HR for Health

2027

Employment Law Updates Guide



New year, new rules for your practice.

Every January, states and cities roll out a fresh wave of employment law changes, and 2027 is no exception. Minimum wages are climbing across the country, more states are putting guardrails on AI in hiring, and paid leave programs keep expanding (often in phases, on their own timelines).

For healthcare practices, these changes touch everything from payroll and job postings to onboarding paperwork and your employee handbook. Missing one can mean back pay, penalties, or a stressful audit.

This guide breaks down the minimum wage and state-level changes taking effect in 2027, in plain language, with clear next steps for each one.

Minimum Wage and Salary Updates *by State*

Arizona

(Effective Jan 1, 2027)

Arizona and two of its cities are raising minimum wages for 2027:

- **Arizona:** Adjusted for inflation. Tipped employees must receive at least the new minimum wage minus $3.00 in cash wages.
- **Flagstaff:** Increases from $18.35 to $19.00 per hour, based on a 3.4% rise in inflation.
- **Tucson:** Adjusted for inflation. If the state or federal minimum wage ever rises above Tucson's, Tucson's rate rises to match.

California

(Effective Jan 1, 2027)

Dozens of **California cities** raise their local minimum wages each January based on inflation. These cities have announced their new rates:

- **Burlingame:** $17.86 to $18.47/hour
- **Half Moon Bay:** $17.91 to $18.51/hour
- **Palo Alto:** $18.70 to $19.25/hour
- **Petaluma:** $18.31 to $18.93/hour
  - Learner rate: $15.56 to $16.10/hour
- **San Mateo County:** $17.95 to $18.58/hour
- **West Hollywood:** $20.25 to $20.94/hour

Many other **California cities** also raise their minimum wage with inflation each January, including San Jose, Oakland, Sunnyvale, Santa Clara, Mountain View, & El Cerrito. If your practice is in a city with its own minimum wage, check that city's 2027 rate before January 1.

California Exempt Salary and Hourly Pay Thresholds Increase

(Effective Jan 1, 2027)

The minimum salary for overtime-exempt executive, administrative, and professional employees rises from $1,352 to $1,392 per week. That's twice the state minimum wage for full-time work. Minimum hourly pay for exempt computer professionals, physicians, and surgeons also rises with inflation.

Colorado

(Effective Jan 1, 2027)

Colorado and several of its cities are raising minimum wages for 2027 under annual inflation adjustments:

- **Colorado:** $15.16 to $15.71/hour
  - Tipped cash wage: $12.14 to $12.69/hour
- **Denver:** $19.29 to $19.84/hour
  - Tipped cash wage: $16.27 to $16.82/hour
- **Boulder:** $16.82 to $18.17/hour
  - Tipped cash wage: $13.80 to $15.15/hour
- **Edgewater:** $18.17 to $19.99/hour
  - Tipped cash wage: $15.15 to $16.97/hour
- **Boulder County:** Adjusted for inflation.
  - Tipped cash wage is the new rate minus $3.02
  - The county dropped its earlier plan to reach $19.53/hour after pushback from farm and business owners.

Colorado Exempt Salary Thresholds Increase

(Effective Jan 1, 2027)

Colorado's minimum salary for overtime-exempt executive, administrative, and professional employees rises from $1,111.23 to $1,151.23 per week.

Other thresholds are also going up:

- Computer employees (hourly): $34.85 to $36.10
- Highly compensated employees (annual): $130,014 to $134,694

Connecticut

(Effective Jan 1, 2027)

Connecticut's minimum wage rises from $16.94 to $17.48 per hour, based on a 3.2% rise in the Employment Cost Index. Maximum tip credits are also going up:

- Service employees: $10.56 to $11.10/hour
- Bartenders: $8.71 to $9.25/hour

Maine

(Effective Jan 1, 2027)

Maine and two of its cities are raising minimum wages for 2027:

- **Maine:** $15.10 to $15.70/hour, based on a 4.1% inflation increase. The maximum tip credit rises from $7.55 to $7.85/hour, and tipped "service employees" must now earn at least $199/month in tips (up from $191).
- **Portland:** $16.75 to $17.75/hour, set by a voter-approved ballot measure. The maximum tip credit rises from $8.37 to $8.87/hour.
- **Rockland:** Adjusted for inflation, or matches the state rate if that's higher. The maximum tip credit is half the new minimum wage.

Maine Exempt Salary Threshold Increases to $905.79

(Effective Jan 1, 2027)

Maine's minimum salary for overtime-exempt executive, administrative, and professional employees rises from $871.16 to $905.79 per week, based on the annual inflation adjustment.

Maryland

(Effective Jan 1, 2027)

Two **Maryland** counties are adjusting their minimum wages for inflation:

- **Howard County:** Adjusted based on the Baltimore-area consumer price index.
- **Prince George's County:** Adjusted based on Washington-area inflation, capped at 5%. The rate stays the same if inflation is flat, and the County Council can pause the increase if local employment drops.

