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Timely, topical insights on a variety of payroll and reporting issues.

Detailed Look at State, Local and Federal Updates



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★ State/Territory/District

Alabama Amends Overtime Tax Exemption Law

Alabama has amended the provision which exempts overtime pay earned by employees from state taxation. The amended law is effective on **October 1, 2024**.

The Details:

In June of 2023, Alabama enacted House Bill 217 (HB 217), which amended Alabama Code §40-18-14 to exclude from gross income for state income tax purposes amounts received by a **full-time hourly wage-paid employee** as compensation for work performed in excess of 40 hours in a week.

The exemption provided under HB 217 is in effect for tax years that begin after December 31, 2023, and end prior to June 30, 2025.

However, the tax exemption under HB 217 was only provided to "hourly" employees and did not extend to non-exempt employees paid on a different basis (e.g., salaried, commissioned, piece rate, etc.) when working more than 40 hours in a workweek.

Amendment to Overtime Tax Exemption Provision:

| Current Law - HB 217 | Amended Law - HB 407 |
|---|--|
| Gross income does not include the following items which shall be exempt from income tax under this chapter: "1. Amounts received by a full-time hourly wage paid employee as compensation for work performed in excess of 40 hours in a week." | Gross income does not include the following items which shall be exempt from income tax under this chapter: " Amounts paid as overtime compensation in accordance with the U.S. Fair Labor Standards Act. " |
| For the tax year beginning on or after January 1, 2024, through June 30, 2025 , each employer must submit to the Department of Revenue (DOR) the total amount received by full-time hourly wage-paid employees as compensation for work performed in excess of 40 hours in a week. | For the tax year beginning on or after January 1, 2024, through September 30, 2024 , each employer must submit to the Department of Revenue (DOR) the total amount received by full-time hourly wage-paid employees as compensation for work performed in excess of 40 hours in a week. |
| | Effective October 1, 2024, through June 30, 2025, each employer must submit to the DOR the total amounts received for Fair Labor Standards Act (FLSA) overtime wages and the total number of employees. |

Consequently, effective October 1, 2024, overtime wages earned by all FLSA non-exempt employees (including but not limited to hourly non-exempt employees) for working more than 40 hours in a workweek will not be subject to Alabama state income tax. This tax exemption is in effect through June 30, 2025.

Note that for employers governed by the National Railway Labor Act (RLA), the income tax exemption applies to the hourly component overtime compensation as defined in applicable collective bargaining agreements.

Next Steps:

Effective October 1, 2024 through June 30, 2025, employers should not withhold Alabama state income tax for FLSA overtime wages paid to all non-exempt employees.

California Minimum Wage Increase for Healthcare Workers Delayed to July 1, 2024

On May 31, 2024, the Governor of California signed into law ([Senate Bill 828](#)) which delays the implementation of California's healthcare worker minimum wage law by one month from June 1, 2024 to July 1, 2024. The original law required covered healthcare employees to be paid a minimum of between \$18 and \$23 per hour depending on the type of facility between June 1, 2024 and May 31, 2025.

Background:

On October 13, 2023, California enacted [Senate Bill 525](#) (SB 525) which establishes a tiered minimum wage rate system for healthcare workers.

The scope of SB 525 is extensive and includes nearly all healthcare facilities operating in California including hospitals, licensed skilled nursing facilities, licensed home health agency, and all types of clinics (e.g., medical, psychology, urgent care).

However, SB 525 does not cover hospitals owned, controlled, or operated by the Department of State or tribal clinics exempt from licensure, or an outpatient setting conducted, maintained or operated by a federally recognized Indian tribe, tribal organization or urban Indian organization.

The workers covered under SB 525 include employees performing work in the occupation of a nurse, physician, caregiver, medical resident, intern or fellow, patient care technician, janitor, housekeeping staff person, groundskeeper, guard, clerical worker, nonmanagerial administrative worker, food service worker, gift shop worker, technical and ancillary services worker, medical coding and medical billing personnel, scheduler, call center and warehouse worker, and laundry worker, regardless of formal job title.

Note: SB 525 includes certain carve-outs and does not apply to:

- Employment as an outside salesperson;
- Any work performed in the public sector where the primary duties performed are not healthcare services;
- Delivery or waste collection work on the premises of a covered healthcare facility, provided that the delivery or waste collection worker is not an employee of any person that owns, controls or operates a covered healthcare facility; or
- Medical transportation services in or out of a covered healthcare facility, provided that the medical transportation services worker is not an employee of any person that owns, controls or operates a covered healthcare facility.

Impact of Senate Bill 828:

As noted above, the enactment of Senate Bill 828 delays the implementation of the healthcare worker minimum wage increases for one month, specifically from June 1, 2024, to July 31, 2024. Other than the effective dates, all other provisions of the original legislation via SB 525 remain in effect.

