CLIENT ALERTS & INSIGHTS

New York City's Protected Time Off Law (PTOL) Final Rules Effective as of July 23, 2026

JULY 23, 2026

Authors: Adam Primm, Christopher W. Pendleton

Featured Practices: Labor & Employment

Key Takeaways

- New York City has expanded its Earned Safe and Sick Time Act (ESSTA), now referred to as the Protected Time Off Law (PTOL), through "final rules," effective July 23, 2026.
- The final rules expand employee leave rights, including new unpaid protected time off and paid prenatal leave requirements, while increasing employer compliance obligations.
- Employers should review leave policies, update payroll and tracking systems, and ensure required notices and compliance processes are in place.

The New York City Department of Consumer and Worker Protection (DCWP) has adopted final rules implementing the City's significantly expanded Earned Safe and Sick Time Act (ESSTA), now referred to as the Protected Time Off Law (PTOL). The final rules are effective as of July 23, 2026, and clarify obligations for New York City employers.

Background

Originally enacted in 2014, ESSTA required employers to provide paid or unpaid safe and sick leave in the following increments:

- **100 or more employees nationwide**: up to 56 hours of paid protected time off per calendar year.
- **5-99 employees nationwide**: up to 40 hours of paid protected time off per calendar year.
- **Fewer than 5 employees nationwide**: up to 40 hours of unpaid protected time off per calendar year.

Such leave is accrued at a rate of one hour for every 30 hours worked. However, employers may frontload the full amount of leave at the beginning of the calendar year instead of using an accrual method. Unused leave must carry over to the following calendar year, but employers may cap annual usage at the applicable threshold (40 or 56 hours, depending on employer size).

New Key Provisions

Below is a summary of the new key provisions from the PTOL.

Expanded Leave Categories

The final rules explain that "protected time off" has the same meaning as "safe/sick time" under the ESSTA, but expand the reasons under which employees may take protected time off from work.

32 Hours of Immediately Available Unpaid Protected Time Off

The final rules provide that employees are entitled to 32 hours of unpaid protected time off per calendar year, which is immediately available for use upon hire. Employers are not required to carry over any unused portion of an employee's 32 hours of unpaid protected time off into the following calendar year. Employers may meet this obligation by providing some or all of this time as paid time off.

Notice of this time must be included in employers' official policies allowing the use of protected time off.

20 Hours of Paid Prenatal Leave Every Calendar Year

The final rules provide that employers must allow an employee to use, and receive pay for, up to 20 hours of paid prenatal leave during any 52-week calendar period.

Employer Recordkeeping

The final rules clarify that employers must track and maintain contemporaneous records of hours worked, protected time off accrued, and protected time off used during each pay period for at least three (3) years, as well as current balances of accrued or frontloaded protected time off.

In addition, employers must tell employees how much protected time off they have accrued, used, and have available for use during each pay period (distinguishing between paid and unpaid protected time off). This information must appear on pay stubs or other documentation provided to employees each pay period.

Notice Requirements

Employers must provide an updated Notice of Employee Rights under the PTOL to employees in their primary languages when they begin employment or when their rights change. The updated Notice of Employee Rights is available here in English and a variety of other languages.

The updated Notice of Employee Rights must be displayed in the workplace in English and in any other languages spoken by employees, in an area that is visible and accessible.

Interaction with Existing Policies

Employers with existing PTO, vacation, or personal day policies that meet or exceed PTOL requirements are not required to provide additional leave, provided the existing policy satisfies all PTOL obligations, including accrual rates, usage thresholds, and notice requirements.

Updated Penalties

Penalties for failing to provide protected time off or paid prenatal leave include a $500 payment per employee per calendar year and, for failing to provide paid prenatal leave, the application of an additional 20 hours of paid prenatal leave to the employee's paid prenatal leave balance.

If you have questions about how the New York City Protected Time Off Law affects your organization, or if you would like assistance reviewing your leave policies for compliance, please contact a member of Benesch's Labor & Employment Practice Group.