

# 2026 Employee Handbook Updates:

Strategies for the Year Ahead

October 29, 2025

#### Seyfarth Shaw LLP

"Seyfarth" refers to Seyfarth Shaw LLP (an Illinois limited liability partnership). ©2025 Seyfarth Shaw LLP. All rights reserved. Private and Confidential



#### Legal Disclaimer

This presentation has been prepared by Seyfarth Shaw LLP for informational purposes only. The material discussed during this webinar should not be construed as legal advice or a legal opinion on any specific facts or circumstances. The content is intended for general information purposes only, and you are urged to consult a lawyer concerning your own situation and any specific legal questions you may have.

#### **Presenters**



Chelsea D. Hoffman
Partner
San Francisco



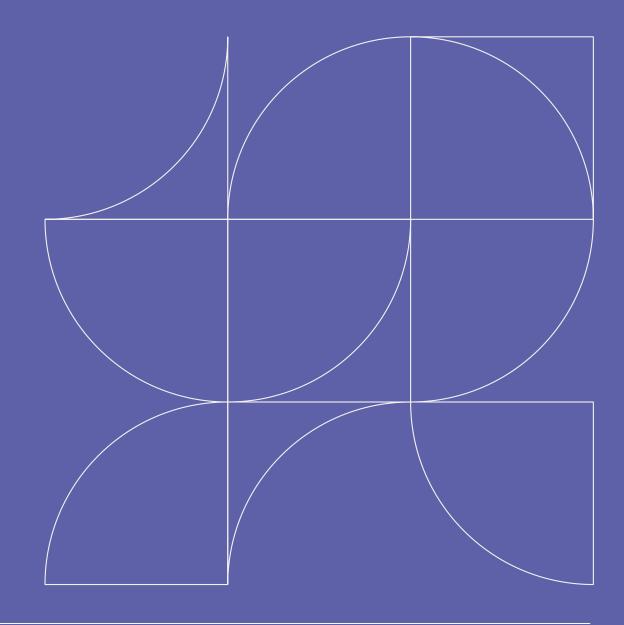
Jean M. Wilson Senior Counsel Boston



Catherine S. Feldman
Associate
Los Angeles

# 1

## Introduction



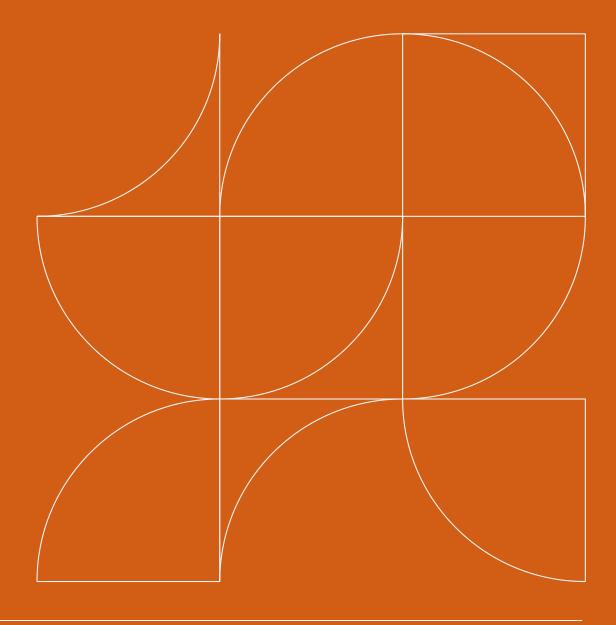


#### What We Will Cover Today

- **01** Introduction
- **02** Federal and state developments that impact handbooks and policies
- O3 The importance of an excellent employee handbook and corresponding state addenda
- 04 How Seyfarth's Handbook & Policy Team has helped employers
- **05** Trends in the law what to expect going forward

2

Federal and State
Developments
That Impact Handbooks
and Policies



# Federal Updates

What to Expect When You Expect the Unexpected

# The Current State of the EEOC



- EEOC Actions related to "Restoring Equality of Opportunity and Meritocracy"
- EO directs the agency to "eliminate the use of disparateimpact liability in all contexts to the maximum degree possible"
- Current priorities:
  - "rooting out unlawful DEI-motivated race and sex discrimination";
  - "protecting American workers from anti-American national origin discrimination";
  - "defending the biological and binary reality of sex and related rights, including women's rights to single-sex spaces at work";
  - "protecting workers from religious bias and harassment, including antisemitism; and remedying other areas of recent under-enforcement."
- Remaining non-controversial priorities:
  - PWFA enforcement
  - disability and failure to accommodate issues

#### NLRB Key Appointments and Nominations

### Overview of New NLRB Leadership and Key Presidential Nominees

- The Only Current Member
  - David Prouty Term began August 28, 2021 (Term expires August 27, 2026)
  - Trump nominated Scott Mayer and James R. Murphy but neither has been confirmed.
    - NOTE: Prouty's term ends 8/27/2026 so even if these two are confirmed, if another member is not nominated/confirmed soon-ish, the Board will be dealing with a quorum issue again soon.
- Acting General Counsel
  - William B. Cowen Appointed February 3, 2025
- General Counsel (Nominee)
  - Crystal Carey (not yet confirmed)
- Currently three vacant seats
  - 1. Term expires December 16, 2027
  - 2. Term expires August 27, 2028 [Wilcox seat]
  - 3. Term expires December 16, 2029



#### NLRB Current Status

- Shutdown means that nothing can be processed at any level.
  - No charges/representation petitions are being processed.
  - Pending cases remain in that pending status.
  - Scheduled hearings are being indefinitely postponed.
- Still no quorum
- Acting GC has rescinded several memos from the former GC, but not that many
  - One of the changes has been in easing the requirements for settlement.
  - Now Regions can accept less than 100% of backpay calculations (up to 80%) and can agree to non-admission clauses which were not allowed under GC Abruzzo.

