

SHRM State-Level Policy Priorities

“State legislatures and local governing bodies play a critical role in influencing the landscape of workplace policy. As the trusted authority on all things work, SHRM actively shapes state and local workplace policies to foster a more prosperous and thriving workforce across the country.”

– **Emily M. Dickens, J.D.**
Chief Administrative Officer, SHRM



Artificial Intelligence (AI) and Automated Employment Decision Tools:

States and local governments are shaping the legislative and regulatory landscape on AI usage in the workplace. However, that leads to a patch work of laws and regulations that companies must navigate and comply with. SHRM is committed to collaborating on meaningful policy solutions that advance responsible AI development that supports innovation.

According to SHRM President and CEO, Johnny C. Taylor, Jr., HI [human intelligence] plus AI equals ROI [return on investment]. SHRM believes that by harnessing the potential of AI, our members will create more dynamic, inclusive and productive workplaces.



Skills-Based Hiring

SHRM launched the Education-to-Employment (E²) Initiative in 2025 to close the skills gap many employers are experiencing. SHRM research shows that over 75% of organizations struggled to recruit for full-time roles last year, with 40% of candidates lacking experience and 37% missing technical skills. SHRM advocates for policies that help individuals gain skills, expand the talent pool, and support overlooked groups like veterans, opportunity youth, military spouses, and those without a four-year degree.



Supporting Untapped Pools of Talent

To address talent shortages, SHRM encourages hiring from untapped talent pools, including veterans, military spouses, older workers, individuals with disabilities, justice-involved individuals, and opportunity youth—disadvantaged young people who are neither in school nor in the workforce. These groups offer unique value to employers willing to invest in them. SHRM works with state policymakers to remove barriers, foster supportive workplaces, and boost workforce participation in the evolving world of work.



Paid Leave

With no federal paid leave option imminent, more states are joining the 13 with paid family and medical leave programs. While SHRM urges Congress to adopt its Paid Leave Principles, we support a voluntary insurance market to fund paid-leave benefits through pooled resources. SHRM also collaborates with states to ensure new laws benefit both workers and employers.



Pay Transparency

Pay transparency is a growing workplace issue, with more laws requiring salary range disclosures. SHRM believes salary ranges are only part of total compensation, which includes culture, growth opportunities, and benefits. SHRM works with policymakers to ensure fair pay while supporting employers' unique business practices.



Flexible Work Arrangements

The demand for flexible work options, such as remote work, flexible hours, and compressed schedules, is growing. SHRM supports policies that enhance flexibility but warns against one-size-fits-all mandates that limit employer autonomy. A collaborative approach with clear communication and transparent expectations for after-hours work is key to effective workplace cultures.



Workplace Health and Safety

SHRM emphasizes the importance of safe workplaces to protect employees and boost well-being and productivity. SHRM urges state and local lawmakers to collaborate with management on clear, specific, and practical safety regulations that balance employee protection with a competitive business environment.



Interstate Compacts for Mental Health and Health Care Access

Interstate compacts allow licensed mental health professionals to practice across state lines, bridging care gaps through telemedicine. SHRM supports state participation in agreements like the Counseling Compact and PSYPACT to expand mental health access. These initiatives promote workforce wellness and healthier workplaces nationwide.