Revised Changes to Minimum Wage Effective Dates:

The changes to the minimum wage per hour under SB 828 begin on July 1, 2024, and are dependent on the different categories of healthcare facilities:

| Healthcare Facility Category | July 1, 2024, to June 30, 2025 | July 1, 2025, to June 30, 2026 | July 1, 2026 | Further Adjustments |
|--|--------------------------------|--------------------------------|---|--------------------------------|
| Covered healthcare facility employer: (i) with 10,000+ full-time equivalent employees; (ii) that is a part of an integrated healthcare delivery system or healthcare system with 10,000 or more full-time equivalent employees; (iii) that is a dialysis clinic or that is a person that owns, controls or operates a dialysis clinic; or (iv) that is owned, affiliated or operated by a county with a population of more than 5,000,000 as of January 1, 2023. | \$23.00 | \$24.00 | \$25.00, until adjusted | To be determined |
| Hospital with a high governmental payor mix, independent hospital with an elevated governmental payor mix, a rural independent covered healthcare facility, or a covered healthcare facility that is owned, affiliated, or operated by a county with a population of less than 250,000 as of January 1, 2023. | \$18.00 | \$18.63 | \$19.28 (plus 3.5 percent increases annually) | \$25.00 beginning July 1, 2033 |
| Clinics as defined in Section 1206(h) not operated or affiliated with a clinic described in Section 1206(b), community clinics licensed under Section 1204(a) and any associated intermittent clinic exempt from licensure under Section 1206(h), a rural health clinic that is not license-exempt, or an urgent care clinic owned and affiliated with such community or rural health clinic. | \$21.00 | \$21.00 | \$22.00 | \$25.00 beginning July 1, 2027 |
| Other covered healthcare facilities (including licensed skilled nursing facilities) | \$21.00 | \$21.00 | \$23.00 | \$25.00 beginning July 1, 2028 |

Next Steps:

Healthcare facility employers in California should review ([Senate Bill 828](#)) with legal counsel to determine what category their organization falls under and pay employees as required.

California OSHA Clarifies COVID-19 Rules That Are in Effect

The California Division of Occupational Safety and Health (Cal/OSHA) has clarified that the [State Public Health Officer Order dated January 9, 2024](#) remains in place and continues to impact Cal/OSHA's COVID-19 Prevention Non-Emergency Standards, in particular with respect to isolation of COVID-19 cases.

The clarification was made at the time the California Department of Public Health (CDPH) retired its COVID-19 Isolation and COVID-19 Testing Guidance effective May 22, 2024. [Cal/OSHA says](#) that the retirement of those guidelines by the CDPH doesn't impact Cal/OSHA's COVID-19 Prevention Non-Emergency Standards.

The Details:

As a result of the January 9, 2024 order remaining in place:

"Infectious period" for the purpose of cases in the Cal/OSHA COVID-19 Prevention Non-Emergency Standards, is still defined as:

- For employees with COVID-19 with symptoms, it is a minimum of 24 hours from the day of symptom onset:
 - o Employees with COVID-19 may return if 24 hours have passed with no fever, without the use of fever-reducing medications; and
 - o Their symptoms are mild and improving.
- For employees with COVID-19 with no symptoms, there is no infectious period for the purpose of isolation or exclusion. If symptoms develop, the criteria above will apply.

Here are some other important provisions in the COVID-19 Prevention Regulations that remain the same:

- Employers must address COVID-19 as a workplace hazard under the requirements for an Injury and Illness Prevention Program (IIPP), and include their COVID-19 procedures to prevent this health hazard in their written IIPP or in a separate document.
- Employers must take measures to prevent COVID-19 transmission and to identify and correct COVID-19 hazards in the workplace, including, but not limited to, remote work, physical distancing, reducing the density of people indoors, moving indoor tasks outdoors, implementing separate shifts and/or break times, and restricting access to the work area.
- Employers must continue to make COVID-19 testing available at no cost and during paid time to all employees with a close contact, except for asymptomatic employees who recently recovered from COVID-19.
- In workplace outbreaks or major outbreaks, the COVID-19 Prevention Regulations still require testing of all close contacts in outbreaks, and everyone in the exposed group in major outbreaks. Employees who refuse to test and have symptoms must be excluded for at least 24 hours from symptom onset and can return to work only when they have been fever-free for at least 24 hours without the use of fever-reducing medications, and symptoms are mild and improving.
- Employers must exclude employees with COVID-19 from the workplace during the infectious period.
- Employees with COVID-19 who return to work must wear a face covering indoors for 10 days from the start of symptoms, or if the person did not have COVID-19 symptoms, 10 days from the date of their first positive COVID-19 test. Employees have the right to wear face coverings at work and to request and receive respirators from the employer when working indoors and during outbreaks. Employers must provide face coverings and ensure they are worn by employees when required by the Cal/OSHA COVID-19 Prevention Standard or CDPH.
- Employers must report information about employee deaths, serious injuries, and serious occupational illnesses to Cal/OSHA, consistent with existing regulations.
- Employers must notify all employees, independent contractors, and employers with an employee who had close contact with a COVID-19 case.
- Employers must review CDPH and Cal/OSHA guidance regarding ventilation, including CDPH and Cal/OSHA Interim Guidance for Ventilation, Filtration, and Air Quality in Indoor Environments. Employers must also develop, implement and maintain effective methods to prevent COVID-19 transmission by improving ventilation.