Michigan

(Effective Jan 1, 2027)

Michigan's minimum wage rises from $13.73 to $15.00 per hour. For tipped employees:

- Minimum cash wage: $5.49 to $6.30/hour (42% of minimum wage)
- Maximum tip credit: $8.24 to $8.70/hour (58% of minimum wage)

If Michigan's 2026 unemployment rate is 8.5% or higher, this increase is delayed until the rate drops back below 8.5%.

Minnesota

(Effective Jan 1, 2027)

Minnesota and its two largest cities are raising minimum wages for 2027:

- **Minnesota:** $11.41 to $11.87/hour
  - Training wage: $9.31 to $9.68/hour
- **Minneapolis:** $16.37 to $17.02/hour
- **St. Paul large employers** (101+ employees): $16.37 to $17.02/hour
- **St. Paul small employers** (6–100 employees): Stays at $16.37/hour
- **St. Paul micro employers** (1–5 employees): Stays at $14.25/hour

Montana

(Effective Jan 1, 2027)

Montana's minimum wage is adjusted for inflation, based on the change from August 2025 to August 2026, rounded to the nearest five cents.

Nebraska

(Effective Jan 1, 2027)

Nebraska's minimum wage now rises by a flat 1.75% each year instead of tracking inflation. The state Department of Labor will publish the 2027 rate. Omaha and Lincoln also adjust their local rates, but both face legal challenges:

- **Omaha:** Adjusted for Midwest inflation.
  - Tipped cash wage is the new rate minus $2.13.
- **Lincoln:** Adjusted for Midwest inflation.
  - Tipped cash wage is the new rate minus $2.13.

New Jersey

(Effective Jan 1, 2027)

New Jersey raises several minimum wage rates based on inflation:

- Large employers: $15.92 to $16.48/hour
- Small and seasonal employers: $15.23 to $16.25/hour
- Tipped employees: Cash wage rises from $6.05 to $6.61/hour; tip credit stays $9.87/hour
- Certain health care workers: $18.92 to $19.48/hour
- Certain agricultural workers: $14.20 to $15.00/hour

New Mexico

(Effective Jan 1, 2027)

Three **New Mexico** cities are raising minimum wages for 2027:

- **Santa Fe:** $15.40 to $17.50/hour
  - Maximum tip credit: $12.40 to $14.50/hour
- **Albuquerque:** $12.00 to $13.00/hour
  - Tipped cash wage: $7.20 to $7.22/hour; maximum tip credit: $4.80 to $5.78/hour
- **Las Cruces:** Adjusted for inflation.
  - Tipped cash wage is 40% of the new rate.

New York

(Effective Jan 1, 2027)

New York's minimum wage and exempt salary thresholds won't rise in 2027. State law pauses the annual inflation increase when unemployment rises by a set amount, and that happened in 2026.

Rates stay at:

- **NYC**, **Nassau**, **Suffolk**, and **Westchester**: $17.00/hour minimum wage; $1,275.00/week exempt salary
- **Rest of the state:** $16.00/hour minimum wage; $1,199.10/week exempt salary

Ohio

(Effective Jan 1, 2027)

Ohio's minimum wage rises from $11.00 to $11.40 per hour, based on a 3.5% inflation increase.

- The tipped cash wage rises from $5.50 to $5.70 per hour.
- Employers with annual gross receipts above $420,000 (up from $405,000) must follow Ohio's minimum wage law.

Rhode Island

(Effective Jan 1, 2027)

Rhode Island's minimum wage rises from $16.00 to $17.00 per hour. The maximum tip credit rises from $12.11 to $13.11 per hour.

South Dakota

(Effective Jan 1, 2027)

South Dakota's minimum wage is adjusted for inflation, based on the change from August 2025 to August 2026, rounded up to the nearest five cents.

Vermont

(Effective Jan 1, 2027)

Vermont's minimum wage is adjusted for inflation. The increase is the lesser of 5% or the inflation rate from September 2025 to September 2026.

Virginia

(Effective Jan 1, 2027)

Virginia's minimum wage rises from $12.77 to $13.75 per hour. The maximum tip credit rises from $10.64 to $11.62 per hour.

Washington Exempt Salary Thresholds Increase

(Effective Jan 1, 2027)

Washington's minimum salary for most overtime-exempt employees rises to:

- **Large** employers: $1,773.00/week
- **Small** employers: $1,595.70/week
- **Computer professionals** paid hourly: $62.06/hour

Washington

(Effective Jan 1, 2027)

Washington and many of its cities are raising minimum wages for 2027:

- **Washington:** $17.13 to $17.73/hour
- **Seattle:** $21.30 to $22.14/hour
- **Bellingham:** $19.13 to $19.73/hour (2.00 above the state rate)
- **King County:** Large and mid-sized employers rise from $20.82 to $21.57/hour; small employers rise from $18.32 to $19.57/hour

Burien, Everett, Renton, SeaTac, and Tukwila also set their own minimum wages above the state rate, adjusted for inflation each January. If your practice is in one of these cities, check its 2027 rate for your employer size before January 1.

