ABSENCE ADVISORY

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

SEPTEMBER 2026

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

TOP NEWS INSIDE

MAINE

Employers applying for a self-insured Maine Paid Family and Medical Leave private plan substitution are required to furnish a surety bond to the state in addition to the self-insured plan document confirming substantial equivalency to the state's plan. Maine has passed bill LD 2018, which prohibits employers from pooling their risk, meaning that they cannot share the financial responsibility for paying claims, but they may share administrative costs for services such as legal or accounting fees. The bill also goes on to say that employers in violation of this rule may be penalized retroactive to April 1, 2025. This bill was signed into law on April 13 and went into effect on July 29.

MASSACHUSETTS

A Massachusetts legislation change under Chapter 101 of the Acts of 2026 will cause a significant shift to the Massachusetts Paid Family and Medical Leave (MA PFML) contributions structure beginning Jan. 1, 2027. Currently, employees are responsible for 100% of their family leave contributions and 40% of their medical leave contributions with the other 60% paid by their employer. The new contribution structure will charge 100% of medical leave contributions to employees and allow family leave contributions to be split with their employer instead. This change follows the announcement of IRS Revenue Ruling 2025-4 and will result in these medical leave benefits no longer being treated as taxable wages under this IRS guidance.

It is important to note that MA PFML contribution rates for 2027 will be announced on or before Oct. 1, and that IRS Revenue Ruling 2025-4 does not apply to private plan exemptions as of today. In the meantime, employers should review and update their payroll systems to comply with this change and provide updated communications and notices to their employees.

NEW JERSEY

Effective July 17, New Jersey expanded job protection rights for employees receiving temporary disability insurance or family leave insurance benefits. Employees whose leave is not otherwise protected under the New Jersey Family Leave Act or the federal Family and Medical Leave Act are now entitled to return to their same position or an equivalent position with the same pay, benefits, seniority and other terms and conditions of employment when their leave ends. The new protections apply regardless of employer size or length of service, extending job protection to many employees who were previously not eligible for protected leave. Employers should review their leave policies and return-to-work procedures to ensure compliance with these expanded requirements.

Source: Division of Temporary Disability and Family Leave Insurance | NJ Expands Job-Protected Leave for Workers 279_.PDF