#### NLRB – What to Expect From the Board After a Reopened Government

#### What this means for Employers:

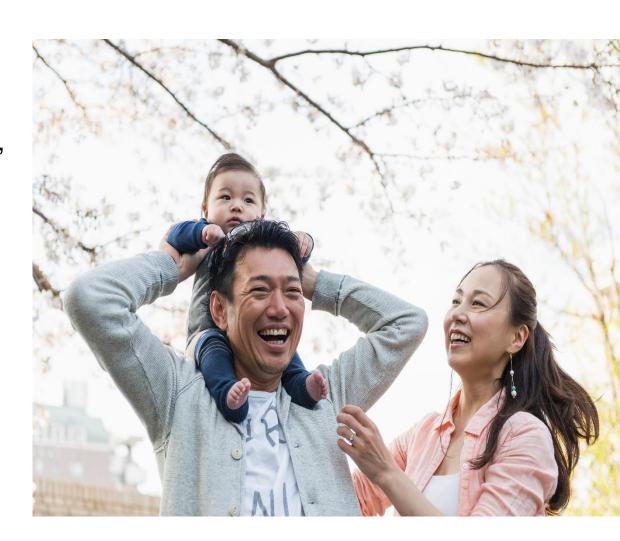
- Uncertainty.
- Although we have a Republican president, very little has changed because the pro-employee/union case law is still Board precedent.
- Stericycle (Aug. 2023) decision changing how the Board reviews work rules is still precedent.
  - Under this stringent approach work rules are presumptively unlawful if an employee who is predisposed to engaging in protected concerted activity could interpret the rule to have a coercive meaning/application.
- Cemex (Aug 2023) decision that overtured long-established precedent on union recognition.
  - Under this decision, if a union demands recognition and the employer does not want to recognize the union after reviewing a showing of interest, the employer within a 2-week period must file its own representation petition with the NLRB.
  - Previously, no such obligation was placed on the employer.
  - The failure to file the petition might result in the union filing a failure to bargain charge against the employer and ultimately a bargaining order against the employer without an election.

# Developments in Paid Family Leave

A Reaction to the Lack of a Federal Solution

#### **Current Paid Family and Medical Leave Laws**

- Existing PFL / PFML Laws: 16 TOTAL LAWS
  - 14 States + DC
    - CA, CO, CT, DC, DE, MA, MD, MN, NH\*, NJ, NY, OR, RI, VT\*, & WA
    - 1 Municipality
    - San Francisco, CA
- Note: This list does **not** include states that have added paid family leave as a class of insurance.
- Note: SDI laws exist in CA, HI, NJ, NY & RI



<sup>\*</sup>State has instituted voluntary PFML program.

#### **NEW Paid Family and Medical Leave Laws**

State	Payroll Contributions Date	Benefit Effective Date
Delaware	January 1, 2025	January 1, 2026
Minnesota	January 1, 2026	January 1, 2026
Maine	January 1, 2025	May 1, 2026
Maryland	January 1, 2027	January 1, 2028

#### Delaware Paid Leave Program

Jan. 1, 2026

#### **Coverage Basics**

- Plan Type: Private plan or public option
- Coverage: Applies to employers with 10 or more employees whose primary place of work is DE (limited exceptions)

Employee Count	Leave Type Required
Fewer than 10 EEs	May voluntarily enroll in program
10 to 24 EEs	Parental Leave only – may voluntarily enroll to provide additional coverage
25 or more EEs	Parental, EE Medical, Family Caregiver, Qualifying Exigency

#### Eligibility

- Worked for employer for at least 12 months (not consecutive)
- Worked 1,250 hours in the most recent 12-month period
- Funding: 50/50 split employer and employee

#### **Delaware (cont.)**

#### Benefit Amount

- 80% of average weekly wage for the 52 weeks before claim date
- Maximum benefit = \$900 (adjusted annually)

#### Notice of Plan

- Dec. 1, 2025 current employees
- At hire
- When leave is requested or employer believes that employee may qualify for leave
- DE Paid Leave Notice & Poster

#### Notice of Coordination of Benefits

- Describing how paid leave program coordinates with employer paid time benefits (PTO, STD, LTD, Parental Leave)
- State provides if on public plan
- If use TPA must provide at time employee applies for leave

Type of Delaware PFL	Duration		
Parental Leave – for parents to bond with their healthy child (whether from adoption, fostering, or natural birth) in the first year of the child's life.	12 weeks every year		
<b>EE Medical Leave</b> – for employees who are seriously ill or injured.	6 weeks every 2 years		
Family Caregiver Leave – for employees to take time off from work to care for a seriously ill or injured family member (child, spouse, or parent).	6 weeks every 2 years		
Qualified Exigency – for an employee to use to address issues that may arise associated with a family member's deployment overseas on military duty.	6 weeks every 2 years		
No more than 12 weeks of leave combined in a 12-month period.			

#### Minnesota Paid Leave Program

**January 1, 2026** 

- Plan Type: Private plan or public option
- Coverage: All employers with at least one employee in Minnesota
- Funding: 50/50 split between employer and employee
- Eligibility:
  - Earned 5.3% of state average weekly wage (≈\$3,900)
  - Work at least 50% of time in MN
- Benefit Amount: percentage of average weekly wage up to max benefit of \$1,423 (adjusted annually)
- Notice
  - Dec. 1, 2025 current employees
  - Within 30 days of hire
  - Acknowledgment required
  - MN Paid Leave Notices & Poster

#### What is Covered Under Minnesota Paid Leave

#### **Medical Leave**

Up to 12 weeks

#### Medical

Leave to care for an individual's own serious medical condition.