What employers should do

- **Confirm** which state, county, or city rate applies to each practice location, and check your employer size where rates vary.
- **Update** hourly and tipped employee pay rates before January 1.
- **Audit** exempt employees' salaries against the new thresholds in California, Colorado, Maine, and Washington. Raise pay or reclassify anyone who falls below.
- **Watch for changes** in Michigan (the increase could be delayed) and in Omaha and Lincoln, Nebraska (pending lawsuits).

HR for Health payroll applies the right minimum wage to every employee by location and employer size, and our classification tools flag exempt salaries that fall short of new thresholds.

State-Level Law Changes

Alabama

Alabama Tax Credit for Paid Organ Donor Leave

(Effective for tax years beginning January 1, 2027)

Alabama employers can now earn a state income tax credit for offering paid organ donor leave. To qualify, you need a written policy that gives employees at least 15 days of paid leave to donate all or part of an organ. The credit equals 25% of wages paid during the leave (up to 30 days), capped at $2,000 per tax year. The credit ends December 31, 2031.

What employers should do:

- ○ Decide whether to offer paid organ donor leave, and if so, put a written policy in place.
- ○ Track leave dates and wages paid so you can claim the credit.

Use HR for Health to add the policy to your handbook and track leave and payroll records in one place.

Alabama Expands Veterans' Preference Option

(Effective January 1, 2027)

Private employers in Alabama may now adopt a voluntary veterans' preference policy for hiring and promotions. The policy can favor veterans, spouses of veterans, and spouses of active-duty service members. Offering a preference is optional, not required.

What employers should do:

- ○ Decide whether a veterans' preference policy fits your hiring goals.
- ○ If you adopt one, put it in writing and apply it consistently.
- ○ Train hiring managers on how the preference works.

Store your preference policy in HR for Health so hiring decisions stay consistent and documented.

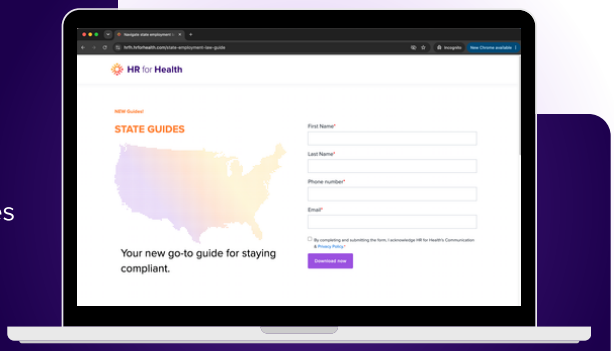
What else does your state require?

Federal law is just the start.
Your state has its own rules.

Every state layers its own requirements on top of federal law, from paid leave and final pay to required postings and new hire forms. Missing one can put your practice at risk.

Download our free state employment law guides to see exactly what applies where you practice.

Find out now



California

California Requires Notice and Risk Assessments for Automated Hiring Tools

(Effective January 1, 2027)

Employers covered by the California Consumer Privacy Act (CCPA) that use automated decision-making technology (ADMT) for significant employment decisions must follow new privacy rules. ADMT includes AI and other software that helps decide who gets hired, promoted, or let go. Before using these tools, you must complete a risk assessment and give California residents a pre-use notice. Risk assessments must be submitted to the state's privacy agency by April 1 of the following year.

What employers should do:

- ○ Confirm whether your practice is covered by the CCPA and whether you use ADMT.
- ○ Complete a risk assessment and prepare a pre-use notice before using these tools.
- ○ Train HR teams on how automated tools impact compliance obligations.

HR for Health tip: *Store risk assessments and notices in HR for Health so they're ready when deadlines hit.*

California Child Labor Work Permit Update

(Effective January 1, 2027)

County probation departments and child welfare agencies can now issue work permits to minors under juvenile court jurisdiction. Before, these permits came only through schools.

What employers should do:

- ○ Accept work permits from these county agencies as valid.
- ○ Keep copies of every minor's work permit on file.

HR for Health tip: *Store minors' work permits in HR for Health personnel files.*

California Expands Bereavement Leave to a "Designated Person"

(Effective January 1, 2027)

Employees can now take bereavement leave for a "designated person." That's anyone related by blood or whose relationship with the employee is the equivalent of family. Employees can name this person when they request leave, and you may limit them to one designated person per 12 months. Parents-in-law are no longer listed as covered family members.

What employers should do:

- ○ Update your bereavement leave policy with the new definition.
- ○ Decide whether to apply the one-designated-person-per-year limit.

HR for Health tip: *Update your handbook in HR for Health and track bereavement leave by type.*

California WARN Notices Must Disclose AI-Related Layoffs

(Effective January 1, 2027)

If you're covered by California's WARN Act and a mass layoff is caused in whole or part by AI or automation, your 60-day notice must say so. The notice must list the number of affected employees, their job classifications or occupations, and their work locations.

