



ABSENCE ADVISORY

REGULATORY UPDATES FROM
AFLAC'S GROUP LIFE, ABSENCE AND
DISABILITY SOLUTIONS DIVISION



OCTOBER 2026

We are pleased to share the October 2026 Absence Advisory, along with information related to state and other paid leave legislation.

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IRS TAX CREDIT

The U.S. Department of the Treasury and the Internal Revenue Service (IRS) released [Notice 2026-28](#) regarding the guidance on employer credit for paid family and medical leave under section 45S. You can locate Aflac's updated IRS PFML tax credit FAQ [here](#). The FAQ is provided for informational and educational purposes only and does not constitute legal or tax advice. Employers should consult their own counsel for obligations for state-mandated leave and disability programs.

For more information, review the [IRS website](#).

CALIFORNIA

Under San Francisco's Paid Parental Leave Ordinance (SF PPLO), covered employers are required to pay supplemental compensation to eligible employees who are bonding with a child when they receive wage replacement benefits from the California Paid Family Leave program or an equivalent California Voluntary Plan. On Aug. 7, under Ordinance No. 260451, San Francisco passed an amendment to this ordinance to reduce the length of service an employee must be employed with their current employer prior to becoming eligible for the supplemental compensation benefit. The length of service requirement decreases from 180 days to 90 days with their current employer.

Employer compliance deadlines for this change are dependent on the size of the employer:

- Employers with 100 or more employees will be required to comply by Jan. 1, 2027.
- Employers that have between 20 and 99 employees are granted additional time to implement the change and must comply by Jan. 1, 2028.
- Employers that have fewer than 20 employees are not considered a covered employer.

As a reminder, SF PPLO has four eligibility requirements. However, the length of service is the only aspect that was amended, and the three other requirements have not changed:

- Must be eligible for Paid Family Leave from California to bond with a baby, adopted child or foster child
- Work at least 8 hours a week in the geographical boundaries of San Francisco
- Work at least 40% of their total hours worked in the geographical boundaries of San Francisco

Employers may wish to review their internal/external payroll processes and employee handbooks to determine whether updates are appropriate as applicable. For more information, review [Ordinance No. 260451](#) and [Paid Parental Leave Ordinance | SF.gov](#).

COLORADO

Colorado has announced and released the 2027 premium rates for the Colorado Family and Medical Leave Insurance (CO FMLI) public program. Effective Jan. 1, 2027, the premium rates will decrease from 0.88% to 0.86% of gross wages. Employers may continue to share 50% (0.43%) of the premium rate with their employees, or the employer may choose to pay all or a larger share on behalf of their employees. Colorado sets the premium rate by Sept. 1 for the following year.

Additionally, employers that have had an approved private plan in effect for the full fiscal year from July 1, 2025, to June 30, 2026, are required to pay \$134 for each covered Federal Employer Identification Number (FEIN).

Employers that are subject to the 2026 annual maintenance fee are anticipated to receive invoices in November, and payment is due no later than Dec. 31. An employer may ask for reconsideration of their assessed fees within 49 days after the due date, with an extension of up to an additional 49 days for good cause. An employer may appeal the outcome of reconsideration if the employer believes the fee was incorrectly assessed.

For more information, review [Rules & Guidance | Family and Medical Leave Insurance \(FMLI\)](#).

CONNECTICUT

Connecticut employees may see higher paid leave benefits beginning Jan. 1, 2027, following the state's announcement that the minimum wage will increase from \$16.94 to \$17.48 per hour. The increase is part of Connecticut's annual minimum wage adjustment process, which is tied to economic indicators and directly impacts certain Connecticut Paid Leave benefit calculations.

Because Connecticut Paid Leave benefits are linked to the state minimum wage, the maximum weekly benefit available to eligible employees will increase from \$1,016.40 to \$1,048.80 for leave claims that begin on or after Jan. 1, 2027. In addition, the weekly wage amount subject to the program's 95% wage replacement calculation will increase from \$677.60 to \$699.20.

While the change does not impact employee eligibility requirements, employers should be aware of the updated benefit amounts and consider reviewing any internal leave materials or employee communications that reference Connecticut Paid Leave benefits. As the effective date approaches, employers should continue monitoring program updates and be prepared to answer employee questions regarding the 2027 benefit changes.

For more information, review the [press release](#).

MINNESOTA

Minnesota has announced the premium rate for the Minnesota Paid Leave (MN PL) public program will remain unchanged for 2027. The MN PL rate is currently set at 0.88%, and employers may continue to share 50% (0.44%) of the premium rate with their employees, or the employer may choose to pay all or a larger share on behalf of their employees. Minnesota sets the premium rate for the public program by July 31 for the next year.

For more information, review the [press release](#).

NEW YORK

After reviewing the data related to the New York Paid Family Leave (NY PFL) program, the New York Department of Financial Services has issued a change to the premium rate and the maximum annual employee contribution amount for 2027. Effective Jan. 1, 2027, the NY PFL rate will be set at 0.452% of employee wages, not to exceed the employee annual maximum contribution amount of \$451.81 for the year. This is a 4.55% increase to premiums compared to the 2026 rate, and eligible employees may still be entitled to 67% of their average weekly wage, up to 67% of the state average weekly wage, for a maximum weekly benefit of \$1,287.91 for up to 12 weeks.

WASHINGTON, D.C.

The District of Columbia passed an emergency bill [B26-0724](#) and a permanent bill [B26-0661](#) that made several changes to the Universal Paid Leave program effective Oct. 1, 2026. Employees who file their claims on or after the effective date will be entitled to 12 work weeks of parental leave (unchanged), 6 work weeks of family leave (formerly 12 work weeks), 10 work weeks of medical leave (formerly 12 work weeks) and 2 work weeks of pre-natal leave (unchanged). These bills clarify that contributions collected in excess to maintain the solvency of the program will be transferred to the General Fund of the District of Columbia and also state that the maximum weekly benefit amount an employee may receive has been reduced from \$1,190 to \$1,100.



These are educational materials only and do not constitute legal, tax, or compliance advice. Employers should consult their own counsel for obligations for state-mandated leave and disability programs. Products and services are provided by Continental American Insurance Company. In New York, products and services are provided by American Family Life Assurance Company of New York. In California, coverage is offered by Continental American Life Insurance Company. Products may not be available in all states and may vary depending on state law.

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AGC2600733

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