#### Family Leave

Up to 12 weeks

#### **Bonding**

Leave to bond with an individual's child during the first 12 months after the child's birth or after the placement of the child through adoption or foster care.

#### **Caring**

Leave to care for a family member with a serious health condition.

#### Safety

Leave because of domestic abuse, sexual assault, or stalking of the individual or individual's family member.





Leave because a family member is on active duty or has been notified of an impending call or order to active duty in the Armed Forces.

Maximum of 20 weeks total leave in a benefit year.

# Maine Paid Family and Medical Leave

May 1, 2026

- Plan Type: Private plan or public option
- Coverage: All employers with at least one employee in Maine
- **Funding:** 50/50 split between employer and employee; no employer contribution if fewer than 15 employees
- Eligibility:
  - Earnings of at least 6 x the state average weekly wage (\$7,188) in the first of the last 5 completed quarters
- Benefit Amount: percentage of average weekly wage up to max benefit of \$1,198.84 (adjusted annually – July 1)
- Notice
  - Notice must be provided within 30 days of hire requires customization
  - ME PFML Poster

#### Maine – Reasons for Use & Duration of Leave

#### Duration of leave

– 12 weeks of leave in a 12-month period

#### Reasons for leave

- Bonding to care for a child within 12 months of birth, adoption, or foster placement
- Family Caregiver Caring for a family member with a serious health condition
- Employee Medical Managing personal medical needs due to a serious health condition
- Military Exigency Addressing military exigencies related to a family member's active duty
- Injured Servicemember Caring for a covered service member who is a family member
- Safe leave For situations involving domestic violence, sexual assault, or stalking

# Paid Sick Leave Updates

No Solution in Sight for Multi-State Compliance

#### Alaska – Paid Sick Leave

#### **Effective Now**

Repeal Restriction (FAQ): "State law does not allow for the governor to veto laws passed by initiative, and the legislature is prohibited from repealing said laws for a two-year period."

**Employer Eligibility:** All employers in Alaska.

**Employee Eligibility:** Broad coverage, subject to limited exceptions.

Amount of Leave: PSL is accrued at the rate of one hour for every 30 hours worked, up to a maximum of 40 or 56 hours per year, depending on employer size. All PSL carries over at year-end, but employers may cap use at 40/56 hours per year. There is no provision on frontloading.

**Notice:** No model notice—employers must create their own.

#### Nebraska – Paid Sick Leave

#### **Effective Now**

**Employer Eligibility:** An employer is any individual, partnership, limited liability company, association, corporation, business trust, legal representative, or organized group of persons who employs one or more employees. There are certain exceptions.

Employee Eligibility: Any individual employed by an employer. There are certain exceptions.

Amount of Leave: Leave is accrued at the rate of one hour for every 30 hours worked, up to a maximum of 40 or 56 hours per year, depending on employer size.

Employer Obligations: Available Balance; Notice, Posting & Recordkeeping obligations (amongst other things).

#### Missouri PSL – Repealed!

#### Pittsburgh, PA – PSL amendments effective 1/1/2026

- Expanded employee eligibility
- Rate of accrual increased from 1 hour for every 35 hours worked to 1 hour for every 30 hours worked
- Accrual Cap (annual and point-in-time) & Carry Over increased to 72 hours (up from 40) and 40 hours (up from 24 hours) depending on employer size

#### Michigan

 Earned Sick Time Act ("ESTA"), as amended, replaced Paid Medical Leave Act ("PMLA") effective 2/21/2025.
 Raises minimum amount of sick leave per year to 72 hours.

#### **Cook County**

- Eliminated the requirement for employees to accrue paid leave while using paid leave hours.
- Added written policy requirements.

#### **Minnesota**

- On June 14, 2025, MN enacted an omnibus bill that amends its sick leave law by allowing employers to require documentation that sick time is covered after 2 consecutive absences (down from 3).
- Clarifies that employees may voluntarily find a replacement to cover the hours the employee misses when using sick and safe time. Employers may also advance leave to an employee based on the hours that an employee is expected to work, but if inadequate, employers must make up the difference.

#### **Minneapolis**

- Bereavement Leave Minneapolis enacted a new paid sick and safe leave ordinance that allows an employee to use accrued ESST for covered bereavement purposes. Effective December 31, 2025
- On September 17, 2025, Minneapolis enacted an ordinance that largely aligns its local paid sick leave ordinance with the MN sick leave law. Some of the changes include redefining key terms such as covered employee and family member; changes the purposes for use; removes the 90-day use waiting period; amends frontloading requirements; has a written notice requirement, amends recordkeeping and balance statement requirements, and provides for a private right of action and penalties.

# California

A Slower Year for Policy but a Busy Legislature

#### The Statistics

#### 2025 Legislation By The Numbers

- As of his Oct. 13, 2025 signing deadline, Governor Newsom took action on 917 bills
  - Down from 2024's 1,206 bills (the highest number of bills to reach his desk during his tenure as Governor)
  - He has acted on every bill that has reached his desk every year in his 7 years in office, > 6,600
- He signed 794 bills (down from 2024's 1,017) and vetoed 123 bills
  - =13.4% veto rate, lower 15% historical average veto rate.

(Credit: Chris Micheli, LinkedIN Posts)

#### Leave Laws

#### Protected Leave - Expanded Reasons for Use:

- Beginning January 1, 2026, employees can use paid sick leave to take time off to attend judicial proceedings if the employee or a covered family member are a victim of *certain* crimes and are attending judicial proceedings related to that crime.
- This new reason for leave will also be covered under California's unpaid job-protected leave.

#### Paid Family Leave – Designated Person:

- Effective date: July 1, 2028
- Paid family leave benefit eligibility will expand to include individuals who take time off work to care for a seriously ill designated person.
- "Designated person" = any individual related by blood or whose association with the employee is the equivalent of a family relationship.