What employers should do:

- ○ Update your WARN notice template to include the AI-related disclosure.
- ○ Document the reasons behind any layoff decisions.

HR for Health tip: *Keep job titles and pay records organized in HR for Health to make reporting easier.*

California

California Stay-or-Pay Ban Takes Effect

(Effective for contracts entered on or after January 1, 2027)

California's ban on "stay-or-pay" terms now starts January 1, 2027, a year later than first planned. You can't require employees to repay training costs or pay a penalty when they leave. There's no liability for contracts signed during 2026. A few exceptions apply, including:

- Contracts with agents of securities broker-dealers, insurance producers, or investment advisers.
- Repaying advanced leave pay beyond what was accrued when an employee quits.
- Discretionary bonuses given at any point during employment, not just at hire.

What employers should do:

- ○ Remove training repayment and early-exit penalty language from offer letters and contracts.
- ○ Consult legal counsel before relying on an exception.

HR for Health tip: *Store updated contract templates in HR for Health so every new hire gets compliant paperwork.*

California COVID-19 Right to Recall Law Expires

(Effective January 1, 2027)

California's law requiring employers to rehire employees laid off during the COVID-19 pandemic, in a set order of preference, expires. You no longer need to offer open positions to those workers.

What employers should do:

- ○ Remove right-to-recall steps from your rehiring procedures.
- ○ Keep past recall records on file in case questions come up.

HR for Health tip: *Keep rehire records organized in HR for Health.*

California Pay Data Reporting Changes

(Effective January 1, 2027)

California is making two changes to its annual pay data reports. Reports must now break employees into 23 occupational categories instead of 10. The penalty for repeatedly failing to file also jumps from $200 to $1,000 per employee, and the Civil Rights Department will publish some aggregated pay data each year.

What employers should do:

- ○ Confirm whether your practice must file pay data reports.
- ○ Map each role to the new 23 occupational categories.
- ○ File every required report on time to avoid the higher penalty.

HR for Health tip: *Keep job titles and pay records organized in HR for Health to make reporting easier.*

San Francisco Paid Parental Leave Eligibility Expands

(Effective January 1, 2027)

Under San Francisco's Paid Parental Leave Ordinance, employees at employers with 100 or more employees qualify after 90 days on the job (down from 180). This change applies to employers with 20 to 99 employees starting January 1, 2028.

What employers should do:

- ○ Update your parental leave policy with the new 90-day eligibility.
- ○ Plan ahead for 2028 if you have 20 to 99 employees.

HR for Health tip: *Track eligibility dates and leave in HR for Health.*

California

California Limits Workplace Surveillance Tools

(Effective January 1, 2027)

California employers can't use AI surveillance tools that read or guess an employee's emotional state, or that collect neural data. Employers also can't use any surveillance tool to monitor employees in a workplace bathroom.

What employers should do:

- ◯ Review every monitoring tool you use, including vendor software.
- ◯ Turn off or remove any tools that fall under the new limits.
- ◯ Update your workplace monitoring policy.

HR for Health tip: *Store your updated monitoring policy in HR for Health and track employee acknowledgments.*

California Clarifies Sex Discrimination Protections

(Effective January 1, 2027)

California now spells out what counts as sex discrimination and harassment. It includes treatment based on actual or perceived:

- Assigned sex or gender category, and conformity to gender stereotypes
- Gender identity, gender expression, and use of gender-affirming care
- Pregnancy, related medical conditions, and pregnancy-related decisions or care
- Sexual orientation
- Variations in sex characteristics, including intersex traits

What employers should do:

- ◯ Update anti-discrimination and harassment policies with the expanded definition.
- ◯ Train managers on the new categories.

HR for Health tip: *Use HR for Health to update your handbook and track policy acknowledgments.*

Colorado

Colorado Requires Notice Before Using Automated Decision Tools

(Effective January 1, 2027)

You must give clear notice before using automated decision-making technology (ADMT), like AI screening software, to influence a major decision about an applicant or employee. If the decision goes against them, you have 30 days to give them:

- A plain-language explanation of the decision and the role the tool played
- A simple way to request more information about the tool and the data it used
- An explanation of their right to correct inaccurate data and ask for human review

The law also adds recordkeeping requirements and replaces Colorado's earlier AI discrimination law.

What employers should do:

- ◯ Identify any hiring or HR tools that use ADMT.
- ◯ Create notice and adverse-decision templates.
- ◯ Set up a process for human review requests.

HR for Health tip: *Store notices, templates, and review records in HR for Health to stay audit-ready.*

Connecticut

Connecticut Paid Sick Leave Now Covers All Employers

(Effective January 1, 2027)

Connecticut's paid sick leave law now applies to every employer with at least one employee in the state. Last year it covered employers with 11 or more employees.

