

Employers State Law Alert

Summarizing Significant New Employment Laws & Regs in All 50 States



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With AI on the rise, questions abound over how regulation will shake out

by Tammy Binford

Artificial intelligence (AI): Everybody talks about it, a good many admit to being afraid of it, and others are eager to put it to work. But questions about its impact and potential harm in the workplace are leading policymakers to impose rules—and not all policymakers are headed in the same direction.

A LOOK AT STATE ACTIONS

States have been considering regulations for AI use in the workplace for a few years now. **Colorado** took an early stand in 2024 by passing the Colorado Artificial Intelligence Act, which was revamped in 2026 following a court challenge to its original provisions.

Elon Musk’s xAI sued Colorado in April, claiming the law’s focus on “algorithmic discrimination” was too vague to be legal. The new law, which was passed before

the old law went into effect, doesn’t refer to algorithmic discrimination but does define “automated decision-making technology in consequential decisions.”

Such technology “processes personal data and uses computation to generate output, including predictions, recommendations, classifications, rankings, scores, or other information that is used to make, guide, or assist a decision, judgment, or determination concerning an individual.”

California also has laws in place, and in May, Governor Gavin Newsom signed an Executive Order dealing with how organizations and their employees should prepare for the change AI is bound to bring. The order instructs various state agencies to study how AI will affect employment and then develop recommendations for workforce policies and systems to support displaced employees.

The California order also aims to create educational opportunities for small businesses on AI best practices, and it expands workplace training opportunities and AI readiness in higher education.

The order follows approval of regulations by the state’s Civil Rights Department on automated decision systems. Those regulations make it illegal discrimination for an employer to use a computer program that unfairly filters out protected groups.

Connecticut has also acted recently. In June, Governor Ned Lamont signed a multipronged law that advances

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several AI regulations, including employment disclosures, to tackle unintended discrimination. The law is to take effect on October 1.

Last fall, **New Jersey** adopted regulations addressing “automated employment decision tools” similar to provisions under Connecticut law.

Illinois has had a law on the use of AI-enabled video interviews since 2020. It was amended in 2022 to require employers that exclusively rely on AI analysis of video interviews when they select candidates for in-person interviews to report certain information to the state, including the race and ethnicity of applicants offered in-person interviews, those who aren’t offered in-person interviews, and those who are hired.

Maryland also has a law that requires employers using facial recognition technology in the hiring process to acquire applicants’ written consent.

In **Texas**, the Texas Responsible AI Governance Act, signed into law in June 2025, places restrictions on the development and deployment of AI systems for certain purposes, including unlawful discrimination. The final version of the bill eliminates some private-sector obligations and limits most compliance obligations to government use of AI.

A law slated to take effect in 2027 in **New York** imposes safety and transparency requirements on developers of large-scale AI “frontier models,” those that use the most advanced AI available at any given time. Requirements include obligations related to safety protocols and transparency reports.

FEDERAL POLICY

While state actions often place restrictions on how employers can use AI, recent federal action takes a different approach.

In July 2026, the White House released an action plan on AI, which is aimed at accelerating AI innovation. The plan calls for withholding federal funding to states that enact what the administration considers burdensome AI regulations. It also urges the repeal of any federal regulations from the previous administration that the current administration considers stifling to AI innovation.

The plan also calls for the Office of Management and Budget to work with federal agencies to revise or repeal

regulations that the administration believes unnecessarily hinder AI development or deployment.

In addition, President Donald Trump has called for a federal standard on AI regulation that “supersedes all states.”

ADVICE FOR EMPLOYERS

With an array of state and even municipal actions targeting employer use of AI, compliance becomes a challenge, and employers may question how to proceed.

Advisory firm Synergy HR has released some suggestions on strategy:

- **Conduct an audit.** Take inventory of tools that screen, score, rank, or otherwise influence hiring decisions.
- **Strengthen vendor due diligence.** Evaluate vendor information on training data, bias testing, explainability, and contractual risks. This is especially important because courts are increasingly examining delegated decision-making.
- **Establish meaningful human oversight.** Put in place intervention points requiring human review of automated work. Intervention may include rejections, borderline assessments, and appeals.
- **Document risk assessments.** Maintain records of impact assessments and bias testing.
- **Update policies and communications.** Review and revise internal policies and external notices with an eye toward making sure they’re clear and aligned with evolving state law requirements.
- **Maintain legally required documentation.** Keep records of legally required disclosures and other documents required by statutes or regulations.
- **Integrate AI governance with other compliance programs.** Embed AI governance within existing privacy, cybersecurity, recordkeeping, and third-party risk management frameworks to ensure consistent oversight.