## Bias Training and Personnel Files

#### Bias Training

 An employee's assessment, testing, admission, or acknowledgement of their own personal bias made in good faith that is solicited or required as part of a bias mitigation training <u>does not</u> constitute unlawful discrimination under FEHA.

#### Personnel Records

- Personnel records relating to employees' performance now includes education and training records.
- These records must contain:
  - Employee name;
  - Training provider name;
  - Duration and date of the training;
  - Core competencies of a training, including skills in equipment and software; and
  - The resulting certification or qualification.

# "Stay or Pay" Employment Contract Prohibition

- Makes void employment contracts entered into on or after January 1, 2026, that require workers to repay to an employer a debt if the worker's employment or work relationship terminates.
- Exceptions: Certain agreements, incl. tuition payments, discretionary bonuses, or relocation payments, if:
  - Repayment terms are in a separate agreement from the primary employment contract;
  - Worker is advised of the right to consult an attorney and given at least <u>5 business days</u> to do so before signing;
  - Any repayment obligation for early separation must be prorated based on the remaining retention period (up to 2 years) and cannot accrue interest;
  - Worker must have the option to defer receipt of the payment until the end of the retention period without repayment obligation; and
  - Repayment may only apply if the employee leaves voluntarily or is terminated for misconduct.
- Penalties/Private Right of Action: Actual damages or up to \$5,000 in penalties per worker, injunctive relief, and attorneys' fees and costs.

#### Pay Transparency and Pay Data Changes

#### **Pay Transparency and Pay Data Laws**

- Effective Date: January 1, 2026
- Revised pay scale definition to mean a "good faith" estimate of the wage range an employer reasonably expects to pay for the position upon hire.
- Wages definition for equal pay claims aligned with the federal Equal Pay Act standards and includes all forms of compensation.
- Expanded the SOL for civil actions to recover wages to 3 years, and permits a 6-year lookback period.
- Replaced "opposite sex" with "another sex."
- Demographic information gathered by employers or labor contractors for the purpose of pay data reports must be stored separately from personnel records.
- Beginning with the 2026 reporting cycle (due May 2027), the number of **job categories** on which employers must report increases from 10 to 23.

#### The Workplace Know Your Rights Act

#### Notice of Workers' Rights:

- When: February 1, 2026, annually, and at the time of hire.
- Employers must provide a stand-alone written notice to employees describing certain workers' rights.
- Labor Commissioner must develop a template notice by January 1, 2026.

#### Employees' Emergency Contacts:

- When: By March 30, 2026,
- Employees must have the opportunity to ID an emergency contact their employer must notify if the employee is detained at work or if off-site during work hours, if the employer has actual knowledge.
- CBA waiver of this provision is permissible, if set forth in clear and unambiguous terms.

# Industry-Specific Laws

#### Meal Period Exemptions

 Employees of a water corporation are added to the categories of employees exempt from CA's meal period requirements.

#### Rest Period Exemption

- Employees in safety-sensitive positions at a petroleum facility are exempt from CA's rest period requirements.
- Exemption applies to employees who hold a safety-sensitive position at a refinery that produces fuel through the processing of alternative feedstock.

#### Independent Contractors and Employee Vehicle Business Expenses

- Establishes employers' duty to indemnify employees for necessary business expenses when the employee uses their own vehicle for work.
- Applies to: (a) construction trucking, and (b) a commercial motor vehicle driver who owns the truck, tractor, trailer, or other commercial vehicle used for work.
- Reimbursement amount: Can be either a flat rate reimbursement or a mileage-based reimbursement negotiated by the driver/union and employer.

### The Southeast and Texas

A Few Unexpected
Developments in a Usually
Quiet Area

# Georgia, Arkansas, and Louisiana

#### Gwinnett County, GA

– Amended its definition of "race" to include traits associated with race and national origin, including, but not limited to hair texture, hair types, and protective hairstyles, such as braids, locs, Bantu knots, Afros, and twists unless the hairstyle restricts the person's ability to safely engage in a particular job or interferes with the performance of their essential job functions.

#### Arkansas

 In August 2025, amended Crime Victims Leave to permit time off for family members or "representatives" of victims and expanded the definition of victim

#### Louisiana

- On June 4, 2025, expanded its first responder leave law to include electrical linemen.
- On June 8, 2025, amends the list of protected classes under its anti-discrimination laws to include "military status."

# Texas and West Virginia

#### . Texas

- Delivery Network Companies (Eff. 9/1/25) On June 28, 2025, TX enacted a law requiring delivery network companies adopt an intoxicating substance policy that prohibits a delivery person logged into its system from any amount of intoxication
- Also requires it adopt a nondiscrimination policy that prohibits delivery workers from discriminating against customer or potential customers based on their geographic location or destination, race, color, national origin, religious belief or affiliation, sex, disability, or age.

# West Virginia

- **Pregnancy** On February 5, 2025, WV enacted pregnancy accommodations rules.
- The rules provide definitions for a "person" and "related medical condition," highlighting that lactation is covered, but elective abortions are not; and provides examples of reasonable accommodations. The rules will sunset on August 1, 2030.

# Western States

The Final Frontier of Updates

## Colorado

### Paid Family and Medical Leave – January 1, 2026

 Additional 12 weeks of PFML for a child receiving inpatient care in a NICU for the duration the child is receiving such care.

## Al Act – June 30, 2026

- Applies to: Employers that use a high-risk AI system in consequential employment decision with 50+ full-time employees.
- Consequential Employment Decisions: Decisions that impact an individual's employment opportunities (hiring/firing and promotion).
- Evidence of compliance includes: Risk management policy and program, impact assessment, and consumer notice.