Next Steps:

California employers should continue to ensure compliance with [Cal/OSHA's COVID-19 Prevention Non-Emergency Standards](#). The standards will remain in effect through early February 2025, unless extended.

Colorado Enacts Law Establishing Guardrails against Discrimination from AI Use

Colorado has enacted legislation that establishes guardrails against discrimination for employers that deploy certain Artificial Intelligence (AI) systems. The law (Senate Bill 24-205) takes effect **February 1, 2026**.

Review the details [here](#).

Next Steps:

Colorado employers should:

- [Review the law in full](#) to help establish the responsible use of AI at work.
- Establish a team to review AI guidelines and develop company specific rules.
- Comply with the standards for demonstrating reasonable care by **February 1, 2026**.
- Consult legal counsel as needed.

Connecticut Amends Paid Family and Medical Leave Law

Connecticut has enacted legislation that amends a law entitling employees to paid family and medical leave. The amendments take effect **October 1, 2024**.

The Details:

Covered Employers:

The amendments make clear that the definition of a covered employer also includes a federally recognized tribe that has entered into a memorandum of understanding with the state to authorize employees of both the tribe and any tribally owned business to participate in the paid family and medical leave program.

Registration and Reporting:

An employer making payment of any wages to an employee must register and submit required reports in a form and manner prescribed by the Paid Family and Medical Leave Insurance Authority.

Expanded Benefits:

By way of background, the state also has a law that requires employers with three or more employees to provide leave to victims of family violence, so they can:

- Seek medical care or psychological or other counseling for physical or psychological injury or disability for the victim;
- Obtain services from a victim services organization on behalf of the victim;
- Relocate; or
- Participate in any civil or criminal proceeding.

An employer may limit unpaid family violence leave to 12 days in a calendar year. Employees may receive wage-replacement benefits from the paid family and medical leave program when they are on such leave.

The amended law entitles victims of sexual assault to the same rights and benefits.

Next Steps:

Connecticut employers should:

- [Review the law in full](#).
- Determine if any changes to policies and procedures are necessary.
- Train supervisors on any changes made.

Connecticut to Expand Paid Sick Leave Law

Connecticut has enacted legislation that will expand the state's paid sick leave law to eventually cover all employers and employees and make other changes.

Currently, the state's paid sick leave law applies to employers with 50 or more employees in the state, and only "service workers" are entitled to receive paid sick leave. The expansion will occur in phases, with the first phase effective **January 1, 2025**.

The Details:

Covered Employers:

The expansion of the paid sick leave requirement will be phased in as follows:

- Effective January 1, 2025, employers with 25 or more employees in the state must provide paid sick leave to employees.

- Effective January 1, 2026, employers with 11 or more employees in the state must provide paid sick leave to employees.
- Effective January 1, 2027, employers with one or more employees in the state must provide paid sick leave to employees.

The amended law exempts employers that participate in a multi-employer health plan that is maintained pursuant to a collective bargaining agreement between a construction-related union and employer.

Covered Employees:

Effective January 1, 2025, all private-sector employees are entitled to receive paid sick leave provided they work for a covered employer, except for seasonal employees (who work 120 days or fewer during a year) and certain unionized construction workers.

Accrual and Carryover:

Under existing law, covered employers who use an accrual method must provide sick leave to employees at a rate of at least one hour of paid sick leave for every 40 hours worked.

Effective January 1, 2025, employees are entitled to accrue paid sick leave at a rate of one hour for every 30 hours worked, up to a maximum of 40 hours per year.

Exempt employees are presumed to have worked 40 hours per week for the purposes of paid sick leave, unless the employee's normal workweek is less than 40 hours.

Employers must generally carryover up to 40 hours of unused paid sick leave to the following year. Under the amendment, in lieu of any carryover, an employer may provide an employee with an amount of paid sick leave that meets or exceeds the accrual requirements (above) and is available for the employee's immediate use at the beginning of the following year.

Waiting Period:

The amendment removes the current requirement that employees first work 680 hours and 10 or more hours per week in a quarter, and instead adopts a shorter waiting period without reference to work in a previous quarter. An employee is entitled to use any accrued paid sick leave on and after their 120th calendar day with the employer.

