



Mid-Year Employment Law Update

Grab a copy of our July 1st Employment Law Deadlines Checklist



SixFifty | Employment Update

Mid-Year Deadlines for HR Teams

July 1st Employment Law Checklist



Today's agenda



A recording of the webinar + the slide deck will be sent to all registrants after the webinar.

HRCI and SHRM codes will be made available at the end of the webinar.

Why employment agreements are under the microscope

A rapidly shifting landscape

Over the past several years—accelerating in 2025 and 2026—state legislatures have been rewriting the rules around employment agreements. Four areas have seen the most action:

1. Non-Compete Agreements:

States are restricting or outright banning them, especially for lower-wage and healthcare workers.

2. Non-Solicitation Agreements

Often swept up in non-compete reforms—new laws limit when employers can enter into non-solicits.

3. Non-Disclosure Agreements (NDAs):

New laws carve out important exceptions, especially around workplace misconduct.

4. TRAP Agreements (Training Repayment Provisions)

More states are cracking down on agreements requiring employees to repay training costs when they leave.

TRAP agreements: Connecticut & California

Both states have moved to ban employment agreements requiring workers to repay money when they leave.

Connecticut | HB 5003

Effective: October 1, 2026

Signed May 11, 2026, it expands Connecticut's existing ban on employment promissory notes so that ALL employers, regardless of size, are prohibited from signing or enforcing any agreement requiring an employee to repay money to the employer if the employee leaves before a set period of time.

Bottom line: Starting October 1, 2026, no employer can require CT employees to repay anything for leaving the employer.

California | AB 692

Effective: January 1, 2026

Makes it unlawful to include any contract provision that: 1) requires a worker to repay training costs when employment ends; 2) allows a trainer or debt collector to resume collection on a debt at termination; or 3) imposes any penalty, fee, or cost on a worker simply because employment ends.

Bottom line: California closes the door entirely on new TRAPs. Any agreement after January 1, 2026—whether a training contract, income share agreement, or otherwise—that creates a financial penalty for leaving is void.

Non-disclosure agreements: Alabama (Trey's Law)

Signed February 19, 2026 by Governor Ivey, SB 30 voids any provision in a non-disclosure agreement, confidentiality agreement, employment agreement, settlement agreement, or any other agreement that prohibits someone from disclosing:

- **An act of sexual abuse, or**
- **Facts related to such abuse—including conduct that would be a criminal violation under Alabama's sexual offense statutes**

This applies regardless of whether any criminal legal action has been taken.

The law takes effect on October 1, 2026.

Action Items for HR

- Review standard NDA and settlement agreement templates used for Alabama employees.
- Ensure no provisions attempt to restrict disclosure of sexual abuse or related criminal conduct.
- Update your form NDAs before October 1, 2026.

Non-compete updates: Virginia

Virginia enacted two significant non-compete bills in 2026—one extending protections to healthcare professionals and one requiring severance to enforce non-competes against terminated employees.

HB 627

Effective: July 1, 2026

Healthcare Non-Compete Protections

Extends non-compete protections to healthcare professionals: anyone licensed, registered, or certified by the Board of Medicine, Nursing, Counseling, Optometry, Psychology, or Social Work. The law is not retroactive.

Exceptions still allowed:

- Repayment of recruitment-related costs for healthcare workers employed fewer than 5 years
- Non-solicitation of customers for a stated post-termination period
- Certain agreements in connection with the sale of a business

SB 170

Effective: July 1, 2026

Severance Required to Enforce Against Terminated Employees

For any non-compete to be enforceable against an employee terminated without cause, the employer must provide severance benefits. The law is not retroactive.

Key points:

- No exception for highly-compensated employees
- No exception for business sale scenarios
- No severance paid = non-compete unenforceable, unless terminated for cause

Non-compete updates: Tennessee & Utah

Tennessee | HB 1034

Effective: July 1, 2026

Non-competes cannot be enforced against any employee earning less than \$70,000 per year.

Non-competes lasting 2 years or less are presumed reasonable; more than 2 years presumed unreasonable.

Applies to agreements entered into, renewed, or amended on or after July 1, 2026.

Utah | HB 270

Effective: May 6, 2026 | Healthcare Workers

Employers can't enter into new non-competes with healthcare workers starting May 6, 2026 (limited exceptions apply).

Non-solicitation agreements also cannot prevent healthcare workers from telling patients where they currently work or plan to work.

Utah | SB 111

Effective: May 6, 2026 | Veterinarians

Non-competes with vets are void unless the vet owns at least 5% of the business. Non-solicitation agreements with vets are also void. NDAs cannot prevent vets from discussing their work experience with an employer.