## Equal Pay Reminder – Through July 1, 2029

- Employers physically located outside of CO, with less than 15 remote workers in CO.
- Under the Ensure Equal Pay for Equal Work Act, only need to provide notice of vacant "remote" job opportunities.

# Washington

#### Healthcare Meal and Rest Periods – January 1, 2026

- Employees may agree in writing to:
  - Waive meal breaks when working shifts of less than 8 hours, and waive their 2<sup>nd</sup> or 3<sup>rd</sup> meal break if they took at least one meal break during their shift.
  - Adjust the timing of their meal and rest breaks.
  - Combine meal and rest breaks when they work a shift of at least 8 hours.
- Waivers must:
  - Be in writing
  - State waivers are voluntary, may be revoked at any time
  - Cite to the state's meal and rest break rule and applicable CBA rights
  - Be agreed to before the first shift that employer and employee wish to rely on the waiver

## Lactation Accommodation – January 1, 2027

- <u>All</u> employers must provide pregnancy-related accommodations.
- Employees must be paid their <u>regular rate of pay</u> for break time used to express breast milk, and travel time to access lactation locations.
- Employees <u>cannot be required to use paid leave</u> for lactation breaks or related travel time, and this time must be in addition to meal and rest breaks.
- Expands <u>reasonable accommodation</u> to include scheduling flexibility for postpartum medical visits.

# Washington Amended Leave Laws

#### • Paid Sick Leave – July 25, 2025 & Jan. 1, 2026

- 2025 expanded reasons for use: Preparation for, or participation in, a judicial or administrative immigration proceeding involving the employee or their family member.
- 2026 expanded reasons for use: Certain absences related to an employee or their family member's status as a victim of a hate crime.

#### Domestic Violence Leave – January 1, 2026

Hate crimes added as a qualifying circumstance for taking leave.

#### Paid Family Medical Leave – January 1, 2026

- Phased job protection eligibility expansion:
  - 2026 → Employees who have worked 180+ days will be entitled to job restoration if their employer has 25+ employees.
  - 2027 → 15+ employees.
  - 2028 → 8+ employees
- Minimum claim duration reduced to 4 consecutive hours in a week.
- Employers required to maintain existing health coverage for employees on PFML leave, provided the employee qualifies for job protection.
- Employment protection extended to any period of unpaid FMLA leave where the employee was eligible for PFML, but did not use it.
- New affirmative reinstatement requirement.

# Washington Background Checks

## Fair Chance Act – July 1, 2026

- New screening practices:
  - Only ask about criminal history after making a conditional employment offer.
  - No policies/practices that exclude/reject applicants that have/don't disclose a criminal record.
  - No adverse actions based on an arrest record.
  - No adverse actions based on a conviction record, absent a legitimate business reason.
- Individuals subject to adverse actions must (1) be given a written explanation and (2) have **2 business days** to respond.
  - FCRA requires 5-day waiting period before implementing adverse action.
- Employers must document the assessment of an individual's record and consider specific factors.
- Unlike other Fair Chance Laws if an employer is advised that
  the position will be subject to a post-offer criminal history
  background check, employer must make an immediate written
  disclosure to the applicant that summarizes aspects of the law and
  includes a copy of the AG's Fair Chance Act Guide.
  - Same disclosure required if an applicant voluntarily discloses info about their criminal history during a job interview.

# Oregon

- Paid Sick Leave Expanded July 25, 2025
  - Blood donation added as a new qualifying reasons for use of PSL.
- OR Family Leave Act Expanded September 27, 2025
  - Clarified that employees can take leave to care for disabled children older than 18.
  - Children must be substantially limited by a physical or mental disability.

# New England & New York

**New Stuff in the New Year** 

# **New York City**

### NYC Paid Prenatal Leave

- Effective July 1, 2025 (NY state Jan. 1, 2025)
- Policy required in NYC/Strongly recommend for NY state
- 20 hours of paid leave in a 12-moth period in addition to paid sick leave
- Only employees directly receiving prenatal healthcare services for pregnancy are eligible for this time off
- Documentation conflict between state and NYC rule cannot require under NY law; allowed under NYC law after more than 3 consecutive days
- Notice 7 days if foreseeable; otherwise as soon as practicable
- Balance notification

#### NYC Lactation Accommodation

- Policy required
- Law now requires that employers have a refrigerator in the workplace to store breast milk

# **New York**

## New York Jury Duty Pay

- Employers with 11 or more employees
- Must pay employees \$72/day for the first 3 days of service or the amount the employee would have earned if wages are less than \$72/day

## Retail Workplace Violence Protection Plan

- Effective June 2025
- Retail employers with 10 or more employees
- Policy and training required
- Retail Worker Safety | Department of Labor

# Connecticut

#### **Connecticut Paid Sick Leave**

- Coverage phased in
  - Jan. 1, 2025 employers with 25 or more employees
  - Jan. 1, 2026 employers with 11 or more employees
  - Jan. 1, 2027 all employers
- No substantive changes for 2026
  - accrual cap: 40 hours of paid sick time/year
  - accrual rate: one hour of sick time for every 30 hours worked
  - carryover: up to 40 hours/year
  - accrual use cap: may only use 40 hours/year
  - may frontload time to avoid carry-over
  - no requirement to provide advance notice
  - cannot require documentation
  - expansive reasons for use including mental health wellness day

## Massachusetts

#### Massachusetts Paid Sick Leave

- Amended 11/21/24 add another reason sick time can be used
- To address the employee's or their spouse's physical and mental health needs if the employee or their spouse experience a pregnancy loss or a failed assisted reproduction, adoption, or surrogacy

## Massachusetts Pay Transparency

- Effective 10/29/2025
- 25 or more employees in MA
- Covers remote employees who live in Massachusetts or report to a Massachusetts worksite
- Must include pay range in all internal and external job postings
- Commission or piece rate must also be included
- Pay range to applicants for a specific position, to current employees upon request, and to current employees when offering promotion or transfer