Use:

Eligible employees may currently use paid sick leave for:

- The employee's or the employee's family member's illness, injury or health condition;
- The medical diagnosis, care or treatment of the employee's or family member's mental or physical illness, injury or health condition;
- Preventive medical care for the employee's or family member's mental or physical health;
- The employee's mental health wellness day; or
- When the employee or family member is a victim of family violence or sexual assault.

The amendment adds the following reasons for which employees may use paid sick leave:

- Closure by order of a public official, due to a public health emergency, of either: (1) an employer's place of business or (2) a family member's school or place of care; or
- A determination by a health authority, the employee's employer, a family member's employer, or a healthcare provider that an employee or family member poses a risk to the health of others due to an exposure to a communicable illness, regardless of whether the employee or family member contracted the communicable illness.

Definition of Family Member:

The law currently allows eligible employees to use their available paid sick leave to care for their child or spouse. Spouse is defined as "husband or wife."

The amendment expands the definition of a family member to include:

- Spouses (includes a person who is legally married to an employee or an employee's domestic partner);
- Siblings;
- Children;
- Grandparents;
- Grandchildren;
- Parents; and
- Individuals who are "related to the employee by blood or affinity whose close association the employee shows to be equivalent to those family relationships."

Employer Notice Requirements:

Under current law, employers must post, in a conspicuous place at any workplace or site, a notice (in both English and Spanish), informing employees of their paid sick leave rights under Connecticut law.

The amendment adds a requirement that employers provide individual notice to employees of their rights to paid sick leave at the time of hire or January 1, 2025, whichever is later.

For employers that don't maintain a physical workplace, or for employees that telework or perform work through a web-based or application-based platform, employers must comply with the provisions of the law by sending such information via electronic communication, or by a conspicuous posting of such information on a web-based or application-based platform.

The Connecticut Department of Labor (CTDOL) will make acceptable posters and notices available on its website.

Employee Notice and Documentation:

The amendment removes existing employee advance notice requirements. The amendment also prohibits employers from requiring an employee to provide any documentation that such leave is being taken for one of the purposes permitted by the law.

Finding Replacements:

The amendment prohibits employers from requiring an employee who will use or is using paid sick leave to search for or find coverage for their work hours.

Pay During Leave:

During paid sick leave, employees must be paid at a pay rate equal to: (1) the normal hourly wage for that employee, or (2) the minimum wage in effect for the pay period during which the employee uses paid sick leave. The amendment makes clear that whichever is greater is the rate that applies.

Wage Statement Requirements:

The amendment adds new wage statement requirements. Employers must provide to employees with each wage payment:

- The number of hours, if any, of paid sick leave accrued by or provided to the employee; and
- The number of hours, if any, of paid sick leave used by the employee during the calendar year.

Employers must furnish the information in writing, unless the employer has the employee's explicit consent to provide it electronically. If this information is provided electronically, the employer must provide a means for each employee to securely, privately and conveniently access and print such records.

Employers must retain records of such information for at least three years.

Next Steps:

Connecticut employers should:

- [Read the amended law in full.](#)
- Review policies and procedures to determine if changes should be made.
- Train supervisors on the amended law.
- Comply with the law by the applicable date.

Maryland Expands Pay Disclosure Law

Maryland has enacted legislation that amends a law that requires employers to disclose wage range information to applicants. The amended law takes effect **October 1, 2024**.

The Details:

Here's a summary of the changes:

| Current Law | Amended Law |
|--|--|
| Upon request, all employers must provide an applicant with the wage range for the job for which the applicant applied. | In each public or internal posting for each position , employers must disclose the wage range and general description of benefits and any other compensation for the position. If a posting wasn't made available to the applicant, the employer must disclose the required information to the applicant: 1) before a discussion of compensation is held and 2) at any other time when requested by the applicant. |

"Wage range" is defined as the minimum and maximum hourly rate or salary for the position, set in good faith by reference to:

- Any applicable pay scale;
- Any previously determined minimum and maximum hourly rate or salary for the position;
- The minimum and maximum hourly rate or salary of an individual holding a comparable position at the time of posting; or
- The budgeted amount for the position.

The amended requirement will apply only to positions that will be physically performed, at least in part, in Maryland.

Under the law, the Maryland Department of Labor (DLLR) must develop a sample form employers can use to help comply with the amended requirement.

Employers must keep a record of compliance with the amended requirement for at least three years from when the position was filled. If the position isn't filled, the record of compliance must be kept for three years from when the job opening was posted.

Next Steps:

Maryland employers should:

- [Review the amended law in full.](#)
- Ensure compliance with the amended law by **October 1, 2024**.

Maryland Delays Paid Family and Medical Leave Program Again

Maryland has enacted legislation that will delay implementation of a program that will provide job protection and wage-replacement benefits to employees who need time off from work for certain family and medical reasons.