What employers should do:

- ◯ Create or update a paid sick leave policy that meets Connecticut's requirements.
- ◯ Set up sick leave accrual tracking for everyone.

HR for Health tip: *Use HR for Health to update your handbook and track policy acknowledgments.*

Delaware

Delaware Expands Personal Data Privacy Law

(Effective January 1, 2027)

Amendments to the Delaware Personal Data Privacy Act now cover third parties that receive personal data. Employers using automated screening or evaluation tools may also be covered when those tools profile people for decisions with legal or similarly significant effects.

What employers should do:

- ◯ Review any automated screening or evaluation tools you use.
- ◯ Check vendor contracts for how they handle personal data.

HR for Health tip: *Keep your data policies organized in HR for Health.*

Delaware Changes How Unemployment Tax Rates Are Calculated

(Effective January 1, 2027)

Delaware is switching to the "benefit ratio" method for setting unemployment insurance tax rates. Your rate will be based on the unemployment benefits former employees collected (usually over three years) compared to your taxable payroll over the same period.

What employers should do:

- ◯ Watch for your new 2027 rate notice.
- ◯ Budget for a possible rate change.

Illinois

Illinois Raises Noncompete and Nonsolicitation Pay Thresholds

(Effective January 1, 2027)

Under the Illinois Freedom to Work Act, employees must earn above certain amounts before they can be bound by a noncompete or nonsolicitation agreement. The first of three increases takes effect now:

- Noncompete: $75,000 to $80,000 per year (then $85,000 in 2032 and $90,000 in 2037)
- Nonsolicitation: $45,000 to $47,500 per year (then $50,000 in 2032 and $52,500 in 2037)

What employers should do:

- ◯ Review which employees have noncompete or nonsolicitation agreements.
- ◯ Confirm their earnings meet the new thresholds.
- ◯ Update contract templates for new hires.

HR for Health tip: *Store employment agreements in HR for Health so you can review them quickly when thresholds change.*

Illinois Health Plans Must Cover New Services

(Effective for plans issued or renewed on or after January 1, 2027)

Illinois group health plans must now cover:

- Laser hair removal when prescribed as medically necessary
- Peripheral artery disease screening for at-risk individuals, as defined by national cardiology guidelines

What employers should do:

- ◯ Confirm your plan includes this coverage at your next renewal.
- ◯ Share benefit updates with employees during open enrollment.

Illinois

Illinois Adds Whistleblower Protections at AI Developers

(Effective January 1, 2027)

Companies that build advanced AI models ("frontier developers") can't retaliate against employees who report serious public safety risks or violations of the state's AI safety law. These companies must notify employees of their rights, and the largest ones must offer an anonymous internal reporting process. Most healthcare practices won't be affected.

What employers should do:

- ○ Confirm whether your organization meets the law's definition of a frontier developer.
- ○ If it does, post required notices and set up a reporting process.

HR for Health tip: *Store notices and whistleblower policies in HR for Health.*

Illinois Expands Health Care Workplace Violence Requirements

(Effective January 1, 2027)

Illinois health care providers must now have a workplace violence prevention program. Providers also can't limit which types of workplace violence a worker reports to police or the Illinois Department of Public Health. New logging and reporting rules for certain violent incidents roll out later.

What employers should do:

- ○ Create or update your workplace violence prevention program.
- ○ Remove any policy language that limits what staff can report.
- ○ Prepare to log violent incidents as new deadlines arrive.

HR for Health tip: *Store your prevention program and incident records in HR for Health.*

Illinois Codifies Disparate Impact Discrimination

(Effective January 1, 2027)

The Illinois Human Rights Act now makes it clear that discrimination is illegal whether it's intentional or not. A hiring requirement or workplace practice that unfairly affects a protected group is a violation unless it's job-related, necessary for the business, and no less discriminatory option would work.

What employers should do:

- ○ Review hiring requirements, screening tools, and policies for unintended bias.
- ○ Document the business reason behind each job requirement.

HR for Health tip: *Keep job descriptions and hiring criteria documented in HR for Health.*

Illinois Requires Paid Jury Duty Leave

(Effective January 1, 2027)

Employers with more than 25 employees must pay employees their regular rate while they serve on jury duty.

What employers should do:

- ○ Update your jury duty policy to include paid leave.
- ○ Set up a jury duty leave type in payroll.

HR for Health lets you track jury duty as its own leave type and pay it correctly.

Illinois

Illinois Expands Volunteer Emergency Worker Leave

(Effective January 1, 2027)

Employers can't penalize employees for taking time off to serve as volunteer emergency workers. Eligible employees can now also take leave for required volunteer training.

What employers should do:

- ○ Update attendance and leave policies to include training time.
- ○ Train managers not to discipline employees for protected absences.