# Maine

- Maine Paid Family and Medical Leave May 1, 2026
  - Maine Paid Family & Medical Leave Website
- Maine Reporting Pay September 24, 2025
  - If employee reports to work and employer cancels or reduces the number of hours in an employee's scheduled shift must pay employee the lesser of:
    - 2 hours of regular hourly pay
    - the total pay for which the employee was initially scheduled
  - If employer makes a documented, good faith effort to notify employees, it may not be responsible for reporting pay
  - Must notify employees directly or through alternative notice system
  - If unsuccessful in notifying employee and the employee reports to work, the employee must perform any work assigned to him that is available; if no duties to assign must provide reporting pay as described above

# **New Hampshire**

### New Hampshire Service Member Spouse Leave

- Effective Jan. 1, 2026
- Applies to employees who work at a NH location with 50 or more employees
- Ensures job security for employees whose spouses are involuntarily mobilized in support of a war, national emergency, or contingency operations
- Employees may take unpaid leave for duration of spouse's mobilization, not to exceed 1 year and 1 day

## New Hampshire Childbirth, Postpartum Care & Infant Pediatric Medical Appointments

- Effective Jan. 1, 2026
- Applies to employers with 20 or more employees (in US)
- Provides 25 hours of unpaid leave to attend:
  - the employee's own medical appointments related to childbirth and postpartum care
  - child's pediatric appointments within first year of child's birth or adoption

# More NH

## New Hampshire Lactation Accommodation

- Effective July 1, 2025 (penalties effective July 1, 2026)
- Written policy required
- Provide reasonable breaks (unpaid break of approx. 30 minutes for every 3 hours worked)
- Employees can opt to use meal periods or existing breaks
- Must provide a clean non-bathroom space that is shielded from view and free from intrusion – electrical outlet and chair provided if feasible

# Rhode Island

# Amendments to Existing Laws

## RI Fair Employment Law – June 24, 2025

 Employers must provide a reasonable accommodation for menopause, including the effects of vasomotor symptoms

## • RI Temporary Caregiver Insurance – Jan. 1, 2026

- Increase leave/benefit period from 7 weeks to 8 weeks
- EEs may collect TCI benefits for:
  - bone marrow 5 business days
  - live organ donation 30 business day

## Overtime & Premium Pay Clarification – Aug. 17, 2025

- Only state that still requires OT for work performed on Sundays and certain holidays
- Limited exceptions in the law that will remain
- Amendment strikes provision allowing employers to request an exemption
- Manner in which OT is calculated differs for non-retail and retail employees – amendment defines retail employer
- Legal Holidays | RI Department of Labor & Training

# Rhode Island Wage Notice – January 1, 2026

- Payment of Wages Act amended
- Requires employers to provide all new hires with a written notice containing the following information:
  - the employee's rate of pay and basis thereof (e.g., hourly, salary, commission, etc.), and the specific application of any additional rates
  - allowances, if any, claimed for meals and lodging
  - the employer's policy on sick, vacation, personal leave, holidays, and hours
  - the employee's employment status and whether they are exempt from minimum wage and/or overtime
  - a list of deductions that may be made from the employee's pay
  - the number of days in the pay period, the regularly scheduled payday, and the payday on which the employee will receive their first pay
  - the employer's contact information, including the employer's legal name and any operating names,
     the physical and mailing addresses of the principal place of business, and telephone number

# Vermont

# Parental & Family Leave/Short-Term Family Leave

- Effective July 1, 2025 substantially amends law
- Provides 12 weeks of unpaid leave in a 12-month period
- Prior law employee medical, family caregiver, parental leave
- New Reasons for Use
  - Qualifying exigency for military-related events involving family member on active duty
  - Safe Leave reasons related to domestic violence, sexual assault, stalking (e.g., medical, legal, relocation, etc.)
  - Bereavement Leave
    - Up to 2 weeks (maximum of 5 consecutive days)
    - Taken with 1 year of family member's death
  - Parental Leave expanded to include:
    - Recovery from childbirth or miscarriage
    - Bonding with a foster or adopted child up to age 18 (has been 16)
- Expanded family member definition
- Revised definitions of who is covered

# Midwest

# The Middle of the Map is Full of Updates

## **New Law in Illinois**

## **Illinois - NICU Leave Act**

- Effective Date: June 1, 2026
- Provides **job-protected**, **unpaid leave** for employees whose child is admitted to a **Neonatal Intensive Care Unit (NICU)**.
- Eligibility:
  - Employers with 16–50 employees: up to 10 workdays of unpaid NICU leave.
  - Employers with 51+ employees: up to 20 workdays of unpaid NICU leave.
- Leave may be taken intermittently or continuously, in increments of at least 2 hours.
- Additional Provisions
- Leave under this Act is in addition to any leave taken under the Family and Medical Leave Act (FMLA). Employers cannot require employees to use paid leave instead of NICU leave. Employees may elect to substitute other paid or unpaid leave for NICU leave.
- Employees must be **reinstated** to their previous or equivalent position with **no loss of benefits**.
- Employers may request reasonable verification of the NICU stay.

# Other Illinois Updates

#### Lactation Accommodation:

• Effective January 1, 2026, the lactation break law requires breaks to express milk to be paid at the employee's regular rate of compensation. The statutory language suggests *all* breaks during which the employee expresses milk must be paid.

#### VESSA:

• Effective January 1, 2026, employers must prohibit (and **notify employees of the prohibition** of) all discrimination, harassment, and retaliation against employees where the employee **used Company-issued equipment to record** domestic violence, sexual violence, gender violence, or any other crime of violence committed against the employee, their family, or a household member of the employee.

