

# THE JOURNAL RECORD

## Gavel to Gavel: Oklahoma's paid leave proposal – What SB 277 could mean for employers

By: [Chris Thrutchley](#) and [Trisha Bunce](#) // [GableGotwals](#) // May 6, 2026



*Chris Thrutchley*



*Trisha Bunce*

Oklahoma lawmakers are considering a proposal that would establish a state-run paid family and [medical leave](#) insurance program. If enacted, the measure would introduce new [compliance](#) obligations for [employers](#) while expanding leave benefits for workers across the state.

### A broadly applicable mandate

[SB 277](#) defines “employer” to include any business with employees in Oklahoma, without a minimum employee threshold. This means small and mid-sized businesses, many of which are not currently subject to federal leave laws, could face new administrative and financial responsibilities.

To be eligible, employees must earn sufficient wages to meet a threshold set by the Department of Labor through at least five quarters of employment. The program would also extend coverage to certain self-employed individuals who elect to participate, further broadening its reach.

### Expanded leave benefits

- The proposal outlines several qualifying reasons for paid leave, including:
- Caring for a new child (birth, adoption, or foster placement)
- Addressing a serious health condition of the employee or a family member
- Pregnancy-related conditions, including loss
- Certain exigency and safe-leave situations aligned with federal standards

### Employer obligations and compliance risks

- If passed, SB 277 would require employers to:
- Contribute to a state-managed insurance fund through payroll deductions
- Maintain employee benefits during leave periods
- Restore employees to the same or equivalent position upon return
- Provide formal notice of employee rights under the program
- Avoid retaliation or interference with leave usage

Employers may be allowed to withhold a portion of contributions from employee wages, but they remain responsible for remitting the full required amount.

## Coordination with existing policies

The bill attempts to align with the federal FMLA, generally requiring concurrent use where applicable. However, it introduces new complexities around coordinating leave with short-term disability plans and paid time off policies, including limits on when employers can require PTO exhaustion.

## Preparing for what's next

Although SB 277 remains under committee consideration, employers should begin planning now. Key steps include:

- Reviewing current leave and attendance policies
- Consulting payroll providers on system updates
- Identifying internal stakeholders across HR, legal, and benefits
- Developing compliant employee communications

## Why it matters

For businesses, SB 277 represents more than a new benefit, it signals a shift toward state-level leave mandates with meaningful operational and financial implications. Early preparation will be critical to managing compliance risk and ensuring workforce continuity if the bill becomes [law](#).

*Chris Thrutchley, SHRM-SCP, is a shareholder at [GableGotwals](#), and Trisha Bunce is a litigation associate at the firm.*

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