Non-compete wage thresholds: 2026 state updates

Many states increase their non-compete salary thresholds annually. Employers must verify that any employee subject to a non-compete meets the updated wage floor—agreements with below-threshold employees may be unenforceable.

State	2026 Threshold	Notes
District of Columbia	\$162,164	Indexed annually; one of the highest thresholds in the country
Colorado	\$130,014	Based on CO DOL's "highly compensated worker" definition
Washington	\$126,859	Adjusted annually by WA DLI, based on CPI
Oregon	\$119,541	Indexed annually; applies to non-compete agreements
Virginia	\$78,365	Based on state's average weekly wage
Tennessee	\$70,000	HB 1034 effective July 1, 2026—no non-competes below this threshold
Maine	\$63,840	Separate healthcare practitioner restrictions enacted April 2026
Maryland	\$49,920	Based on 2026 state minimum wage (\$16/hour)
Rhode Island	\$39,900	Applies to "low wage" employees

What else is new? Additional 2026 developments

Washington State: Near-Total Non-Compete Ban (HB 1155)

Signed March 23, 2026; effective June 30, 2027. Virtually ALL non-competes—past and future, regardless of compensation—become void. Exceptions: confidentiality, trade secrets, properly structured non-solicits, and business sale agreements. Employers must notify current employees and contractors with non-competes and former employees with non-competes still in effect by Oct. 1, 2027.

Maine: Healthcare Practitioner Non-Compete Restrictions (LD 2200)

Signed April 15, 2026; effective July 13, 2026. Prohibits non-competes with healthcare practitioners employed by an entity where they have no ownership interest.

California: Private Equity Healthcare Non-Competes

Effective January 1, 2026. Voids non-competes for management of physician or dental practices following acquisition by private equity or hedge funds.

Federal Note: FTC Non-Compete Rule Remains Blocked

The FTC's 2024 nationwide non-competes ban was set aside by federal courts (August 2024) and remains enjoined.

Key takeaways & action items for HR

1

Audit your agreement templates

Review all NDAs, non-competes, non-solicits, and training repayment provisions against updated state laws for every state where you have employees.

2

Identify affected employees

Know where employees are and what they've signed. Focus on CT, CA, VA, TN, UT, AL, WA, and ME for today's updates.

3

Check salary thresholds annually

Cross-reference non-competes against 2026 wage thresholds. Agreements covering below-threshold employees may be unenforceable.

4

Update templates with counsel

Have employment counsel revise templates with state-specific language that protects legitimate business interests while complying with new laws.

5

Update onboarding & offboarding

New hires need updated agreements. Virginia HR: If terminating someone without cause, remember to provide severance if you want the non-compete to be enforceable.

6

Plan ahead for Washington (2027)

HB 1155's near-total non-compete ban takes effect June 30, 2027. Start reviewing and revising Washington employee agreements now.

Minimum Wage Updates

Significant Off-Cycle Changes

Minimum wage: Updates from Jan 1, 2026

Minimum wage increases went into effect for these states on Jan. 1st, 2026

- Arizona - \$15.15/hr
- California - \$16.90/hr
- Colorado - \$15.16/hr
- Connecticut - \$16.94/hr
- Hawaii - \$16/hr
- Maine - \$15.10/hr
- Michigan - \$13.73/hr
- Minnesota - \$11.41/hr
- Missouri - \$15/hr
- Montana - \$10.85/hr
- Nebraska - \$15/hr
- New Jersey - \$15.92/hr
- New York - \$16/hr
- Ohio - \$11/hr
- Vermont - \$14.42/hr
- Virginia - \$12.77/hr
- Washington - \$17.13/hr

Minimum wage: 2026 off-cycle state updates

- **Alaska:** On July 1, the hourly minimum wage will increase from \$13.00 to \$14.00.
- **D.C.:** On July 1, the hour minimum wage will increase from \$17.95 to \$18.40.
- **Oregon:** On July 1, the minimum wage will increase in Oregon's three minimum wage categories:
 - The Portland Metro Area minimum wage increases to \$16.80 per hour;
 - The Standard / General Counties minimum wage increases to \$15.55 per hour; and
 - The Non-Urban Counties minimum wage Increases to \$14.55 per hour.
- **Florida:** On September 30, the hourly minimum wage will increase from \$14.00 to \$15.00 per hour.