HR consulting firm OneDigital advises employers to develop an understanding of how AI is being used in their organizations. That means understanding where AI tools draw data from, how AI is trained to evaluate that data, and how it generates output. With that knowledge, employers can learn whether AI is operating consistently with regulatory requirements.

OneDigital also reminds employers to stay informed and monitor developments within their jurisdictions to make sure AI practices are in compliance.

STATUTES

Arizona

HEALTH INSURANCE

Credentialing process timelines

Arizona amended the credentialing process for health insurers to require the credentialing process to be concluded within 60 calendar days, and further amended the time to load the applicant's information into the billing system, reducing it from 100 calendar days to 30 calendar days after the insurer receives the complete credentialing application.

Cite: Ariz Legis Serv. Ch. 98 (S.B. 1291), A.R.S. Section 20-3453, Laws 2025, Ch. 97, Section 2 (4 pages)

Enacted: 4/15/2025

Effective: 4/1/2026

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Minnesota



ANALYSIS

LEGISLATION

Minnesota 2026 legislative session wrap-up: What employers need to know

by *Brian Benkstein, Felhaber Larson*

The 2026 Minnesota legislative session adjourned on May 18, 2026. Although last year's session delivered a wave of changes to meal and rest breaks, earned sick and safe time, and (of course) the launch of Minnesota Paid Leave, the 2026 session was comparatively quieter on the labor and employment front. However, one bill in particular—a bipartisan amendment to the Minnesota Human Rights Act (MHRA)—is notable.

INTERACTIVE PROCESS NOW CODIFIED IN THE MHRA

Governor Walz signed SF 3210 into law on May 18, 2026—the last day of the session. The bill adds a new paragraph (c) to Section 363A.02, subdivision 1 of the MHRA, which states:

Failure to engage in the process to determine if a reasonable accommodation exists that would allow people with disabilities as defined in section 363A.03, subdivision 12, to participate fully in employment, housing and real property, public accommodations, public services, and education may be an unfair discriminatory practice under this chapter.

In practical terms, this means failing or refusing to sit down and discuss an accommodation request—even if you ultimately cannot grant the accommodation—may now give rise to a discrimination claim under the MHRA. For those employers who are covered by the Americans with Disabilities Act (ADA), this is not a meaningful change because the duty to engage in the interactive process has been in place for decades. And, even beyond that, having a genuine conversation with an employee about how their impairment affects their work is just good business practice.

Nonetheless, the amendment serves as a good reminder to make sure your managers and HR teams understand the interactive process and are trained to engage in it consistently and in good faith whenever an accommodation request is made.

WAIT, THAT'S IT?

The 2026 session did not produce any significant changes to Minnesota Statutes Chapter 181 (the nuts-and-bolts employment laws, including Earned Sick and Safe Time), 177 (wage and hour) and 268B (Minnesota Paid Leave). Some employers may be disappointed that the legislature did not take steps to address the many concerns resulting from the 2025 session, but, on the other hand, others will gladly take the status quo.

BOTTOM LINE

The headline from the 2026 Minnesota legislative session is clearly the codification of the interactive process requirement in the MHRA's public policy statement. It is a meaningful development, even for employers who already follow best practices. As always, if you have questions about how these changes affect your organization, please reach out to our team.

Excerpted from Minnesota Employment Law Letter
Ryan A. Olson and David Richie, Editors
Felhaber Larson

Oklahoma



ANALYSIS

DRUG TESTING

Update your policies by November 1: OK amends medical marijuana law

by *Brennan Barger, McAfee & Taft*

Oklahoma has again amended the employment provisions of the Oklahoma Medical Marijuana Act (OMMA), specifically Title 63, Section 427.8. The new law, House Bill 3127, passed in the House of Representatives on March 24 and in the Senate on April 15. Governor Kevin Stitt signed the bill into law on April 17. The new legislation

involves significant changes to the OMMA's employment and drug testing provisions, including a "zero-tolerance" standard for a job applicant or an employee in a safety-sensitive position.