The Details:

By way of background, in 2022, Maryland enacted a law that entitles employees to job protection and wage-replacement benefits, if they need time off from work for certain family and medical reasons. The wage-replacement benefits will be funded by a payroll tax paid by covered employees and employers with 15 or more employees.

The law was subsequently amended in 2023 (by Senate Bill 828) to delay implementation and make other changes.

The recently enacted Senate Bill 485 delays implementation further and clarifies other aspects of the law.

| As Amended by Senate Bill 828 | As Amended by Senate Bill 485 |
|---|--|
| Contributions by covered employees and employers with 15 or more employees would have begun October 1, 2024. | Contributions by covered employees and employers with 15 or more employees will begin July 1, 2025 . |
| Beginning January 1, 2026, employees would have been entitled to begin receiving wage-replacement benefits when they take leave for a covered reason. | Beginning July 1, 2026 , employees will be entitled to begin receiving wage-replacement benefits when they take leave for a covered reason. |

Senate Bill 485 also amends the definition of a "covered employee" to one who has worked at least 680 hours performing services in the state over the four most recently completed quarters for which reports have been required immediately preceding the date on which leave is to begin.

Senate Bill 485 also clarifies that an employer that adopts a state-approved private plan to comply with the law is prohibited from deducting more than 50 percent of the contribution amount from an employee's wages.

Next Steps:

Maryland employers should:

- Prepare to comply with the paid family and medical leave requirements by the updated deadlines.
- Communicate the changes to employees.

Minnesota Enacts Law Impacting Pay Transparency and Minimum Wage

Minnesota has enacted an omnibus bill [SF 3852](#) that makes numerous changes to the state's labor law.

The Details:

The changes enacted by SF 3852 and their effective dates are as follows:

Salary Range for Job Postings:

Effective January 1, 2025

Minnesota employers with 30 or more employees, including nonprofits and state and local governments, are required to provide a minimum and maximum annual salary range or hourly range of compensation, or a fixed pay rate, on job postings. The range must be based on an employer's good faith estimate and cannot be open-ended. Covered employers must also provide a general description of benefits and other compensation offered, including health and retirement benefits. The law covers any posting, made electronically or in print, with desired qualifications for an available position, intended to recruit applicants, including postings on the employer's behalf by recruiters and other third-parties.

Minimum Wage:

Effective August 1, 2024

The minimum wage is required to be adjusted annually by the lesser of the inflation-based percentage or 5 percent (currently 2.5 percent) by September 30 of each year.

Effective October 1, 2024

The Minnesota Department of Labor and Industry (DLI) is required to produce a poster that employers are required to display informing employees of their rights under the salary range for job postings provisions.

Effective January 1, 2025

The minimum state minimum wage will no longer differentiate between large and small employers. The current large employer rate of \$10.85 per hour will be adjusted and will apply to employers of all sizes.

Tips and Gratuities:

Effective August 1, 2024

The full amount of tips received by an employee through a debit or credit card must be credited to the pay period in which the tips were received.

Recordkeeping:

Effective August 1, 2024

Employers are required to keep a record of earnings statements for each employee for each pay period. The records must be kept for three years in the premises where an employee works.

Unpaid Pregnancy and Parenting Leave:

Effective August 1, 2024

The 12-week entitlement to unpaid pregnancy and parenting leave may not be reduced for any paid or unpaid leave taken for prenatal care and medical appointments.

Next Steps:

Minnesota employers should review [SF 3852](#) with legal counsel and ensure that all applicable provisions are implemented by their respective effective dates.

Minnesota Amends Paid Sick Leave Law

Minnesota has enacted legislation that amends a law requiring employers to provide paid sick leave to employees. Certain provisions of the new law (House File 5247) took effect on May 25, 2024, whereas others take effect July 1, 2024.

The Details

Here is a summary of the changes:

Covered Employees

| Effective Date | Changes |
|----------------|--|
| May 25, 2024 | <p>The paid sick leave law covers all employees (including temporary and part-time employees), who are anticipated by the employer to perform work for at least 80 hours in a year for that employer in Minnesota.</p> <p>The law doesn't cover:</p> <ul style="list-style-type: none">• An independent contractor;• An individual who is a volunteer firefighter or paid on-call firefighter, with a department charged with the prevention or suppression of fires within the boundaries of the state; is a volunteer ambulance attendant; or is an ambulance service personnel, who serves in a paid on-call position;• Individuals who are elected officials or a person who is appointed to fill a vacancy in an elected office as part of a legislative or governing body of Minnesota or a political subdivision; or• In individual employed by a farmer, family farm, or a family farm corporation to provide physical labor on or management of a farm if the farmer, family farm, or family farm corporation employs the individual to perform work for 28 days or less each year. |

