payment that would support enforcement after a without-cause discharge.
- The undefined terms "cause" and "severance benefits or other monetary payment" create litigation risk and uncertainty over what terminations and payments preserve enforceability.
- Employees may sue over attempted enforcement of unlawful covenants, and courts may void the covenant and award damages, liquidated damages, lost compensation, attorneys' fees, and costs.

- Employers that violate the law may face civil penalties of $10,000 per violation, and employers that fail to post the law or an approved summary may face a written warning for a first violation, up to $250 for a second violation, and up to $1,000 for a third and subsequent violations.

Why This Matters

Senate Bill 170 expands Virginia's noncompete restrictions beyond the prior focus on low-wage and overtime-eligible workers by tying enforceability to how the employment relationship ends and whether the employer committed upfront to severance or other monetary consideration.

That change means noncompete enforceability in Virginia is now more closely linked to termination decisions, severance design, and contract drafting, rather than only to worker classification or compensation level.

The statute does not define "cause" or set a minimum severance amount; as a result, employers face added interpretation risk and may have less flexibility to preserve enforceability after a without-cause discharge if the agreement did not disclose the payment at signing.

Additional Information

Senate Bill 170 does not expressly resolve whether all non-solicitation provisions fall within the statutory definition of a "covenant not to compete," but recent Virginia authority remains important because the Court of Appeals in Sentry Force Security, LLC v. Barrera recognized that Virginia law allows restrictions on direct customer solicitation while also signaling limits on other forms of restrictive covenants involving covered workers.

The new law also contains no express sale-of-business carve-out, which may matter in transactional settings where employers might otherwise expect broader protection for noncompetes.

- Violations can trigger $10,000 per violation civil penalties, and posting failures can trigger separate notice penalties.
- Employers that continue to use legacy templates without reconciling Virginia's low-wage rules, overtime-based coverage, and new discharge-based restrictions may face avoidable unenforceability and enforcement exposure.

Source References

- Virginia LIS SB 170 - Protection of employees; covenants not to compete, discharged employees.

State Legal Update

Washington Updates Employer Unemployment Reporting Rules

On March 14, 2026, Washington Senate Bill 5874 was signed into law, updating the penalty rules for employer reporting related to unemployment compensation, clarifying when penalties apply to late, incomplete, or incorrectly formatted reports, and allowing limited waivers for certain minor or insignificant reporting errors.

The law also clarifies that an employer whose tax and wage report is incomplete because it fails to report the standard occupational classification or job title of each worker is subject to the incomplete-report penalty only if the employer knowingly failed to report that information.

This update applies to Washington employers subject to unemployment compensation reporting requirements and took effect on June 11, 2026.

Overview

- Senate Bill 5874 amends Washington Revised Code section 50.12.220 and focuses on employer reporting obligations for unemployment compensation purposes.
- The law updates how penalties are assessed for late, incomplete, or incorrectly formatted employer reports and clarifies when penalties may be waived.
- The commissioner may waive penalties for minor or insignificant reporting errors, including inadvertent software-related problems that prevent proper reporting of the standard occupational classification or job title of each worker.
- An employer whose report is incomplete because it fails to include the standard occupational classification or job title of each worker is subject to the incomplete-report penalty only if the employer knowingly failed to report that information.
- The bill does not reduce penalties for employers that knowingly misrepresent payroll information or fail to pay required unemployment contributions. Those violations remain subject to separate enforcement and higher penalties under the statute.

Why This Matters

This law raises the stakes for accurate, properly formatted unemployment insurance reporting while giving employers limited relief for minor or unintentional mistakes. Employers should expect continued enforcement of reporting obligations, especially where errors are repeated or where reporting problems affect contribution calculations.

At the same time, the revised waiver language gives employers a clearer basis to seek relief for certain small or software-related mistakes.

What Employers Need to Do

- Review unemployment insurance reporting processes to help ensure reports are filed on time and submitted completely and in the required format to the Washington Employment Security Department.
- Confirm payroll and reporting systems can accurately capture and report the information needed to avoid incomplete-report penalties, including standard occupational classification or job title information where required.
- Train payroll and human resources staff on the updated warning, penalty, and waiver structure for late, incomplete, or incorrectly formatted reports.
- Establish internal procedures to identify and correct reporting errors promptly, especially where minor or software-related issues may support a waiver request.

Key Risks for Employers

- An employer that files an incomplete or incorrectly formatted tax and wage report must receive a warning letter for the first occurrence. For later occurrences within five years, the law applies graduated monetary penalties that vary depending on whether unemployment contributions are due.
- Employers that knowingly misrepresent payroll information or fail to pay unemployment contributions remain subject to separate enforcement and higher penalties.
- Although the law allows waivers for minor or insignificant reporting errors, waivers are discretionary and not guaranteed, which makes accurate reporting and prompt correction efforts essential.