Minimum wage: 2026 off-cycle city & county updates: Part 1

- **Santa Fe, NM** (city and county): On March 1, 2026, minimum wage increased to \$15.40.
- **Chicago, IL**: On July 1, minimum wage will increase to \$17.05.
- **Cook County, IL**: On July 1, minimum wage will increase to \$15.40.
- **California Localities**: On July 1, the minimum wage will increase in:
 - Alameda (\$17.76)
 - Berkeley (\$19.61)
 - Emeryville (\$20.34)
 - Fremont (\$18.05)
 - LA (city) (\$18.42)
 - LA (county) (\$18.47)
 - Malibu (\$17.91)
 - Milpitas (\$18.50)
 - Pasadena (\$18.57)
 - San Francisco (\$19.61)
 - Santa Monica (\$18.47)
 - West Hollywood (\$20.87)

Minimum wage: 2026 off-cycle city & county updates: Part 2

- **Howard County, MD:** On July 1, the minimum wage for smaller employers will increase so that all employees in Howard County have a minimum wage of \$16.00.
- **Montgomery County, MD:** On July 1, the minimum wage will increase based on business size:
 - Small employers (10 or fewer employees): \$15.95 per hour (a \$0.45 increase)
 - Midsize Employers (11–50 employees): \$16.50 per hour (a \$0.50 increase)
 - Large employers (51+ employees): \$18.00 per hour (a \$0.35 increase)
- **St. Paul, MN:** On July 1, , the minimum wage will increase for employees who work for small or micro businesses:
 - The micro business (5 or fewer employees) minimum wage will increase to \$14.25.
 - The small business (6-100 employes) minimum wage will increase to \$16.37.
- **Renton, WA:** On July 1, the minimum wage will increase to \$21.57 per hour for employers with 15 or more employees or employers with 1-14 employees who make over \$2 million of annual gross revenue in Renton.
- **Everett, WA:** On July 1, the minimum wage will increase to \$19.77 for employees who work for employers with 15-499 employees or who make over \$2 million of annual gross revenue in Everett.

Child Labor Law Updates

States are moving in interesting directions

Child labor laws: 2026 updates

States have made a number of changes to child labor laws in 2026

Maryland / Alabama

Both states increased penalties for child labor law violations.

Maryland's increased penalties took effect on June 1, 2026.

Alabama's increased penalties take effect on October 1, 2026.

Washington

Effective July 1, 2026, employees age 16-17 can work more hours during the school year if they are enrolled in a bona fide college program, or career and technical education program and the work is approved by the program.

Indiana

Starting on July 1, 2026, the state will no longer require employers that employ at least five minor employees between 14 and 17 years of age at one or more locations in the state to register with the Department of Labor.

New Jersey

New laws provide more protections for:

(1) Minors employed in theatrical productions,

and

(2) Minors employed as vloggers.

Pay Transparency Updates

Pay transparency protections continue to expand in 2026

Connecticut modifies its pay transparency rules

- New pay transparency rules require the inclusion of wage range and benefits information in job postings.
- “Benefits” are defined as health insurance benefits, retirement benefits, fringe benefits, paid leave and any compensation other than wages offered with a position.
- The Act also adds retaliation protections for employees and applicants related to the new pay transparency protections.
- The law applies to all employers in Connecticut and takes effect October 1, 2026.



Virginia adds pay transparency protections

Virginia's new law, applies to all Virginia employers and provides several different pay transparency protections, including:

- Prohibiting employers from seeking or relying on the wage or salary history of prospective employees;
- Requiring employers to provide good faith wage or salary ranges in all job postings, internal and external; and
- Prohibiting retaliation against prospective or current employees for refusing to provide wage history or requesting pay range information.

The new protections take effect on July 1, 2026.



Maine enacts new pay transparency law

- The job posting requirement applies to employers with 10 or more employees but does not specify if the employee count includes all employees or only those located in Maine.
- It requires covered employers to include pay ranges in job postings, unless compensation is based solely on commission.
- All employers must also provide pay range information to employees upon request and maintain records of employee positions and pay history during employment for three years after termination.
- The new law takes effect on July 29, 2026.



Oregon court clarifies pay transparency protections



- On April 1, 2026, an Oregon court clarified that Oregon employees are protected from retaliation for asking for a raise, even where there is no claim of pay inequity or class-based discrimination.
 - *Mirkovic v. Tenasys Corp.*, 348 Or App 70 (2026).

Paid leave updates

Maine

Effective May 1st, 2026

PFML benefits now accessible — contributions started Jan 1, 2025 with benefits available to employees beginning May 1, 2026.

Illinois

Effective June 1st, 2026

New NICU Leave Act: unpaid, job-protected leave for parents of NICU infants. 10 days (16–50 employees) or 20 days (51+) of leave.

Washington

Effective June 11th, 2026

Amended PFML premium and contribution structure. Verify that any communicated and real premium amounts match the updated rates.

Maryland

Contributions: Jan 1, 2027

Benefits: Jan 1, 2028

Statewide PFML program was delayed from an original start dates of 2025.