Wage Statements

| Effective Date | Changes |
|----------------|---|
| May 25, 2024 | Employers are no longer required to provide information about an employee's paid sick leave hours available for use and hours used during the pay period on wage statements or paychecks. |
| July 1, 2024 | Instead, effective July 1, 2024, employers may choose a reasonable system for providing this information, including but not limited to listing information on or attached to each wage statement or an electronic system where employees can access this information. An employer who chooses to provide this information by electronic means must provide employees with access to an employer-owned computer during an employee's regular working hours to review and print the information. The records must be kept by employers for three years. |

Pay During Sick Leave

| Effective Date | Changes |
|----------------|---|
| May 25, 2024 | Employees who use paid sick leave must be paid at the same base rate they earn when they are working. "Base rate" means: <ul style="list-style-type: none">• For employees paid on an hourly basis, the same rate received per hour of work;• For employees paid on an hourly basis who receive multiple hourly rates, the rate the employee would have been paid for the period of time in which leave was taken;• For employees paid on a salary basis, the same rate guaranteed to the employee as if the employee had not taken the leave; and• For employees paid solely on a commission, piecework, or any basis other than hourly or salary, a rate no less than the applicable local, state, or federal minimum wage, whichever is greater. Base rate does not include: commissions, shift differentials that are in addition to an hourly rate, premium payments for overtime work, premium payments for work on Saturdays, Sundays, holidays, or scheduled days off, bonuses, or gratuities. Note: In no case may this base rate be less than provided under the Minnesota Minimum Wage law or an applicable minimum wage. |

Use of Leave

| Effective Date | Changes |
|----------------|---|
| May 25, 2024 | An employee may also use the paid sick leave when they need to make arrangements for or attend funeral services or a memorial, or address financial or legal matters that arise after the death of a family member. This is in addition to previously covered leave for: <ul style="list-style-type: none">• The employee's mental or physical illness, treatment, or preventive care;• A family member's mental or physical illness, treatment, or preventive care;• Absence due to domestic abuse, sexual assault, or stalking of the employee or a family member;• Closure of the employee's workplace due to weather or public emergency or closure of a family member's school or care facility due to weather or public emergency; and;• When determined by a health authority or healthcare professional that the employee or family member is at risk of infecting others with a communicable disease. |
| July 1, 2024 | Employees are prohibited from using paid sick leave for weather-related events if their work duties require them to respond to a weather event and the employee is a firefighter, peace officer, 911 telecommunicator, correctional facility guard, or a public employee with a commercial driver's license and certain conditions are met. |

Documentation

| Effective Date | Changes |
|----------------|--|
| May 25, 2024 | Reasonable documentation may be required for absences of more than three consecutive scheduled workdays. However, if documentation cannot be obtained in a reasonable time or without added expense, then reasonable documentation may include a written statement from the employee indicating that the employee is using or used paid sick leave for a qualifying purpose |

Increments of Leave

| Effective Date | Changes |
|----------------|---|
| May 25, 2024 | Paid sick leave may be used in the same increment of time for which employees are paid, provided an employer isn't required to provide leave in less than 15-minute increments nor can the employer require use of leave in more than four-hour increments. |

Next Steps

Minnesota employers should:

- [Read the amended law in full.](#)
- Review policies and procedures to determine if changes should be made.
- Train supervisors on the amended law.
- Comply with the changes where indicated.

New Jersey's Law Against Discrimination Protects Certain Out-of-State Workers

The Details:

The New Jersey Law Against Discrimination (NJLAD) prohibits New Jersey employers from discriminating against employees on the basis of certain protected characteristics (actual or perceived), such as age, race, color, religion, ancestry, national origin, sexual orientation, gender, gender identity, gender expression and disability.

The New Jersey Division of Civil Rights (DCR) has issued [guidance](#) that clarifies that the NJLAD protections extend to employees that work for New Jersey-based employers and live and work (full-time or part-time) outside of New Jersey.

Next Steps:

New Jersey-based employers should:

- Review workplace policies and procedures to ensure that employees who live and work out-of-state receive the protections they are entitled to under NJLAD.
Note: NJLAD may not apply to individuals who live in New Jersey and who work for an employer based in another state, but federal and other applicable state laws may offer protections.
- Train supervisors on the [updated guidance](#).

State of New York to End Paid COVID-19 Quarantine and Isolation Leave

The New York State Fiscal Year 2025 Budget will end the state's paid COVID-19 quarantine and isolation leave requirement. The changes will take effect on **July 31, 2025**.

The Details:

New York employees will no longer be entitled to [paid time off COVID-19 leave](#) for a mandatory or precautionary order of quarantine or isolation due to COVID-19. The changes under the New York State Fiscal Year 2025 Budget take effect on **July 31, 2025**.

Note: Employees needing time off for COVID-19-related reasons may use other applicable paid leave, such as New York Paid Sick Leave.