Source References

- WA SB5874 - Concerning employers' information reporting for purposes of unemployment compensation

Scheduled
Regulatory Changes

Scheduled Regulatory Changes

State	Original Update Link	Effective Date
Federal	Federal: New Rules and Dates for Skilled Worker Visa Lottery	June 30, 2026
Federal	DOL Proposes Unified Joint Employer Standard	Deadline: June 22, 2026
California	San Diego, CA, Adopts Hospitality Minimum Wage Ordinance	July 1, 2026
Colorado	Colorado Delays the Colorado Artificial Intelligence Act for June 2026	June 30, 2026
Colorado	Colorado Expands Wage and Hour Protections and Liability	July 1, 2026
Illinois	Illinois Enacts the Family Neonatal Intensive Care Leave Act	June 1, 2026
Minnesota	Reminder Minnesota: Secure Choice Retirement Launch 2026	June 30, 2026
New Jersey	Reminder New Jersey: Unemployment Insurance, Temporary Disability Insurance, and Family Leave Insurance Wage Bases and Contribution Rates for 2026	June 30, 2026
New York	New York Retirement Mandate in 2026: What Employers Need to Know and How to Stay Compliant	July 15, 2026
New York	New York Now Requires Naloxone in First Aid Kit	June 10, 2026
Washington	Washington Aligns School Week Work Hours for 16–17 Year Olds in CTE and College Programs	July 1, 2026
Washington	Washington Updates PFML Premium Allocation for June 2026	June 11, 2026

Posting Updates
May 2026

Posting Updates May 2026

State	Updated Posting
Alaska	Alaska has revised its AKOSH "Safety and Health Protection on the Job" poster to reflect updated penalty amounts, revised complaint procedures, updated agency contact information, and formatting changes. Employers should replace outdated postings to ensure compliance with current Alaska OSHA requirements.
California	California has updated its Cal/OSHA "Safety and Health Protection on the Job" poster as of April 2026. The revised posting reflects current workplace safety and health requirements, including employer obligations to maintain a safe workplace, implement and maintain an effective Injury and Illness Prevention Program (IIPP), and comply with applicable Cal/OSHA standards. Employers should ensure the updated notice is displayed in a conspicuous location at each worksite, as failure to post the current version may result in penalties.
Minnesota	Minnesota has updated its Workers' Compensation posting in English and Spanish with new content added to its "If you are injured" section.
	Minnesota has released an updated "Minimum Wage and Other Requirements" notice that includes several important content and formatting revisions. Most notably, the new notice adds a "Rest and Meal Breaks" section stating that employers must provide at least a 15-minute rest break for every four consecutive hours worked and a 30-minute meal break for shifts lasting six or more consecutive hours. The updated poster also features a refreshed layout, revised section headings, and updated QR codes and web links directing employees to additional labor law resources and reporting information.
Oregon	Oregon has released an updated Paid Leave Notice. The most notable change adds guidance for unforeseeable leave, requiring employees to notify their employer within 24 hours and provide written notice within three days. The update also clarifies that employees must continue paying their portion of health insurance while on leave.
Vermont	Vermont has updated its Unemployment Insurance Notice with revised formatting, added a statutory reference, and expanded employee eligibility language to include protections related to sexual violence and stalking. The expanded language represents a meaningful update, and employers should replace the outdated notice to ensure compliance.

Posting Updates May 2026

County	Updated Posting
Los Angeles County, CA	Los Angeles County has updated its Los Angeles County Unincorporated Minimum Wage posting in English and Spanish with a new minimum wage rate.
King County, WA	King County has updated its King County Unincorporated Minimum Wage posting with an agency correction to the employer business size categories.
City	**Updated Posting**
Berkeley, CA	Berkeley has updated its Berkeley Minimum Wage posting in English and Spanish with a new minimum wage rate.
Fremont, CA	Fremont has updated its Fremont Minimum Wage posting in English, Spanish, Chinese, Hindi, Tagalog, and Vietnamese with a new minimum wage rate.
Malibu, CA	Malibu has updated its Malibu Minimum Wage posting in English and Spanish with a new minimum wage rate.
Pasadena, CA	Pasadena has updated its Pasadena Minimum Wage posting in English and Spanish with a new minimum wage rate.
Toledo, CA	Toledo has added a new Toledo Employee Rights posting in English and Spanish to its offering.
Santa Fe, NM	Santa Fe has updated its Santa Fe Minimum/Living Wage posting in English and Spanish with a new minimum wage rate.
New York City, NY	New York City has updated its New York City Paid Sick Leave posting in English and Spanish with formatting changes and updates.
Philadelphia, PA	Philadelphia has updated its Philadelphia Employment Discrimination is Against the Law posting and Philadelphia Pregnancy Protection posting with formatting changes and language updates.