HR for Health tip: *Update your leave policies in HR for Health and track protected time off.*

Illinois Adds Biomarker Protections to Genetic Privacy Law

(Effective January 1, 2027)

The Illinois Genetic Information Privacy Act now covers biomarkers and biomarker testing. Employers can't:

- Request, require, or buy biomarker information as a condition of employment
- Discriminate based on biomarkers and biomarker testing
- Use biomarkers in a wellness program without proper consent, confidentiality, and written authorization

What employers should do:

- ○ Review applications, onboarding forms, and wellness programs.
- ○ Remove any requests for genetic or biomarker information.

HR for Health tip: *Store updated forms and wellness program consents securely in HR for Health.*

Illinois Adds Menopause Protections and Accommodations

(Effective January 1, 2027)

The Illinois Human Rights Act now protects employees with menopause-related conditions. Employers may need to provide reasonable accommodations, like flexible schedules, modified hours, or climate-adjusted workspaces.

What employers should do:

- ○ Update anti-discrimination and accommodation policies.
- ○ Train managers on how to respond to accommodation requests.

HR for Health tip: *Use HR for Health to document accommodation requests and next steps.*

Illinois Limits Driver's License Requirements in Job Postings

(Effective January 1, 2027)

Illinois now restricts when employers can list a driver's license as a requirement in job postings.

What employers should do:

- ○ Review job postings and remove driver's license requirements that aren't essential to the role.
- ○ Update job description templates.

Store compliant job descriptions in HR for Health to keep postings consistent.

Illinois

Illinois Requires Layoff Reports to the State

(Effective January 1, 2027)

Employers with 75 or more Illinois employees that lay off 50 or more at one site must report the layoff to the Illinois Department of Employment Security. Submit the report as soon as possible before separations begin.

What employers should do:

- ◯ Add the state report to your layoff checklist.
- ◯ Plan to submit before employees are separated.

HR for Health tip: *You can store layoff checklists and notices in your HR for Health portal.*

Louisiana

Louisiana Requires Electronic Filing of Annual Withholding Returns

(Effective January 1, 2027)

Every Louisiana employer must now file Form L-3, the annual withholding reconciliation return, electronically.

What employers should do:

- ◯ Confirm your payroll process supports electronic L-3 filing.

HR for Health tip: *HR for Health payroll handles e-filing for you.*

Maryland

Maryland Paid Family and Medical Leave Contributions Begin

(Effective January 1, 2027)

Covered Maryland employers and employees must start contributing to the state's paid family and medical leave (PFML) program. The program is rolling out in phases:

- January 1, 2023:
  - Anti-retaliation protections took effect.
- January 1, 2027:
  - Payroll contributions begin.
- July 3, 2027:
  - Employers must provide employee notices.
- January 3, 2028:
  - Employees can start using PFML benefits.

What employers should do:

- ◯ Set up PFML deductions and employer contributions in payroll.
- ◯ Tell employees about the new deduction before January 1.
- ◯ Prepare required notices before July 3, 2027.

HR for Health tip: *HR for Health payroll handles PFML deductions and keeps contribution records ready for audits.*

Maryland Requires Electronic Filing of All Information Returns

(Effective January 1, 2027)

All Maryland information returns, like Forms W-2, must now be filed electronically. Before, only employers filing 25 or more returns had to e-file.

What employers should do:

- ◯ Confirm your payroll process supports electronic filing.

HR for Health tip: *HR for Health payroll handles e-filing for you.*

Massachusetts

Massachusetts Flips Paid Family and Medical Leave Contribution Splits

(Effective January 1, 2027)

Massachusetts is reversing who pays what toward paid family and medical leave (PFML):

- Employers with 25+ covered workers: You may deduct up to 100% of the medical leave contribution and up to 40% of the family leave contribution from wages. You must pay the other 60% of the family leave contribution yourself.
- Employers with fewer than 25 covered workers: You remit what's withheld from wages and aren't required to contribute, though you can choose to.

What employers should do:

- ○ Update PFML deduction and contribution settings in payroll by January 1.
- ○ Let employees know how their deductions will change.

HR for Health tip: *HR for Health payroll applies the new splits so every paycheck is accurate*

Michigan

Michigan Increases Maximum Unemployment Benefits

(Effective January 1, 2027)

Michigan's maximum weekly unemployment benefit rises from $530 to $614.

What employers should do:

- ○ Update offboarding materials that mention unemployment benefits.

HR for Health tip: *Keep offboarding documents current in HR for Health.*

Ohio

Columbus, Ohio, Pay Range Posting Requirement

(Effective January 1, 2027)

Columbus passed this ordinance in 2025, but enforcement was delayed until 2027. Columbus employers with 15 or more employees must include a reasonable salary range or pay scale in every external job posting. Internal transfers and promotions are exempt.

What employers should do:

- ○ Add pay ranges to all external job postings.