Next Steps:

Employers in New York should review their policies, forms, practices and supervisor training to ensure compliance with the changes to COVID-19 laws under the New York State Fiscal Year 2025 Budget by **July 31, 2025**.

Oregon Expands Reasons for Safe Leave

Oregon has enacted legislation (House Bill 4156), which expands Oregon anti-stalking laws and adds covered reasons for employees to use safe leave. House Bill 4156 takes effect on **July 1, 2024**.

The Details:

Background:

Existing Oregon law makes it a crime to cause someone reasonable apprehension about their personal safety by knowingly alarming or coercing that person through repeated and unwanted contact. The term "repeated and unwanted contact" was generally defined to include only instances of direct physical presence or unwanted communications.

Existing Oregon law also requires employers to provide paid or unpaid safe leave for when employees experience reasonable apprehension about their own personal safety resulting from an individual knowingly alarming or coercing them through repeated and unwanted contact (stalking).

House Bill 4156:

House Bill 4156 amends the definition of repeated or unwanted "contact" to include misappropriating a victim's personal identification; disclosing intimate or sexual images of someone without their consent; using electronic means to monitor or interfere with a victim's communications or activities; or causing others to harass, humiliate or injure the victim by disclosing names, images or personal information. See the [text of the law](#) for further details.

The amended definition indirectly expands an employee's leave rights under Oregon laws that provide a right to leave due to the employee being a victim of stalking. This includes the [Paid Leave Oregon program](#). In addition, Oregon law separately requires that employers with at least six employees provide employees with reasonable unpaid leave from work to address safety matters related to stalking.

Next Steps:

Oregon employers should review their safe leave policies and procedures and train supervisors to help ensure compliance with House Bill 4156 by July 1, 2024.

Tennessee Expands Voting Leave

Tennessee has enacted legislation that extends the amount of time an employee can use for voting leave, effective on **November 6, 2024**.

The Details:

As background, under state law, employees who are eligible to vote in Tennessee may currently use up to three hours on the day of the election to vote in their county, while the polls are open.

Tennessee has enacted legislation (Senate Bill 145), which extends the amount of time an employee can use for voting leave from three hours to four hours, effective on **November 6, 2024**.

Next Steps:

Tennessee employers should review their leave policies and procedures and train supervisors on the Senate Bill 145.

Vermont Bans Hairstyle Discrimination

Vermont has enacted legislation (House Bill 363), which expressly prohibits employers from discriminating against individuals on the basis of traits associated with race, including hair texture and hairstyles. House Bill 363 takes effect on **July 1, 2024**.

The Details:

[Vermont's Fair Employment Practices Act](#) (FEPA) prohibits an employer from discriminating against an individual on the basis of race and certain other characteristics.

House Bill 363 makes clear that the definition of race includes traits historically associated with race, including, but not limited to, hair type, texture and protective hairstyles.

For purposes of the law, protective hairstyles include, but aren't limited to, afros, braids, locs and twists.

Next Steps:

- Review dress codes, appearance policies and training to ensure compliance with House Bill 363.
- If your policy simply indicates that employees must maintain kempt hair, consider clarifying that kempt means that the hair is clean and well-combed or arranged, and that employees can comply with a variety of hairstyles that meet those criteria.

Vermont Requires Pay Disclosure

Vermont has enacted legislation (House Bill 704), which requires employers to include salary ranges in job postings and advertisements. House Bill 704 takes effect on **July 1, 2025**.

The Details:

Under House Bill 704, Vermont employers with five or more employees must include the compensation and salary range for internal and external positions (including opportunities for transfer or promotion) that are:

- Physically located in Vermont; or
- Remote (where the work is predominantly performed for an office or work location that is physically located in Vermont).

The law provides the following definitions:

Compensation and Salary Range: The minimum and maximum annual salary (or hourly wage) must be what an employer expects in good faith to pay for the advertised job at the time the advertisement is created.

Job Advertisements: A format of written notice for a specific job opening made available to potential applicants. They do not include general announcements notifying potential applicants of non-specific employment opportunities or verbal announcements made in person or on the radio, television or other electronic mediums.

Role-Based Requirements:

Commission-Based Roles

An advertisement for a job opening that is paid on a commission basis (in whole or in part) must disclose that the role is commission-based, but employers are not required to disclose the compensation or range of compensation.

Tipped Roles

An advertisement for a job opening must disclose that the role is paid on a tipped basis and must disclose the base wage or range of base wages for the job opening.

Exceptions:

An employer may hire for more or less than the listed salary range as a result of circumstances outside of the employer's control, such as an applicant's qualifications or labor market forces.

Next Steps:

- Review your hiring policies and procedures to help ensure compliance by July 1, 2025.
- Look for further guidance from the Vermont Attorney General's Office around January 1, 2025 (six months ahead of House Bill 704's effective date).