AMENDED PROVISIONS AFFECTING THE WORKPLACE

The prior version of the OMMA provided that an employer couldn't take adverse action against an applicant or employee solely based on a positive marijuana drug test unless:

- The individual didn't have a valid medical marijuana license;
- The individual possessed, consumed, or was under the influence of marijuana at work; or
- The position was one the employer "reasonably believed" was "safety-sensitive."

The new law retains the first two exceptions but now allows an employer to take adverse action for a positive drug test as long as it's taken under a written drug and alcohol testing policy adopted and enforced in accordance with the Standards for Workplace Drug and Alcohol Testing Act, 40 Okla. Stat. § 551 et seq. This gives employers more latitude to take adverse action for a positive marijuana test, regardless of whether the position is safety-sensitive or the employee has a valid medical marijuana license.

The new legislation also states that any applicant or employee in a safety-sensitive position "shall" be subject to a "zero-tolerance drug and alcohol standard." Although the law doesn't define "zero tolerance" or elaborate on what this means in practice, the language suggests employees in safety-sensitive positions should be subject to adverse action if they have a positive test result regardless of status as a license holder.

The new law also changes the definition of "safety-sensitive position." The prior version allowed an employer to designate a position safety-sensitive if it "reasonably believed" the job could affect the health and safety of the employee or others. The new law removes the reasonable belief language and instead provides a nonexhaustive list of job duties that qualify as safety-sensitive:

- Handling, packaging, processing, storage, disposal, or transport of hazardous materials;
- Operation of a motor vehicle, another vehicle, equipment, machinery, or power tools;
- Repairing, maintaining, or monitoring the performance or operation of any equipment, machinery, or manufacturing process, the malfunction or disruption of which could result in injury or property damage;

- Performing firefighting duties;
- Operation, maintenance, or oversight of critical services and infrastructure, including, but not limited to, electric, gas, and water utilities or power generation or distribution;
- Extraction, compression, processing, manufacturing, handling, packaging, storage, disposal, treatment, or transport of potentially volatile, flammable, combustible materials, elements, or chemicals or any other highly regulated component;
- Dispensing pharmaceuticals;
- Carrying a firearm; and
- Direct patient care or direct child care.

Although the discretionary component was removed, the use of the phrase "including, but not limited to," suggests other comparable job duties may qualify.

EMPLOYER NEXT STEPS

Absent any successful legal challenge, the new legislation is set to take effect on November 1, 2026. You'll need to review and likely revise existing policies to ensure compliance with the significant changes to the drug testing provisions, the revised definition of "safety-sensitive," and the zero-tolerance standard.

Excerpted from Oklahoma Employment Law Letter

Charles S. Plumb, Courtney Bru, Phil Bruce, and Jacob S. Crawford, Editors
McAfee & Taft

REGULATIONS

Alabama

LICENSURE

Physical therapist continuing education

The Board of Physical Therapy amended rules for continuing education to allow credit for continuing education activities of as little as 15 minutes in duration as long as all other requirements are met.

Cite: Ala. Admin. Code r. 700-X-2-.10 (Volume XLIV, Issue No. 7 AAM, 04/30/2026, page 21) (7 pages)

Adopted: 4/20/2026

Effective: 6/14/2026

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California

BACKGROUND CHECKS

Volunteer and employee criminal history services

The Department of Justice adopted regulations that establish the California Volunteer and Employee Criminal History Services Program, which enables qualified non-governmental agencies that serve children, the elderly, or individuals with disabilities to receive fingerprint-based state and federal criminal offender record information for current and prospective employees, volunteers, owners, and operators.

Cite: 11 CCR §§ 401, 402, 403, 404, 405, 406 (CRNR 2026, No. 16-Z, 04/17/2026, page 584) (7 pages)

Adopted: 4/3/2026

Effective: 7/1/2026

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LICENSURE

Retired license reinstatement

The California Architects Board amended regulations regarding retired license holders seeking to return to active status to (1) establish a one year waiting period prior to applying for reinstatement and (2) require submission of proof of completion of continuing education coursework, as specified, as a condition of reinstatement.