HR for Health tip: *Store job descriptions and pay ranges in HR for Health to keep postings consistent.*

Oregon

Oregon Increases Workers' Compensation Disability Benefits

(Effective for injuries on or after January 1, 2027)

Oregon is raising temporary and permanent total disability benefits under workers' compensation. Benefits used to be two-thirds of the worker's wage. Now they're calculated in two tiers:

- 75% of the worker's wage up to 75% of the state average weekly wage
- 65% of any wage above that, up to a cap of 133% of the state average weekly wage

Minimums also apply. For temporary disability, it's the lesser of 90% of the worker's wage or $50 a week. For permanent disability, it's 33% of the state average weekly wage.

What employers should do:

- ○ Talk with your workers' comp carrier about possible premium changes.

HR for Health tip: *Keep workers' comp policies and claim records organized in HR for Health.*

Pennsylvania

Philadelphia Adds Menstruation and Menopause Protections

(Effective January 1, 2027)

Philadelphia's Fair Practices Ordinance now protects employees based on menstruation, perimenopause, and menopause. If symptoms substantially interfere with an employee's ability to do their job, covered employers must provide reasonable accommodations.

What employers should do:

- ◯ Update anti-discrimination and accommodation policies.
- ◯ Train managers on how to handle accommodation requests.

HR for Health tip: *Use HR for Health to document accommodation requests and keep your handbook current.*

South Carolina

South Carolina Changes Unemployment Tax Rate Calculation

(Effective for tax year 2027)

South Carolina will now look back 16 calendar quarters (up from 12) when setting your unemployment tax rate. Your rate is based on benefits charged to your account compared to your taxable payroll over that period. Employers in rate class one for 2026 keep the old calculation until they no longer qualify.

What employers should do:

- ◯ Watch for your 2027 rate notice.
- ◯ Budget for a possible rate change.

Tennessee

Tennessee Expands Employment Eligibility Verification Requirements

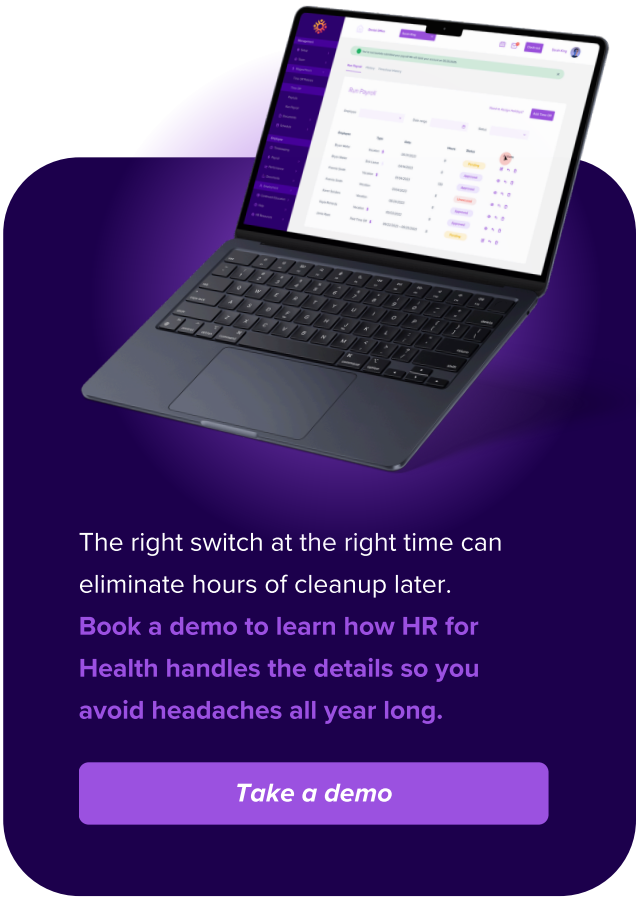
(Effective January 1, 2027)

The Tennessee Lawful Employment Act now applies to private employers with at least one employee (down from six). That means practices with 1 to 34 employees now face certain employment eligibility verification requirements.

What employers should do:

- ◯ Review your I-9 and new hire verification process.
- ◯ Confirm which verification steps now apply to your practice.

HR for Health tip: *HR for Health's digital onboarding keeps I-9s and new hire documents complete and stored securely.*



The right switch at the right time can eliminate hours of cleanup later. **Book a demo to learn how HR for Health handles the details so you avoid headaches all year long.**

Take a demo

Washington

Washington Healthy Starts Act Expands Pregnancy and Lactation Accommodations

(Effective January 1, 2027)

The Healthy Starts Act expands pregnancy and lactation accommodation requirements for Washington employers. It replaces the state's existing pregnancy accommodation law.

What employers should do:

- ○ Update pregnancy and lactation accommodation policies.
- ○ Train managers on the new requirements.

HR for Health tip: *Use HR for Health to update your handbook and document accommodation requests.*

Washington Fair Chance Act Now Covers Small Employers

(Effective January 1, 2027)

Washington employers with fewer than 15 employees can no longer ask about criminal history before a conditional job offer. The amendments also:

- Limit adverse actions based on most arrest records or juvenile convictions
- Require a legitimate business reason before acting on adult conviction records
- Require notice and a chance to respond before taking adverse action based on a background check

What employers should do:

- ○ Remove criminal history questions from applications and early interviews.
- ○ Update background check procedures with the notice-and-response step.
- ○ Train hiring managers on the new rules.

