

Changes to Colorado Family Medical Leave Insurance for 2026

Two major changes to Colorado Family Medical Leave Insurance (“FAMLI”) took effect January 1, 2026, including:

- Adding paid leave for newborn children hospitalized in a neonatal intensive care unit (“NICU”), and
- Reducing the FAMLI premium from 0.9% to 0.88% of wages for calendar year 2026.

■ Neonatal Care Leave (“NCL”)

Effective January 1, 2026, parents of a newborn hospitalized in a neonatal intensive care unit are now able to take additional paid leave under FAMLI. While the child is admitted to the NICU, employees that are the parents of the infant (including biological, foster, adoptive or stepparents) and individuals acting in loco parentis to the infant are eligible for Neonatal Care Leave.

NCL is in addition to the existing 12 weeks of FAMLI leave related to newborn children, including bonding and care. Therefore, an employee may be eligible for up to 24 weeks of paid FAMLI leave (12 weeks for NICU and 12 weeks for bonding leave). Employees may be eligible for an additional four weeks of FAMLI leave if there are pregnancy or childbirth complications. NICU treatment or infant care that occurred prior to January 1, 2026, will not disqualify an employee from receiving NCL beginning January 1, 2026.

■ Adjustment of Premium Wages

FAMLI is funded by employer contributions and employee payroll deductions. The maximum amount that employees contribute is 50% of the required annual premium, although employers may elect to contribute all or a portion of the employee's share of the cost.

For calendar year 2025, the required premium contribution amount was 0.90%. The required premium contribution amount reduces to 0.88% for calendar year 2026. Premium amounts for all future calendar years are to be determined on or before September 1st of the preceding year by the director of Colorado's FAMLI Division.

Employer Action

Employers should update their leave policies and handbooks to include NCL as an option under FMLI leave. Employers with private plans will also need to update their existing plans to incorporate coverage for NCL.