Virginia

Contributions: Apr 1st, 2028

Benefits: Dec 1st, 2028

New statewide PFML program created. Plan for future payroll and policy changes.

Virginia: Four updates effective July 1, 2026

Human Rights Act coverage expanded

- Employer threshold drops 15 → 5 employees
- Complaint filing window extends from 300 days → 2 years
- Anti-discrimination protections now reach smaller Virginia employers

Volunteer emergency responder leave

- Retaliation banned against employees who miss work to respond to declared emergencies
- Employee must give 1-hour advance notice if possible
- No extra pay required; employee may use accrued leave

Immigration status coercion prohibited

- Using immigration status to coerce employees into wage violations is unlawful
- Civil penalties: \$5,000–\$12,000 per violation
- State can act even if the underlying wage claim is resolved

Pay transparency now required

- Salary ranges required in all job postings; no minimum employer size threshold
- Salary history ban: cannot ask about or use prior pay to set compensation
- Applies to anyone who posts jobs in Virginia

Other state handbook updates

New Jersey Family Leave Act (NJFLA) Changes: July 17, 2026

- **Employer threshold:** Drops from 30 to 15 employees*
- **Tenure requirement:** Drops from 12 months to just 3 months
- **Hours requirement:** Drops from 1,000 to 250 hours in the prior 3 months
- **Scheduled thresholds:** The employer threshold drops to 10 employees on July 17, 2027, and 5 employees on July 17, 2028.

**This threshold counts employees that meet the hours and tenure requirements for each for working day during each of 20 or more calendar workweeks in the then current or immediately preceding calendar year.*

Colorado: June 1, 2026

Voting leave can now be taken on any day when Voter Service and Polling Centers (VSPCs) are open, rather than only on election day.

Oregon: June 5, 2026

Employees who update personal info based on lawful changes to federal work authorization documents are protected from retaliation.

Minnesota: August 1, 2026

Failing to engage in the disability accommodation interactive process is now independently unlawful—not just evidence of discrimination.

Colorado AI law revision: SB 189

What the law now covers

Applies when: Employers use Automated Decision-Making Technology (ADMT) to make consequential employment decisions: hiring, firing, promotions, compensation, or similar employment-related determinations.

Three employer obligations:

- 1. Pre-decision notice:** Notify employees and applicants before using ADMT to make a consequential decision about them.
- 2. Adverse action process:** If adverse action is taken, provide written notice explaining the decision, opportunity to correct the data used, and right to meaningful human review.
- 3. Three-year recordkeeping:** Maintain records related to all ADMT-based employment decisions for 3 years.

What changed from the prior law

SB 189 scaled back two prior employer obligations:

- ✘ Risk management programs
- ✘ Annual impact assessments

Developer obligations added:

Technical documentation required. Must notify deploying employers of material updates.

Penalties & enforcement:

- \$20,000 per violation
- 60-day cure period available

If you use AI tools in hiring or employment decisions, document your process and build notice and adverse action procedures before January 1, 2027.

Handbook Legal Updates



The screenshot shows a document editor interface for a document titled "Core Handbook w/ Addenda Example". The top toolbar includes options for "Style" (Paragraph), "Font" (Calibri), "Size" (12pt), and various text formatting tools (bold, italic, underline, strikethrough, bulleted list, numbered list, indent, outdent, link, unlink, undo, redo, comment). On the right side of the toolbar, there are buttons for "Use Document Theme", "Download", "Version History", and "Editing" (with a dropdown arrow).

On the left side, there is a "Search Outline" input field and a "← Outline" button. Below this is a table of contents with the following items:

- Introduction
- Our Commitments
 - Equal Employment Opportunity and P...
 - Harassment
 - Retaliation
 - Complaint and Investigation of Discr...
 - Additional Enforcement Information
- Sexual Harassment Policy
 - Scope
 - Definition of Sexual Harassment
 - Examples of Sexual Harassment
 - Targets of Sexual Harassment
 - Locations of Sexual Harassment
 - Reporting Sexual Harassment

The main content area displays the following text:

SixFifty
EMPLOYEE HANDBOOK

June 02, 2025

STATE ADDENDA

In addition to the policies set forth in the Employee Handbook, these policies apply only to those employees working in the state(s) set forth below. Each state addendum should be read in addition to the Employee Handbook and only modifies the provisions included in the addendum.

In the event of any conflict between the Employee Handbook and the applicable Addendum, the applicable Addendum shall govern. Any questions about the Employee Handbook or the addendum can be directed to Human Resources at (801) 123-4567.

California

This addendum only applies to employees in California. This addendum is in addition to the Employee Handbook and only modifies the provisions included in the addendum.

A small chat icon is visible in the bottom right corner of the document area.

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