#### Funeral Honors Details Leave:

• FMLA-eligible employees may use up to 8 hours of paid leave per calendar month, up to 40 hours annually, to participate in **funeral honors detail** (insofar as they are trained and qualified to do so.)

#### Blood and Organ Donation Leave:

 Originally reserved for full time employees, blood and organ donation leave is now required for part-time employees as well.

#### Meal and Rest Breaks for minors:

• Illinois law was updated to specifically require that employees under the age of 18 years will receive one 30-minute unpaid break for every **five (5) continuous hours** worked (in contrast with adults who receive a break for every 7.5 hours).

# **Minnesota**

#### Minnesota – June 14, 2025

- Enacted an omnibus bill that amends its meal and rest break law: employers must provide 15 minutes or enough time to utilize the nearest restroom, whichever is longer, every 4 hours of consecutive work and a 30-minute meal break for employees working 6 or more consecutive hours.
- In September, the FAQs were updated, clarifying who's covered; when breaks are paid; what's considered "hours worked"; employees may voluntarily waive breaks; and when breaks may be combined.
   Corresponding regulations may be forthcoming.

#### Minneapolis EEO Developments - May 5, 2025

- Minneapolis enacted an ordinance that redefines "race" to be inclusive of traits historically associated or perceived to be associated with race, including hair texture and protective hairstyles, such as afros, braids, locks, and twists.
- prohibits employers and employment agencies from discriminating against an applicant or employee because of their justice-impacted status, housing status, height and weight, or any combination of existing protected classes. Additionally, it redefined "familial status."
- requires employers with 15 or more permanent, full-time employees to provide a reasonable accommodation for known pregnancyrelated limitations, unless it can demonstrate that the accommodation would impose an undue hardship.

# Other Midwest Activity

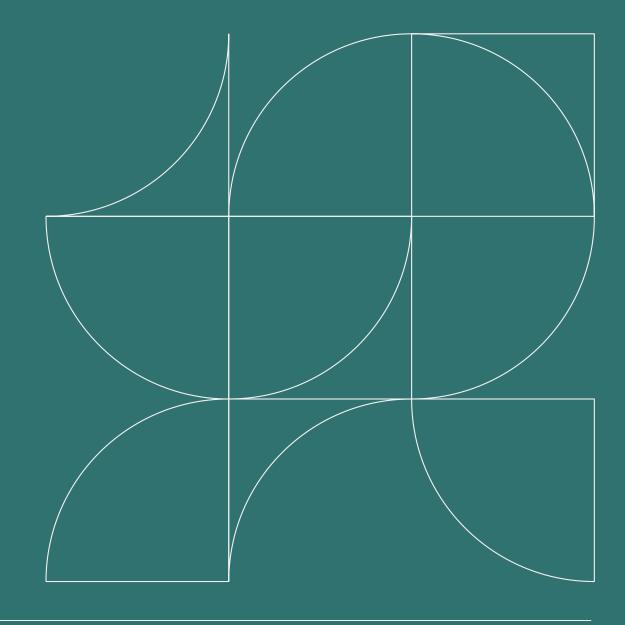
#### Indiana

Annual School Conference Leave: Employees may take one day of unpaid leave for year to attend an "attendance conference" related to truancy or a "case conference meeting" related to an IEP for their child, unless the employee attends more than 1 of these meetings in a calendar year; the absence is longer than reasonably necessary; or the employee fails to provide the employer with 5 days advance notice. The law expires on July 1, 2029.

### Wisconsin

 On April 10, 2025, the WI Supreme Court held that under the WI Fair Employment Act, which prohibits arrest-record discrimination, the definition of "arrest record" includes non-criminal offenses. Therefore, it is unlawful to terminate an employee based on a municipal citation. 3

The Importance of an Excellent Employee Handbook and Corresponding State Addenda



# What is the Purpose of a Good Handbook?



- Establish uniform expectations
- Obtain acknowledgment of understanding of these expectations from employees
- Showcase workplace benefits
- Give employees something to rely on
- Achieve organizational consistency
- Reduce excessive supervisory discretion
- Deliver notice of legal rights and obligations such as atwill and arbitration
- Communicate required written policies (legal compliance!)
- Not to be a contract, but a reliable guidepost

# Why Exactly Do We Need Written Policies?



- Required by law
- Recommended best practice
- New/different practice
- Something went wrong or consistent problem needs to be corrected

# Before You Start Drafting



- Establish the purpose of the policy
- A little light reading:
  - -the law/laws
  - regulations
  - FAQs
  - legislative history
  - NLRB memos
  - opinion letters
  - enforcement guide
  - -case law
- Consider whether template is needed or unique tone

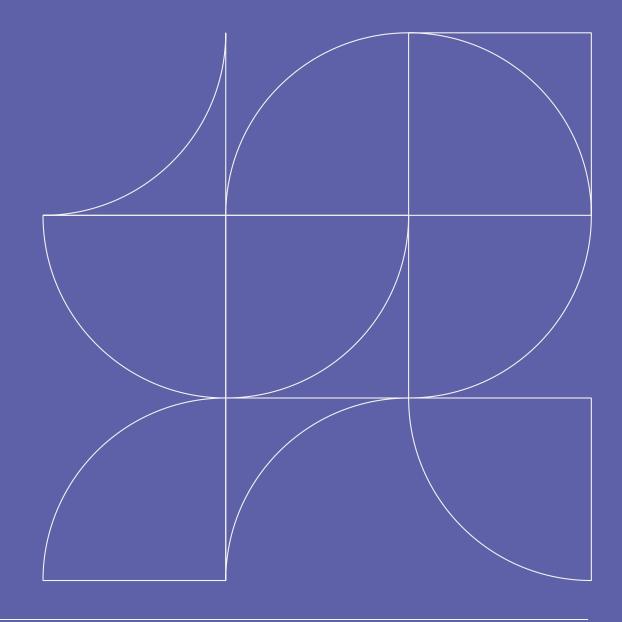
# What Should We Tell Employees?



