

NEW LAWS FOR NEW YORK EMPLOYERS IN THE NEW YEAR: WHAT TO KNOW AS 2026 UNFOLDS

Insights
Jan 2, 2026

Employers in New York State and New York City will continue to navigate a fast-changing legal landscape as the calendar flips to a new year. 2025 was another active year for workplace legislation, much of it spurred by local responses to federal policy shifts. As a result, several major laws have already taken effect and more are set to roll out in 2026 – with even more significant changes on the horizon. Below, we break down the key developments and what employers should be watching as you plan for compliance in the year ahead and beyond.

Minimum Wage and Compensation Updates

- **Minimum Wage Increases:** Effective January 1, 2026, the minimum wage rises to \$17 per hour in New York City, Long Island, and Westchester, and to \$16 per hour in the rest of the state. Starting in 2027, future increases will be automatically tied to inflation.
- **Tip Credit Adjustments:** Cash wage and tip credit amounts increase alongside the minimum wage. Tipped service employees in NYC, Long Island, and Westchester will receive a \$14.15 cash wage with a \$2.85 tip credit; tipped food service workers in these regions will see a cash wage of \$11.35 and a \$5.65 tip credit. In the rest of the state, the cash wage and tip credit are \$13.30/\$2.70 and \$10.70/\$5.30 for tipped service employees and tipped food service workers, respectively.
- **Salary Threshold for Exempt Employees:** On January 1, 2026, the weekly salary threshold for executive and

Related People



Amanda M. Blair

Associate

212.899.9989



Melissa Camire

Partner

212.899.9965

administrative employee exemptions will rise to \$1,275 in NYC, Nassau, Suffolk, and Westchester, and to \$1,199.10 elsewhere in the state.

- **Paid Family Leave Enhancements:** For 2026, the maximum weekly benefit will increase to \$1,228.53, with an employee contribution rate of 0.432% of gross wages. The program continues to provide up to 12 weeks of job-protected leave to bond with a new child, care for a family member with a serious health condition, or to assist loved ones when a family member is on active military service.

Expanded Protections Against Discrimination and Retaliation

- **Criminal History Records:** As of March 22, 2025, New York cannot require individuals to provide copies of their criminal history records, furthering efforts to prevent discrimination.
- **Retaliation for Accommodation Requests:** The New York State Human Rights Law (NYSHRL) now explicitly prohibits retaliation against employees who request reasonable accommodations, effective December 5, 2025.
- **Ban on Consumer Credit History in Employment Decisions:** As of April 18, 2026, most employers will be barred from using consumer credit history in employment decisions, with exceptions for certain high-responsibility roles. This mirrors NYC's existing law and extends protections statewide.
- **Disparate Impact Liability Codified:** As of December 19, 2025, New York law formally recognizes "disparate impact" as a basis for discrimination claims, allowing challenges to neutral policies that disproportionately affect protected groups, regardless of discriminatory intent.

Wages, Leave and Labor Protections

- **Paid Prenatal Leave:** As of January 1, 2025, all New York private employers must provide 20 hours of paid leave for prenatal care, available only to the pregnant employee. Employees can use prenatal leave to attend healthcare services during an employee's pregnancy or related to their pregnancy, including physical examinations, medical procedures, monitoring and testing, and discussions with

Service Focus

AI, Data, and Analytics

Employee Defection and Trade Secrets

Employee Leaves and Accommodations

Employment Discrimination and Harassment

Pay Equity and Transparency

Wage and Hour

Workplace Safety

Industry Focus

Construction

Healthcare

Hospitality

Retail

Transportation and Supply Chain

Resource Hubs

AI Governance Hub

Related Offices

New York

a healthcare provider related to the pregnancy, including fertility treatment or care appointments and end-of-pregnancy care appointments. Read more about prenatal leave requirements [here](#).

- **Frequency of Pay:** New York amended its frequency of pay law for manual workers, limiting damages for employers who pay workers at least semi-monthly on a regular payday. However, repeat violators of the law's requirement for weekly pay for manual workers after the effective date of the amendments may still face full liquidated damages equal to one hundred percent of the total amount of wages allegedly due. Read more [here](#).
- **Trapped at Work Act:** Effective December 19, 2025, employers cannot require employees to repay training costs or impose penalties for leaving a job within a set period of time. The law targets abusive training reimbursement clauses that effectively lock low-wage workers into jobs. Legitimate repayment agreements – such as for wage advances – are allowed.
- **[Paid Family Leave for Construction Workers](#):** Unionized construction workers often work for multiple employers for short periods of time, never reaching the 26-week eligibility threshold with one employer, which previously limited their ability to qualify for benefits. As of December 19, 2025, union construction workers covered by a CBA now qualify for Paid Family Leave if they have worked for any signatory employer at least 26 of the prior 39 weeks.
- **Fashion Workers Act:** Effective June 19, 2025, the New York State Fashion Workers Act (FWA) imposes new registration, transparency and worker protection requirements on model management companies.
- **Healthy Terminals Act Overhaul:** A major overhaul to New York's Health Terminal's Act reshapes airport wage and benefit obligations for employees working at JFK and LaGuardia airports as of January 1, 2026, including workers employed by private employers. Read our full coverage [here](#).

Workplace Safety and Violence Prevention

- **Retail Worker Safety Act:** In effect since June 2, 2025, retail employers with at least 10 employees must implement workplace violence prevention programs and

provide interactive training. Larger retailers must provide silent response buttons to employees by January 1, 2027. Additional information is available [here](#).