Cite: 16 CCR § 109.1 (CRNR 2026, No. 15-Z, 04/10/2026, page 539) (2 pages)

Adopted: 3/30/2026

Effective: 7/1/2026

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STANDARDS OF PRACTICE

Appraisal review requirements

The Bureau of Real Estate Appraisers amended its regulations to align with updates to the Uniform Standards of Professional Appraisal Practice (USPAP) regarding the affixing of signatures and license numbers for both an appraiser and the supervising appraiser if appropriate.

Cite: 10 CCR § 3705 (CRNR 2026, No. 15-Z, 04/10/2026, page 539) (1 pages)

Adopted: 3/30/2026

Effective: 7/1/2026

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Colorado

INSURANCE

Family and medical leave insurance

The Department of Labor and Employment, Division of Family and Medical Leave Insurance, amended rules concerning benefits and employer participation requirements, including sections for applications, limitations, notice requirements, and disqualifications.

Cite: 7 C.C.R. 1107-3 (49 CR 7, 04/10/2026, page 1421) (19 pages)

Adopted: 3/16/2026

Effective: 4/30/2026

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Illinois

OCCUPATIONAL SAFETY

Boiler and pressure vessel safety

The Board of Boiler and Pressure Vessel Rules amended rules to update the national technical codes incorporated by reference in these rules as required by Section 2 of the Boiler and Pressure Vessel Safety Act, and codify the submittal of four National Board Inspection Code forms to the Jurisdiction and to the National Board of Boiler and Pressure Vessel Inspectors.

Cite: 41 Ill. Adm. Code 2120 (50 Ill. Reg. 5659, 04/24/2026) (15 pages)

Adopted: 4/24/2026

Effective: 4/13/2026

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Indiana

LICENSURE

Accountant licensure pathways

The Board of Accountancy amended rules concerning experience requirements and providing credit for certain types of experience to fulfill an applicant's minimum experience requirements, and clarifying how applicants are to include information about their education and examination requirements in their application to the board.

Cite: 872 I.A.C. 1-1-8; 872 I.A.C. 1-1-8.5; 872 I.A.C. 1-1-8.4 (Indiana Register, April 2026) (3 pages)

Adopted: 3/31/2026

Effective: 4/30/2026

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Iowa

LICENSURE

Dental assistant practical training

The Inspections and Appeals Department amended rules pursuant to legislative actions that allows for dental assistants to practice in the state without a requirement to be registered if they complete a term of practical training as set forth in related rules.

Cite: 481 IAC 570, 572, 573, 574, 575, 577, 581 (IAB Vol. XLVIII, No. 23, 04/29/2026, page 8059) (4 pages)

Adopted: 4/3/2026

Effective: 6/3/2026

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LICENSURE

Education requirements for architects

The Architectural Examining Board amended rules to update the minimum standards for architecture licensure, allowing for an individual who does not have a National Architectural Accrediting Board (NAAB) accredited degree to be eligible for initial licensure in Iowa.

Cite: 193B IAC 2.1(544A, 17A) (IAB Vol. XLVIII, No. 23, 04/29/2026, page 7989) (3 pages)

Adopted: 3/22/2026

Effective: 6/3/2026

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Louisiana

WORKERS' COMPENSATION

Administration and staffing requirements

The Department of Labor and Employment amended rules for the administration of Workers' Compensation law, updating forms and rules for rehabilitation services, fraud prevention, general provisions, safety requirements, cost containment, hearing procedures, judgment, and medical guidelines.

Cite: LAC 40:I.Chapters 1, 7, 9, 11, 19, 55-67 (LR 52:499, 04/20/2026) (13 pages)

Adopted: 4/20/2026

Effective: 4/20/2026

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Maine

HEALTHCARE PROFESSIONALS

Delegation of nursing activities

The State Board of Nursing replaced rules related to the coordination and oversight of patient care services by unlicensed assistive personnel, defining delegation and identifying the responsibilities of a registered professional nurse when delegating those activities.

