JANUARY 2027 PREVIEW EDITION

What's coming in January 2027 and what to do.

AI employment decisions, paid leave, wage increases, and workplace protections. Your advance brief for the new year.



74
CHANGES TRACKED

26
WAGE INCREASES

37
JURISDICTIONS

3
LAW DEEP DIVES

THE JANUARY RESET

A new year.
A bigger compliance agenda.

Seventy-four spreadsheet entries cover wages, AI, leave, workplace safety, and employee protections across the U.S., Canada, and Mexico.

Prioritize HR technology reviews, leave policies, and payroll changes before January 1. British Columbia’s combustible-dust rules follow on January 4.

74
January changes

26
Wage-rate increases

37
Distinct jurisdictions

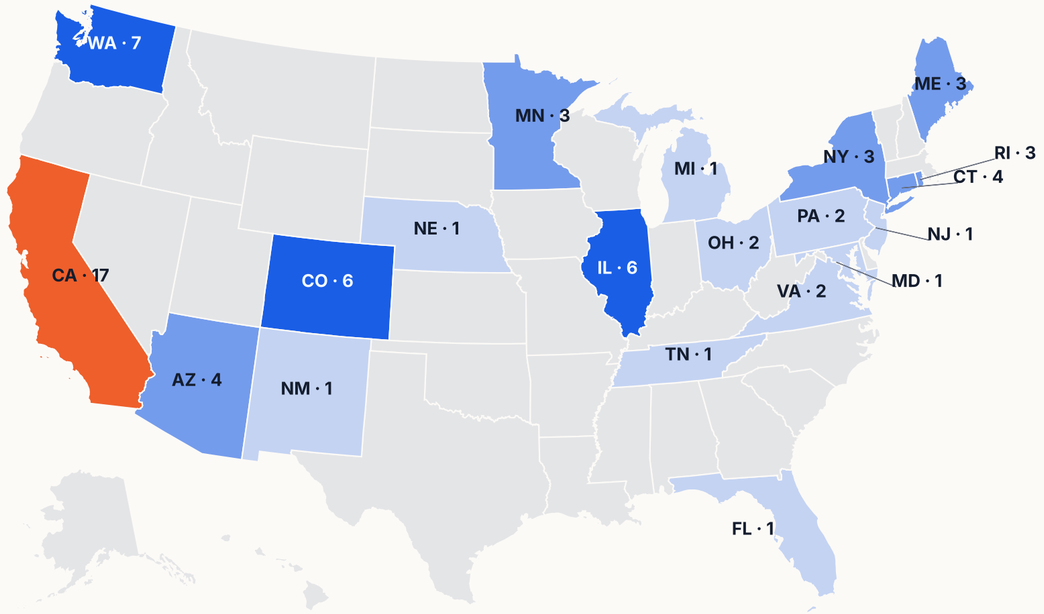
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Full law briefs

Counts include only January 2027 rows. Wage increases exclude salary thresholds, reporting requirements, and other compensation laws. Source: supplied spreadsheet.

Where the changes hit hardest

69	20	14	2	+$0.79	+4.9%
State + local changes	States affected	Cities	Counties	Avg. hourly increase	Avg. rate increase

Tracked changes by state, including local rules



No tracked changes · 1–2 · 3–4 · 5–9 · 10+

Outside the map: 1 U.S. federal change, 3 Mexico changes, and 1 British Columbia change.

State breakdown

State	Changes	Wages	Avg. $/hr	Avg. %
California	17	3	+0.62	+3.3%
Washington	7	3	+0.73	+3.7%
Colorado	6	4	+1.03	+5.9%
Illinois	6	0	N/A	N/A
Arizona	4	3	+0.55	+3.4%
Connecticut	4	1	+0.54	+3.2%
Maine	3	2	+0.80	+5.0%
Minnesota	3	3	+0.59	+4.0%
New York	3	0	N/A	N/A
Rhode Island	3	1	+1.00	+6.3%
Ohio	2	1	+0.40	+3.6%
Pennsylvania	2	0	N/A	N/A
Virginia	2	1	+0.98	+7.7%
Florida	1	0	N/A	N/A
Maryland	1	0	N/A	N/A
Michigan	1	1	+1.27	+9.2%
Nebraska	1	1	+0.26	+1.7%
New Jersey	1	1	+0.56	+3.5%
New Mexico	1	1	+2.10	+13.6%
Tennessee	1	0	N/A	N/A

Who is affected, who owns it, and what is at stake

74 tracked changes. Broad employer obligations dominate; sector rules and size thresholds add targeted exposure.

Industry coverage

Cross-industry / no sector specified	60
Construction & cranes	3
Retail, grocery & warehouses	3
Frontier AI developers	2
Agriculture	2
Public-contract suppliers	2
Combustible-dust workplaces	1
Tipped employment	1

One primary group per entry. General wage, leave and hiring rules can affect every sector.

Implementation heavy lifting

HR	69	Policies, notices, leave & hiring
Managers	21	Scheduling, training & safety
Payroll	14	Wage rates, deductions & overtime
All teams	3	Cross-functional implementation
Legal	1	Listed legal lead; broader review advised

Tracker-assigned owners overlap. HR leads the workload; bring IT and counsel into AI and privacy reviews.

Employer size

All sizes / 1+	3 changes
15+ employees	2 changes
26+ employees	1 changes
100+ / 101+ employees	4 changes
500+ retail employees	1 changes

11 entries state a numeric size threshold or all-size coverage. The other 63 require scope review, not an assumption that small employers are exempt.