- The Anatomy of a Good Employment Policy Includes:
  - Eligibility who needs to care about this?
  - Rights what's in it for me?
    - Limitations waiting periods, effective date, reasons for use, etc.
  - Responsibilities and what do I have to do?
  - Consequences and what happens if I don't?
  - Resources who can I ask if I don't understand this legalese?
  - Examples if complicated topic (but proceed with caution).

4

How Seyfarth's
Handbook & Policy
Team Has Helped
Employers



# Who are we, and what are we doing?



- 40+ attorneys of every level and office
  - trained handbook and policy experts
- Used as both an internal Seyfarth training (not billed to clients) and an external resource building project
- Built an easily updatable and customizable national template and a state addendum for every state (even those that might not need one, just in case you want one)
- Updated questionnaire for employers to tailor handbooks and state addenda
- Partnering with our paid sick leave and paid family leave teams to assist in efficiently managing national resources in those spaces as well

# What is it, and what is it not?



#### IT IS:

- A completely customizable tool
- For clients looking for a new product, we can build from a starting price and add per state based on a sliding scale of complexity of each state's laws (ranging from a few hundred to a few thousand per state)
- Most states can be done for a few hundred dollars each (or can be rendered unnecessary)
- For clients looking for a review of an existing book and state addenda, the documents we already have in place provide current resources for more efficient and cost-effective revisions

#### IT IS NOT:

- An off the shelf product to give or even sell
- A one size fits all version
- Although not a document that can simply be sold to an employer for use without editing, it requires far less time and customization compared to others and previous projects.

# What it can do, and how can we help?



- Provide comprehensive handbook requirements and information for each state at the outset to help employers stay on top of new and changing laws across the nation
- Greatly increase predictability of cost and timing
- Greatly reduce time spent/fees on these projects without compromising the quality and depth of the work
- Similarly, reduce time spent in updating in future years, as the tools continue to be updated by our team
- Contact one of us or our other experts to map out what a project would look like for you





# **CLE: NEW PROCESS**

Please scan the QR code and complete the digital attendance verification form to receive CLE credit for this program.

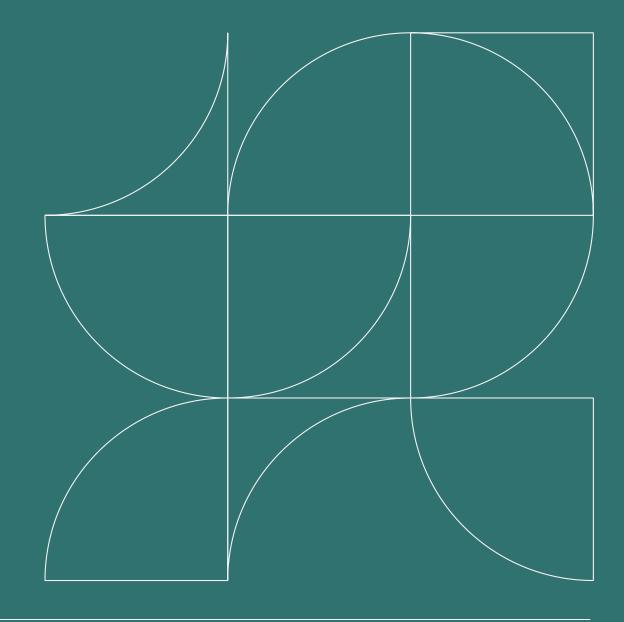
#### You will need:

- **1. Title:** 2026 Employee Handbook Updates: Strategies for the Year Ahead
- **2. Date Viewed:** 10/29/2025
- 3. Attendance Verification Code: SS\_\_\_\_

State-specific CLE credit information can be found in the form.

# 5

# Trends in the Law & What To Expect Going Forward





- Artificial Intelligence (AI)
  - Legislation related to how employers can use AI
  - Need for internal policies to inform employees how AI can be used in the workplace
  - Some employers are using AI to draft policies AI is a great writer but not always accurate or comprehensive and often misses important nuances that can create compliance issues
- Robust accommodation policies particularly addressing pregnancy and religion
  - These two areas are both high priority for current administration
- Social media policies that address off-duty posts that impact the workplace
  - Political and cultural divisions spill over into the workplace
  - These "flashpoint" issues require consistent application of policies



- expansion of protected classes in some states (immigration status, family responsibilities, menopause) and shrinking of protected classes in other states
  - Some states have passed laws defining sex based on biological characteristics at birth (AL, GA, IA, KS, MS, OH, TX, UT, WV, WY)
  - Almost half of states have passed laws that include gender identity as a protected characteristic
  - Must ensure that policies align with both state and federal law

## Diversity, Equity, Inclusion & Belonging

- Difficult and divisive issue
- Employers have different stances on this issue
- Carefully crafted policies and programs are still possible if desired



### **Leaves and Time Off**

- States and cities continue to pass new laws providing leave or expanding existing laws
- Reasons for sick time use continue to expand (MA, CA, WA)
- NICU leave (CO, IL)
- Family Military Leave (NH)
- Military Leave laws amended to include employees serving in the U.S. Space Force (AR, IL, IN, OH, OR, RI, WV)
- Blood and organ donation (IL, ME, OR, RI)
- Prenatal Leave (NH, NY, NYC)
- Immigration Proceedings

# thank you

Please reach out to us with any questions:

Chelsea Hoffman: <a href="mailto:choffman@seyfarth.com">choffman@seyfarth.com</a>

Jean Wilson: jwilson@seyfarth.com

Cathy Feldman: <a href="mailto:cfeldman@seyfarth.com">cfeldman@seyfarth.com</a>