Cite: 02 380 CMR Ch. 6 (Weekly Notices of State Agency Rulemaking, 04/15/2026, page 3) (6 pages)

Adopted: 5/14/2026

Effective: 5/14/2026

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LICENSURE

Continuing education for architects

The State Board for Licensure of Architects, Landscape Architects and Interior Designers amended rules for continuing education for licensed architects, pursuant to legislative amendments.

Cite: 02 288 CMR Ch. 19 (Weekly Notices of State Agency Rulemaking, 04/15/2026, page 2) (5 pages)

Adopted: 4/12/2026

Effective: 4/12/2026

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Maryland

OCCUPATIONAL SAFETY

Elevator, escalator, and chairlift safety

The Commissioner of Labor and Industry adopted amendments to regulations governing elevator, escalator, and chairlift safety that pertain to standards adopted by reference, record keeping, and filing.

Cite: COMAR 09.12.81 (53:8 Md. Reg. 359, 04/17/2026) (38 pages)

Adopted: 2/11/2026

Effective: 6/17/2026

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Michigan

LICENSURE

Physical therapy rules

The Bureau of Professional Licensing amended general rules for physical therapy, including sections for definitions, general provisions, physical therapist

standards, physical therapist assistant standards, and professional development requirements.

Cite: AC, R 338.7121, .7122, .7126, .7131, .7132, .7133, .7134, .7135, .7136, .7137, .7141, .7142, .7145, .7146, .7147, .7148, .7149, .7161, .7163 (2026 MR 5, 04/01/2026, page 2) (26 pages)

Adopted: 3/5/2026

Effective: 5/3/2026

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New Mexico

LICENSURE

Mandatory reporting requirements

The Department of Occupational and Professional Licensing amended rules providing that all dentists, dental therapists, non-dentist owners and dental hygienists licensed to practice in the State must report certain adverse events and incidents in a written report to the board office within thirty days of the event.

Cite: 16.5.3.1-11 NMAC (37 n m reg 468, 04/21/2026) (1 pages)

Adopted: 4/21/2026

Effective: 4/21/2026

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New York

LICENSURE: HEALTHCARE PROFESSIONALS

Education requirements for nurses

The Education Department amended rules governing the degree requirements for Registered Professional Nurses, with clarifications designed to give nurses and human resource leaders several years to prepare for the requirement's 2030 effective date.

Cite: 8 NYCRR 64.1 (N.Y. State Register, Vol. XLVIII, Issue 17, 04/29/2026, page 4) (3 pages)

Adopted: 4/14/2026

Effective: 4/29/2026

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North Carolina

LICENSURE: HEALTHCARE PROFESSIONALS

Pharmacy technicians

The Occupational Licensing Boards and Commissions amended rules for health care facility pharmacy technicians, which defines the position and functions of a "validating technician," and provides requirements for pharmacies that elect to utilize such technicians.

Cite: 21 NCAC 46.1418(40:19 NCR 1566, 04/01/226) (2 pages)

Adopted: 4/1/2026

Effective: 5/1/2026

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Oregon

PREVAILING WAGE

Rate determination

The Bureau of Labor and Industries amended rules to update the Prevailing Wage Rate Determination for workers upon public works in each trade or occupation in the locality where work is performed, for the period beginning April 5, 2026.

Cite: OAR 839-025-0700 (Oregon Bulletin, May 2026) (1 page)

Adopted: 4/1/2026

Effective: 4/5/2026

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Texas

HEALTHCARE PROFESSIONALS

Telehealth services

The Board of Nursing amended rules relating to Telehealth Services and Telemedicine Medical Services in Nursing, specifying the informed consent documentation that is required when licensees perform telehealth services or telemedicine medical services.

Cite: 22 TAC §217.24 (51 TexReg 2251, 04/03/2026) (5 pages)

Adopted: 3/20/2026

Effective: 4/9/2026

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Virginia

LICENSURE

Geology certification program

The Board for Professional Soil Scientists, Wetland Professionals, and Geologists adopted emergency regulations that transition the existing voluntary certification program for geologists into a mandatory licensure program administered by the board by replacing all references to certification with language reflecting licensure.

Cite: 18VAC145-40 (42 va regs reg 1916, 04/20/2026)
(7 pages)

Adopted: 4/1/2026

Effective: 4/1/2026

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