Thresholds are law-specific, not mutually exclusive employer segments. Headcount definitions vary.

Non-compliance exposure

30 high exposure **40** medium exposure **4** low exposure

NY AI developers: up to $1M first / $3M subsequent violation.

CA pay-data reporting: up to $1,000 per employee for repeat failures; 500 employees = $500,000.

CT sick leave: up to $100 per day, per employee.

Plus back pay, damages, interest and legal fees. No single total: penalties use different units, triggers and currencies.

THE DETAILS

The top three most likely to bite employers.

#01 · California

AI employment decisions

Notice, opt-outs, access, and risk assessments.

#02 · Connecticut

Paid sick leave

Final phase brings employers with 1+ employees into scope.

#03 · Maryland

Paid family & medical leave

Payroll contributions start before benefits become available.

#01 · HIRING & EMPLOYMENT

January 1, 2027 · California · Covered CCPA businesses

AI employment decisions need notice and worker rights

California Privacy Protection Agency · CCPA Article 11

California's automated decision-making technology (ADMT) rules under the CCPA regulate how covered businesses use AI and algorithms in employment decisions, with notice, transparency, and worker-rights obligations.

Covered ADMT that replaces or substantially replaces human judgment in hiring, pay, assignments, or termination triggers new obligations. Existing deployments must comply by January 1, 2027; new deployments must comply from first use.

Download the full brief for scope, exceptions, vendor duties, and penalties.

KEY REQUIREMENTS & CHANGES

- **Pre-use notice**: Explain the purpose, decision process, and worker rights before use.
- **Worker choices**: Provide simple opt-out and access methods, subject to narrow exceptions.
- **Risk assessment**: Document risks, update privacy disclosures, and align vendor contracts.

Source: CPPA · Article 11; supplied ADMT brief

DOWNLOAD BRIEF (PDF)

YOUR ACTION

Inventory HR decision tools, confirm meaningful human review, and implement notices and worker-rights workflows before January 1.

EFFORT	OWNER	RISK
High	HR + Legal + IT	High

TIMELINE

52 DAYS LEFT

Now — January 1, 2027

~2 months to update systems & train teams

#02 · LEAVE & TIME OFF

January 1, 2027 · Connecticut · Private employers with 1+ employees

Paid sick leave reaches the smallest employers

Connecticut Department of Labor · Public Act 24-8

Connecticut's paid sick leave law, Public Act 24-8, requires private employers to provide paid sick leave for health and safety needs, phased in over several years so smaller employers join last.

The final expansion brings private employers with at least one Connecticut employee into scope. Newly covered employers must have accrual, leave-use, and notice procedures ready for January 1.

Download the full brief for covered uses, family definitions, and exemptions.

KEY REQUIREMENTS & CHANGES

- **Accrual**: One hour per 30 hours worked, up to 40 hours annually.
- **Use and carryover**: Cover qualifying health and safety needs; apply statutory carryover rules.
- **Notices**: Update the handbook, individual written notices, and required DOL poster.

Source: CT DOL · PA 24-8; supplied sick-leave brief

DOWNLOAD BRIEF (PDF)

YOUR ACTION

Set up sick-leave tracking, confirm coverage and exemptions, and issue compliant notices before the final phase begins.

EFFORT	OWNER	RISK
High	HR + Payroll	High

TIMELINE

52 DAYS LEFT

Now — January 1, 2027

~2 months to update systems & train teams

#03 · LEAVE & TIME OFF

January 1, 2027 · Maryland · Covered employers

Paid-leave contributions arrive before benefits

Maryland Department of Labor · FAMLI

Maryland's FAMLI program is a state-run paid family and medical leave insurance system funded by payroll contributions from employers and employees.

Payroll contributions begin January 1, 2027. Benefit claims follow in January 2028. Employers need withholding, remittance, and employee communications ready before the first affected payroll.

Download the full brief for benefit eligibility, private-plan options, and enforcement.

KEY REQUIREMENTS & CHANGES

- **Payroll setup**: Confirm current rates and covered wage limits with Maryland FAMLI.
- **Employer size**: Employers with fewer than 15 employees still remit the employee share.
- **Plan choice**: Evaluate an approved equivalent private plan before contributions begin.

Source: Maryland FAMLI; supplied PFML brief

DOWNLOAD BRIEF (PDF)

YOUR ACTION

Confirm the current FAMLI contribution schedule, coordinate payroll changes, and decide whether to seek a private-plan approval.

EFFORT	OWNER	RISK
High	HR + Payroll	High

TIMELINE

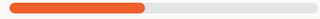
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The 5 biggest percentage jumps in January

26 wage-rate increases take effect in January. These five carry the largest percentage increase over the rate in effect immediately before January 1, 2027.

#	JURISDICTION	RATE TYPE	CHANGE	INCREASE SCALE	JUMP
01	**Santa Fe, NM**	City living wage	$15.40 to $17.50		+13.6%
02	**Michigan**	State minimum wage	$13.73 to $15.00		+9.2%
03	**Boulder, CO**	Local minimum wage	$16.82 to $18.17		+8.0%
04	**Virginia**	State minimum wage	$12.77 to $13.75		+7.7%
05	**Portland, ME**	City minimum wage	$16.75 to $17.75		+6.0%

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