

Insights, News & Events

MAJOR OVERHAUL OF THE NY HEALTHY TERMINALS ACT SIGNED INTO LAW: WHAT EMPLOYERS NEED TO KNOW BEFORE JANUARY 1, 2026

Insights
May 27, 2025

As part of the 2025-26 budget package signed by Governor Hochul on May 9, New York overhauled its Healthy Terminals Act (HTA) to reshape airport wage and benefit obligations to mirror New Jersey's version of the law. These significant changes, which take effect January 1, 2026, will impact nearly every private-sector employer operating at JFK and LaGuardia airports. If you do business at one of these locations – or work with vendors who do – you'll want to review these updates now so you have a gameplan to come into compliance over the next year.

Background: Twin Laws, Diverging Paths – Until Now

In 2021, both New York and New Jersey enacted Healthy Terminals Acts to provide enhanced wages and benefits for airport workers at Port Authority-operated airports. But despite their joint launch and shared goals, the two states implemented the laws quite differently.

- New York used its own definitions and wage structure.
- New Jersey tied everything to the federal McNamara-O'Hara Service Contract Act (SCA), creating a complex – but standardized – baseline.

The new amendments bring New York in line with New Jersey, ending the divergence and simplifying multistate compliance for some airport employers.

Background Reading

Related People



Sarah Wieselthier

Partner

908.516.1064

Service Focus

Employee Leaves and
Accommodations

Wage and Hour

Industry Focus

Transportation and Supply
Chain

- [New York HTA Guidance](#)
- [New Jersey HTA Guidance](#)
- [Original Joint Press Release](#)

Related Offices

[New York](#)

[New Jersey](#)

What Changed?

The revisions to the NY HTA are extensive. Here are the big-ticket items you should know:

✓ Expanded Worker Coverage

- The new definition of a “covered airport worker” includes anyone who performs at least 50% of their weekly work at a covered airport – regardless of role.
- Concession workers, including food service and retail staff, non-cleaning and security-related cargo and ramp service providers, and ramp and tarmac maintenance services, are now explicitly covered.
- The only exemption: employees in executive, administrative, or professional roles under the FLSA.

New Wage and Benefit Standards

- Wages, supplemental benefits, and leave are now pegged to the federal SCA – just like in New Jersey.
- For JFK and LGA, employers must consult [SCA Wage Determination #2015-4187](#) (Queens, NY) to find the applicable wage and fringe benefit rates by position.
- If the SCA wage is lower than the Port Authority’s minimum wage, the higher Port Authority wage still applies.

Supplemental Benefits = \$5.36/hour (For Now)

- The current health and welfare supplement is **\$5.36/hour**, capped at 40 hours/week:
 - That’s \$214.40/week or \$929.07/month.
- You can meet this obligation either by:
 - Paying the amount as cash, or

- Offsetting it with the value of employer-provided health insurance or other qualifying fringe benefits.

Robust Paid Leave Requirements

- **Vacation accrual:**
 - 2 weeks after 1 year of service
 - 3 weeks after 5 years
 - 4 weeks after 10 years
 - 5 weeks after 20 years
- **Holidays:**
 - A minimum of 12 paid holidays per year, including: New Year's Day, MLK Day, Washington's Birthday, Good Friday, Memorial Day, Juneteenth, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day
 - Substitutions allowed if part of a communicated holiday plan.

When Does It Take Effect?

- **January 1, 2026** – That gives employers about seven months to get your policies, payroll, and staffing systems in order.

What Should Employers Do Now? Here's Your Checklist

Covered employers – including airport contractors, concessionaires, service vendors, and franchisees – should take action well before the 2026 deadline.

- 1. Map Your Workforce** – Identify employees who now qualify as “covered airport workers” under the expanded definition.
- 2. Review Wages and Fringe Benefits** – Consult the SCA wage determination for Queens to confirm your minimum pay obligations. Compare your health insurance and other benefits against the \$5.36/hour supplemental threshold.
- 3. Update Leave Policies** – Ensure your vacation accrual and holiday schedules comply with the law.

4. Audit Your Handbooks and Training – Amend internal policies, CBA terms, or onboarding materials as needed.

5. Loop In Legal and Payroll Teams – This isn't just an HR issue — finance, legal, and vendor management teams should all be in the loop.

Conclusion

If you have any questions about these minimum wage laws and how these changes may impact your business, please contact your Fisher Phillips attorney, the author of this Insight, or any attorney in our [New Jersey](#) or [New York](#) offices. Make sure you are subscribed to the [Fisher Phillips Insight System](#) to get the most up-to-date information.