



ABSENCE ADVISORY

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



MAY 2025

We are pleased to share the May 2025 Absence Advisory, along with information related to state and other paid leave legislation.

TOP NEWS INSIDE

- [Alabama.](#)
.....
- [Delaware.](#)
.....
- [Maine.](#)
.....
- [Maryland.](#)
.....
- [New York.](#)



ALABAMA

On April 2, Gov. Kay Ivey signed into law SB199, the Alabama Public Employee Paid Parental Leave Act of 2025. This act will provide eligible female employees with eight weeks of maternity leave and eligible male employees with two weeks of paternity leave. Both must be in connection with the birth, stillbirth or miscarriage of their child. Eligible employees who are adoptive parents of a child who is age 3 or younger can be eligible for eight weeks of parental leave in connection with placement of a child. This benefit is available to state and public education employees who have been employed for at least 12 consecutive months. The leave is paid at 100% of their base pay amount.

The leave must be taken during the first 365 days of a qualifying event, after which employers must restore employees to their same position or a position of equal seniority upon returning to work. Employees will not be required to exhaust any other leave or paid time off to be eligible for parental leave, and employers must continue contributing to the employee's health care benefits throughout the duration of their leave. This act takes effect July 1, 2025. It is important to note that this leave will be administered by state agencies.

Employers should continue to review and update their internal policies and provide timely updates and training to management to implement the laws as it applies to your company.

DELAWARE

The following is an update to an article posted in March.

The Department of Labor, Division of Paid Leave, confirmed that the quarterly wage and hour reports are not required for employers who have been approved for a private plan until April 30, 2026. All other employers without an approved private plan will still need to submit their reports 30 days after the end of each quarter. In addition, based on employer feedback, contributions for both the first and second quarter of 2025 will be due July 30 with no interest or penalties.

For more information about Delaware Paid Family and Medical Leave, please click [here](#).

MAINE

For employers preparing to apply for a private plan exemption on Maine Paid Family and Medical Leave, the Maine Department of Labor has added an infographic tool to their Contributions and Private Plan FAQ document to help employers see how the date of the private plan application affects premium deductions for both fully insured and self-funded plans. As a reminder, private plan applications opened April 1.

The FAQ document can be viewed at maine.gov/paidleave.

MARYLAND

The Paid Family and Medical Leave program for Maryland is facing its third delay. The Maryland General Assembly passed [HB102](#) on April 7, and the bill was signed by Gov. Wes Moore on May 6. This delays the contribution start date to Jan. 1, 2027, and the effective date of the program to Jan. 3, 2028. A new contribution rate will likely be announced in the spring of 2026.

NEW YORK

The New York Department of Financial Services published a [circular letter](#) earlier this year, providing updated guidance after the governor vetoed Bill No. 33 of 2024 (Assembly Bill A6126A/S5242A). The purpose of the letter is to “reiterate long-standing guidance to insurers regarding the types of government benefit offset provisions that are permissible in individual, group and blanket disability income insurance policies pursuant to New York Insurance Law and regulations promulgated thereunder.”

The circular letter reinforces the following:

Pursuant to 11 NYCRR § 52.16(c)(8), benefits under an insurance policy may only be reduced by “benefits provided under ... governmental program[s], any State or Federal workers’ compensation, employers’ liability or occupational disease law.” “Benefits provided” means the benefits an insured has actually received under Social Security Disability Insurance, workers’ compensation or employers’ liability or occupational disease law. Insurers can only reduce benefits if the insured has been awarded the benefit. This applies to disability insurance policies situated in New York.

Other considerations

- Insurers are allowed to reduce the benefit if it exceeds the insured's earnings at the time the disability commenced; pursuant to Insurance Law § 3216(d)(2)(E).
- Individual, group and blanket disability income insurance policy provisions that require an insured to apply for government benefits, or to appeal an adverse determination of eligibility for such benefits, will not be approved, except for individual social insurance substitute disability income coverage written in accordance with Insurance Circular Letter No. 21 (1982); pursuant to Insurance Law § 3201(c)(3).

Insurers had 60 days from the issue date of the circular letter (Feb. 18) to be compliant. Aflac Group Life, Absence and Disability Solutions is taking appropriate steps to ensure compliance with the state law.



These are educational materials only. 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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