HR for Health tip: *Store compliant applications and hiring templates in HR for Health.*

Washington Expands PFML Job Reinstatement Rights

(Effective January 1, 2027)

Employees on Washington paid family and medical leave (PFML) now have job reinstatement rights if they work for an employer with 15 or more employees. In 2026, this applied to employers with 25 or more. Coverage expands again in 2028.

What employers should do:

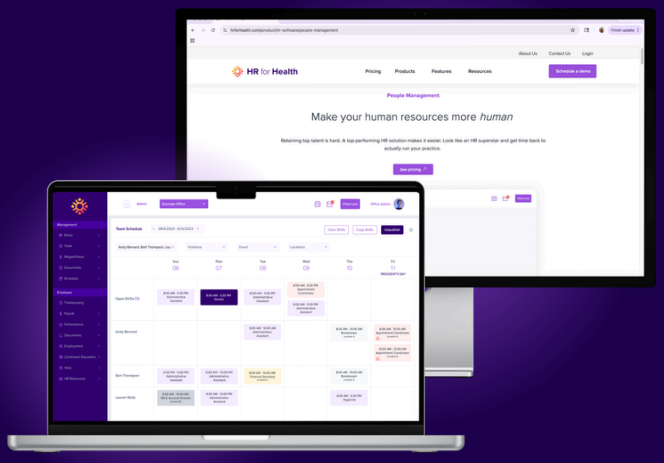
- ○ Confirm whether your practice now falls under reinstatement rules.
- ○ Update leave and return-to-work policies.

HR for Health tip: *Track PFML leave and reinstatement dates in HR for Health.*

Create policies, track employee performance, stay on top of your schedule, and run your payroll. All in one place.

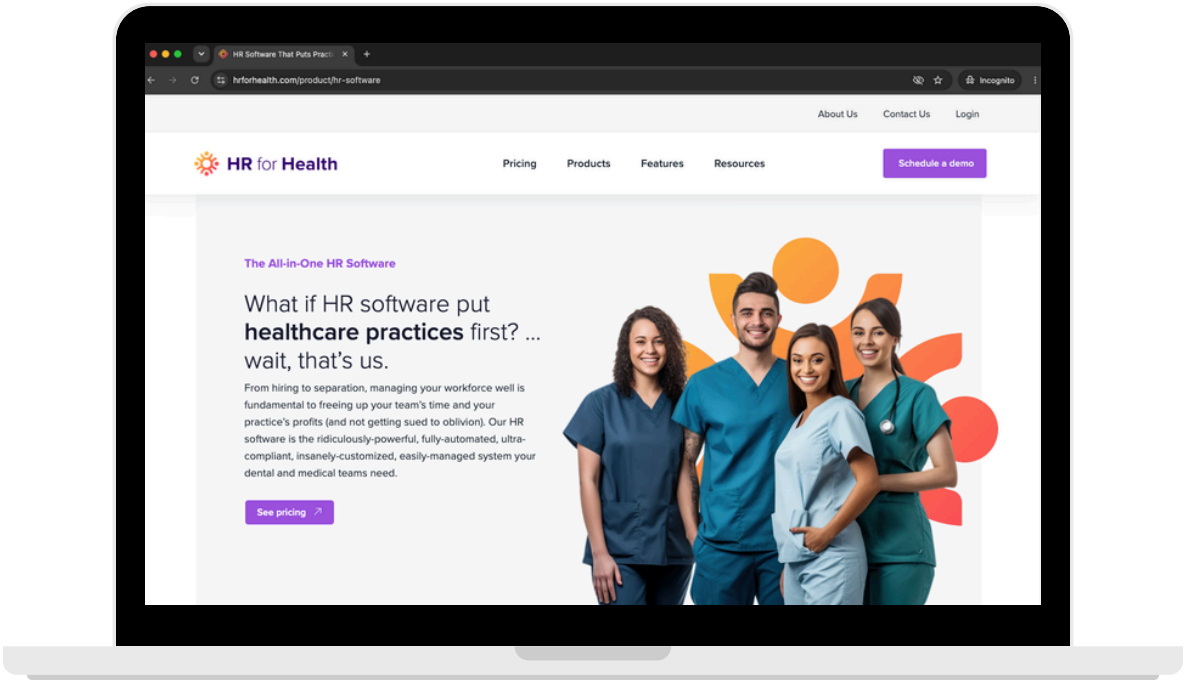
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Keeping track of dozens of state and local law changes every year is a full-time job, and you already have one. HR for Health is built specifically for healthcare practices, so you can stay compliant without spending your evenings reading legislative updates.



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Get automatic alerts when federal, state, and local laws change, plus payroll that updates minimum wage rates for you. No spreadsheets, no guesswork.

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HR for Health

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