- **Warehouse Worker Protection:** Amendments to the Warehouse Worker Protection Act require injury reduction programs, ergonomic evaluations, and anti-retaliation measures. Warehouse distribution centers were required to develop and implement an Injury Reduction Program by June 1, 2025 and to complete initial worksite evaluations by certified ergonomists by June 19.
- **Wage Protections for Safety Participation:** As of September 5, 2025, employers cannot deduct wages from employees participating in workplace violence investigations.
- **Opioid Antagonists in First Aid Kits:** All employers will be required maintain first aid kits must include opioid antagonists, such as naloxone, as of June 10, 2026, to address overdose emergencies.
- **Hospital Workplace Violence Prevention:** Effective September 18, 2026, hospitals must implement comprehensive violence prevention programs.
- **COVID-19 Sick Leave Sunsetting:** The state's COVID-19 sick leave mandate ended as of July 31, 2025.

Artificial Intelligence

- **RAISE Act:** New York's RAISE Act, [watered down](#) after negotiations with Governor Hochul, was signed into law on December 19 and is slated to take effect on January 1, 2027. The legislation has been the subject of intense lobbying by major tech companies that want a national standard and warn of stifling innovation. In response, Governor Hochul proposed amendments to narrow the bill, including lowering penalties and limiting its scope to the largest companies. Based on the chapter amendment, the Act will now cover only developers of advanced "frontier" AI models with over \$500 million in annual revenue. Under the revised law, these companies must adopt safety protocols, evaluate and mitigate catastrophic risks, report serious incidents within 72 hours, and register with a newly created state AI oversight office. Penalties are now capped at \$1 million for an initial violation and \$3 million for subsequent ones. A new bill reflecting these

negotiated changes will be introduced and passed when lawmakers return to Albany next year. Meanwhile, President Trump's recent [executive order](#) seeking to preempt state AI laws, like the RAISE Act, adds another layer of complexity. With such significant interests at stake, political wrangling over the RAISE Act is likely to continue. Read more about the RAISE Act [here](#) and [here](#).

New York City Developments

- **Pay Data Reporting:** Private employers with 200+ NYC employees will soon be required to submit annual pay data reports, including demographic and job information. The city must designate an agency and develop a reporting form before employer obligations begin. Read more about this law [here](#).
- **Expanded Safe and Sick Leave Requirements:** Amendments to the Earned Safe and Sick Time Act, effective February 22, 2026, require employers provide workers with at least 32 hours of unpaid leave, available immediately upon hire and replenished at the start of each calendar year. The amendments also expand the permitted uses of safe/sick leave to include absences from work related to caregiving, attending legal proceedings for subsistence benefits or housing, public disasters or addressing workplace violence. Finally, the amendments codify as NYC law the paid prenatal leave obligations available statewide. More details are available [here](#).
- **Minimum Pay for Grocery and Contracted Delivery Workers:** Effective January 26, 2026, new laws set minimum pay rates for grocery delivery workers, set safety standards for powered bicycles, and expand delivery worker protections for all contracted delivery workers.
- **Potential Protections from Wrongful Deactivation for Drivers and Delivery Workers:** During its final meeting for the year, the City Council passed two bills to protect high-volume for-hire vehicle drivers and app-based delivery workers from wrongful deactivation. If enacted, the local laws would prohibit companies from deactivating drivers or delivery workers without just cause, a legitimate economic reason, or a legal requirement, and would generally mandate advance notice except in limited circumstances. Workers would gain the right to challenge

deactivations through an informal process or by requesting an investigation from the Department of Consumer and Worker Protection (DCWP). If a deactivation is found to be wrongful, companies could be required to reinstate the worker and provide back pay. The bills are on outgoing Mayor Adams's desk for signature. Should Mayor Adams veto the bills, the new City Council Speaker (a sponsor of the delivery worker bill) will have opportunity to override the vetoes next year.

[Ed. Note: In one of his final official acts, Mayor Adams vetoed the deactivation-for-drivers bill but took no action on the delivery-services bill. We'll monitor the City Council in 2026 to determine whether it attempts to override the deactivation veto.]

What's to Come in 2026?

Looking ahead, we expect New York lawmakers to continue advancing employee-friendly legislation, much of it in response to federal policy trends. Under New York's two-year legislative cycle, bills that do not pass in the first session automatically carry over to the next, retaining their bill numbers. This means unfinished proposals from 2025 – including high-profile efforts to restrict or [ban non-compete agreements](#) and [expand severance agreement protections](#) – remain very much in play. [New York City will have a new mayor in 2026, and early indications suggest the administration will prioritize robust worker protections and pro-employee initiatives](#). Employers should stay alert as the legislative agenda continues to prioritize labor protections, workplace fairness, and evolving employment practices.

Conclusion

As 2026 begins, now is an ideal time to review and update your workplace policies and procedures to ensure compliance with the latest state and city requirements. For laws that have not yet taken effect, early preparation will help your business avoid last-minute compliance challenges. We will continue to monitor legislative developments and keep you informed as the 2026 session progresses.

We will continue to monitor developments on these bills, so make sure you are subscribed to [Fisher Phillips' Insight System](#) to get the most up-to-date information directly to your inbox. If you have questions, contact your Fisher

Phillips attorney, the authors of this Insight, or any attorney in our [New York City office](#).