

Labor and Employment State Law Watch: Key Changes & Trends

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Below is a roundup of recent labor and employment law developments, regulatory updates, and notable workplace trends that may affect employers and human resources professionals, with a focus on compliance considerations, risk management, and emerging issues shaping the modern workplace.

Maine

Paid Family and Medical Leave Benefits Become Available - Effective May 2026

Maine is implementing a comprehensive paid family and medical leave (PFML) program, with employee benefits becoming available beginning in May 2026. The law establishes a statewide system allowing eligible employees to take up to 12 weeks of job-protected, paid leave in a benefit year for specified family, medical, and personal safety reasons. The program is administered by the Maine Department of Labor and funded through employer and employee payroll contributions, which began in January 2025.

Eligibility is based on an employee's earnings during the applicable base period (generally the first four of the five most recently completed calendar quarters), and the law applies broadly to nearly all Maine employers. Covered leave includes an employee's own serious health condition, bonding with a new child, caring for a family member with a serious health condition, certain military-related needs, and "safe leave" for issues related to domestic violence, sexual assault, or stalking. The 12-week cap applies in the aggregate across all qualifying leave types.

The law effectively creates a state-administered wage replacement and job protection framework, requiring employers to integrate PFML into existing leave policies and workforce planning. While the state administers benefits, employers remain responsible for payroll compliance, job restoration obligations, and coordination with other leave laws such as the federal Family and Medical Leave Act.

Action Items: Employers should confirm compliance with payroll contribution requirements and ensure systems are properly configured. Leave policies should be updated to incorporate PFML rights and coordination with existing PTO and FMLA policies. Employers should also train HR personnel on eligibility determinations, job protection requirements, and claims coordination, and begin planning for staffing coverage during employee absences once benefits become available.

New York

Secure Choice Savings Program Registration Deadline - Effective May 15, 2026

New York is advancing its state-facilitated retirement initiative by imposing a firm deadline for mid-sized employers. Under the Secure Choice Savings Program, employers with 15 to 29 employees that do not sponsor a qualified retirement plan must

register and participate in the program.

The law effectively deputizes employers into facilitating employee retirement savings through payroll deductions, even where the employer has opted not to offer its own plan. While the program does not require employer contributions, it does require administrative coordination and ongoing compliance.

Action Items: Employers in scope should promptly register for the program, ensure payroll systems can accommodate required deductions, and prepare employee communications. Employers that prefer greater plan flexibility may wish to consider implementing a private retirement plan instead.

Utah

Expanded Restrictions on Non-Compete Agreements - Effective May 6, 2026

Utah has enacted targeted legislation significantly limiting the enforceability of non-compete agreements in certain professional sectors.

- **Health Care Workers (HB 270):** Employers may no longer require licensed health care workers to enter into non-compete agreements. The law also prohibits non-solicitation provisions that would prevent these workers from informing patients of their current or future place of employment. This represents a notable shift toward prioritizing patient continuity of care over restrictive covenants.
- **Veterinarians (SB 111):** Similarly, Utah now restricts the use of non-competes for veterinarians. Such agreements are prohibited unless the veterinarian holds at least a **5% ownership interest** in the business. The law reflects a policy judgment that mobility should be the default absent a meaningful ownership stake.

Action Items: Employers should review and revise existing restrictive covenant agreements, particularly in the healthcare and veterinary sectors. Template agreements, onboarding materials, and exit procedures should be updated to ensure compliance with the new limitations.

Washington

Expanded Personnel File Access and Enforcement - Effective May 1, 2026

Washington has finalized amendments to its personnel file regulations through WAC 296-126-050, aligning agency rules with the broader statutory overhaul enacted in 2025. Under the updated framework, employers must provide employees — and certain former employees — with access to a significantly expanded set of personnel records within a defined timeframe. The rule now expressly defines “personnel file” to include not only core payroll and employment records, but also job applications, performance evaluations, disciplinary records (including closed matters), leave and accommodation records, and employment agreements, if maintained.

The amendment imposes a 21-calendar-day deadline to provide access following a request and extends coverage to former employees for up to three years post-separation. Importantly, the rule incorporates a private right of action, allowing employees to pursue claims for noncompliance after providing notice. While much of the substantive expansion originates from the 2025 statute, the updated regulation solidifies these obligations and removes prior ambiguity around timing, scope, and enforcement.

Action Items: Employers should review and update personnel file policies to reflect the expanded definition and ensure all responsive documents are consistently maintained and retrievable. Internal processes should be implemented to track and respond to requests within the 21-day deadline. Employers should also coordinate with HR and legal teams to identify privileged or sensitive materials before disclosure and assess potential litigation exposure associated with noncompliance.