Virginia Protects Ethnic Origins

Virginia has enacted legislation (House Bill 18), which adds ethnic origin as a protected characteristic under the Virginia Human Rights Act (VHRA). House Bill 18 takes effect on **July 1, 2024**.

The Details:

The [VHRA](#) prohibits all Virginia employers from discriminating in employment on the basis of race, color, religion, national origin, sex, pregnancy, childbirth or related medical conditions, age, marital status, sexual orientation, gender identity, disability, or military status.

House Bill 18 adds ethnic origin to the VHRA's list of protected characteristics.

Next Steps:

Review equal employment opportunity policies and procedures and train supervisors to ensure compliance with [House Bill 18](#) by **July 1, 2024**.

Virginia to Create Veterans Benefits and Services Poster

Virginia has enacted legislation (House Bill 160), which will have the Department of Labor (DOLI) create a voluntary veterans benefits and services poster. House Bill 160 takes effect on **July 1, 2024**.

The Details:

Virginia employers will have the option to display a Department of Labor and Department of Veterans Services poster on benefits and services to veterans in the same locations where other required state and federal laws are posted.

The poster will include information on:

- Department of Veterans Services' programs, contact information, and website address;
- Substance abuse and mental health treatment services;
- Educational, workforce, and training resources;
- Tax benefits;
- Unemployment insurance benefits eligibility under state or federal law;
- Legal services; and
- The U.S. Department of Veterans Affairs Veteran Crisis Line.

Next Steps:

Review [Virginia workplace posters](#), policies and procedures by **July 1, 2024**.



Minimum Wage

Minimum Wage Announcements: 5/21/24 – 6/20/24

The following states or localities have announced new minimum wage increases.

| State or Locality | Minimum Wage Rate | Minimum Tipped Cash Wage | Effective Date(s) | New or Updated Poster Requirement? | Notes |
|---|-------------------|--------------------------|-------------------|------------------------------------|---|
| Berkeley, CA | \$18.67 | \$18.67* | 7/1/24 | Yes | . |
| King County, WA (Unincorporated) | \$20.29 | \$20.29* | 1/1/25 | No | |
| Pasadena, CA | \$17.50 | \$17.50* | 7/1/24 | Yes | Once released found here . |
| Chicago, IL | \$16.20 | \$11.02 | 7/1/24 | Yes | |
| Cook County, IL | \$14.05 | \$8.40 | 7/1/24 | Yes | . |
| California – Health Care Workers | \$23.00 | \$23.00* | 7/1/24 | None provided to date | Effective date of increase delayed from June 1 to July 1, 2024. |
| California – Hospital or Health Care Facility | \$18.00 | \$18.00* | 7/1/24 | None provided to date. | Effective date of increase delayed from June 1 to July 1, 2024. |
| California – Specified Clinics | \$21.00 | \$21.00* | 7/1/24 | None provided to date. | Effective date of increase delayed from June 1 to July 1, 2024. |
| California – All Other Covered Health Care Facility Employers | \$21.00 | \$21.00* | 7/1/24 | None provided to date. | Effective date of increase delayed from June 1 to July 1, 2024. |
| California – Licensed Skilled Nursing Facility | \$21.00 | \$21.00* | 7/1/24 | None provided to date. | Effective date of increase delayed from June 1 to July 1, 2024. |
| St. Paul, MN (Employ more than 100 EEs) | \$15.57 | \$15.57* | 7/1/24 | Yes | Once released found here |
| St. Paul, MN (6-100 EEs) | \$14.00 | \$14.00* | 7/1/24 | Yes | Once released found here |
| St. Paul, MN (Five or fewer EEs) | \$12.25 | \$12.25* | 7/1/24 | Yes | Once released found here |
| Glendale, CA (Hotel Workers – hotels with 60 or more rooms)n | \$20.32 | \$20.32* | 7/1/24 | No | |
| Los Angeles City (Hotel Workers – hotels with 60 or more rooms) | \$20.32 | \$20.32* | 7/1/24 | No | |
| Santa Monica, CA (Hotel Workers – hotels with 60 or more rooms) | \$20.32 | \$20.32* | 7/1/24 | Yes | |
| Tukwila, WA (15-500 EEs) | \$19.29 | \$19.29* | 7/1/24 | Yes | |

*CA, MN, and WA do not allow the use of a tip credit.

[Download a PDF of a comprehensive listing of state and local minimum wage rates.](#)

ADP Compliance Resources

ADP maintains a staff of dedicated professionals who carefully monitor federal and state legislative and regulatory measures affecting employment-related human resource, payroll, tax and benefits administration, and help ensure that ADP systems are updated as relevant laws evolve. For the latest on how federal and state tax law changes may impact your business, visit the ADP *Eye on Washington* Web page located at www.adp.com/regulatorynews.

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