

Law & Policy Group

# Global Legislative Update

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April 2023



# In this document

Mercer’s *Global Legislative Update* covers legal developments affecting retirement, health, executive rewards, talent, diversity and inclusion, and other HR programs that affect local and/or expatriate employees. Links to developments with upcoming effective dates covered in past updates are also included to remind employers of impending deadlines. These icons indicate whether employer action is required.

-  Employer action required
-  Potential implications for employers
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Please note: Mercer is not a law firm and therefore cannot provide legal advice. Please consult legal counsel before taking any actions based on the commentary and recommendations in this report.

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Spain	<a href="#">Employees will be allowed to take sick leave due to 'incapacitating menstruation'</a> <a href="#">Changes to public pension system enacted</a>
Turkey	<a href="#">Early retirement option for eligible YET members introduced</a>
United Kingdom	<a href="#">Pensions Regulator focuses on climate and ESG reporting</a> <a href="#">Spring Budget 2023 includes pension tax changes</a> <a href="#">Financial regulator consults on the governance of sustainability</a> <a href="#">Code of practice on workforce dismissal and reengagement proposed</a> <a href="#">National living wage and national minimum wage rates now effective</a>

## Section 2

# Global

Reproductive rights	
Status	 Ongoing initiatives
Development	<b>Health</b> <b>Global employer resources on reproductive rights post <i>Dobbs</i> ruling</b> In June 2022, the US Supreme Court's <i>Dobbs v. Jackson Women's Health Organization</i> decision overturned <i>Roe v. Wade</i> , finding no federal constitutional right to abortion and allowing states to regulate and ban abortions at all stages of pregnancy. To provide multinational employers with some information on countries' positions on reproductive rights and the varying employee health benefit plan issues involved, the roundup cited below provides links to organizations, government websites, third-party analyses, news articles and viewpoints.
Resources	<a href="#">Roundup</a> , regularly updated
Minimum wage rates	
Status	 Ongoing initiatives
Development	<b>Career</b> <b>Global employer resources on minimum wage increases</b> To help multinational employers address the different minimum wage rates around the world, the roundup below provides some information and links to resources from organizations, government websites, third-party resources and news articles.
Resources	<a href="#">Roundup</a> , regularly updated

Remote working	
Status	 Ongoing initiatives
Development	<p><b>Career — Health — Wealth</b></p> <p><b>Countries address remote-working issues</b></p> <p>Remote working has become a more of permanent feature for many employees and employers after various countries introduced COVID-19 measures. Remote working poses challenges and considerations for employers devising or adjusting policies. Issues to consider include the definition of remote work, eligibility criteria, hybrid working arrangements, employee engagement and performance, cybersecurity, health and safety, the right to disconnect, the impact employees relocating to a different country or state, and the post-pandemic return to the workplace. Several jurisdictions have introduced remote-working legislation that clarifies employer and employee requirements post-pandemic, and others are expected to follow suit. To help employers, the roundup below provides analyses and links to general information about ongoing remote-working rights and trends in some countries, including resources from Marsh McLennan, organizations, government websites, news articles and other parties.</p>
Resources	<a href="#">Roundup</a> , regularly updated

## Section 3

# Americas

### Argentina (new)

#### Status



Currently effective

#### Development

#### Health

##### Employers' contribution to occupational disease fund increased

From 1 March 2023, the employers' fixed-sum contributions to the occupational disease fund (FEOP) for each employee increased to AR\$193, up from AR\$183.

#### Resources

[graciela.magonza@mercermarshbeneficios.com](mailto:graciela.magonza@mercermarshbeneficios.com)

[Disposition 2/2023](#) (Spanish) (Official Bulletin, 14 February 2023)

### Argentina (new)

#### Status



Currently effective

#### Development

#### Health




##### Private prepaid health system increased

The cost of prepaid medicine system increased by 2.36% as of 1 April 2023, under Resolution 2577/2022 issued by the Ministry of Health.


#### Resources

[graciela.magonza@mercermarshbeneficios.com](mailto:graciela.magonza@mercermarshbeneficios.com)



[Resolution 2577/2022](#) (Spanish) (Ministry of Health, 10 November 2022)

Argentina (updated)	
Status	 Transition period ends 31 July 2023.
Development	<p><b>Career — Health</b></p> <p><b>Employers with collective bargaining agreement given temporary alternative to day care mandate</b></p> <p>Decree 144/22 requiring employers to provide day care for employees' children took effect on 23 March 2023. However, employers that have yet to negotiate collective bargaining agreement (CBA) changes have until 31 July 2023 to revise those CBAs. During this four-month period, employers must pay employees' childcare costs (the minimum amount is AR\$33,800) instead of providing day care facilities for children between 45 days and three years old.</p> <p>An agreement between employers, unions (UIA and CGT) and the government sets out the conditions for making the temporary payment and clarifies certain other aspects of the decree. For example:</p> <ul style="list-style-type: none"> <li>• Employers can pay day care costs (as set out in the decree) to teleworkers and employees not covered by a CBA.</li> <li>• Employers cannot reduce any current day care provisions that exceed the decree's measures.</li> </ul>
Resources	<p><a href="mailto:dolores.liendo@mercer.com">dolores.liendo@mercer.com</a></p> <p><a href="#">Information on CBAs (Spanish)</a> (Ministry of Labor, Employment and Social Security)</p>
Argentina (previously covered, now effective)	
Status	 Currently effective
Development	<p><b>Career</b></p> <p><b>Minimum wage rate increased</b></p> <p>The monthly minimum wage increased on 1 April 2023 to AR\$80,342 and the hourly minimum wage to AR\$401.71. Further increases are slated for 1 May (AR\$84,512 and AR\$422.56 respectively) and 1 June (AR\$87,987 and AR\$439.94).</p>
Resources	<a href="#">Resolution 5/2023 (Spanish)</a> (Official Bulletin, 23 March 2023)
Bermuda (previously covered, updated)	
Status	 Effective 1 June 2023
Development	<p><b>Career</b></p> <p><b>Minimum wage rate announced</b></p> <p>Bermuda introduced a minimum wage to take effect 1 June 2023. The hourly wage will be BMD\$16.40. The rate excludes tips voluntarily given to workers, and employers must pay any difference to ensure personal care employees and employees receiving gratuities and service charges receive the minimum hourly wage.</p>
Resources	<p><a href="#">Employment (minimum hourly wage) order 2023</a> (Government, 23 March 2023); <a href="#">Labour day message — remarks by the Minister of Economy and Labour, 4 September 2022</a> (Government, 4 September 2022)</p>

Canada (previously covered, now effective)	
Status	 <b>Currently effective</b>
<b>Development</b>	<p><b>Wealth</b></p> <p><b>Regulator sets basic rate for pension plan assessments</b></p> <p>The Office of the Superintendent of Financial Institutions (OSFI) set the basic rate under the Assessment of Pension Plans Regulations at C\$11.00 for the year beginning 1 April 1 2023. This is an increase of C\$1 over the 2022 rate. The new rate applies to all pension plans registered under the Pension Benefits Standards Act, 1985 and the Pooled Registered Pension Plans Act.</p>
<b>Resources</b>	<p><a href="mailto:diana.woodhead@mercer.com">diana.woodhead@mercer.com</a></p> <p><a href="#">Government announcement</a> (Official Gazette, 16 September 2022)</p>

Canada — British Columbia (new)	
Status	 Proposal
Development	<p><b>Career</b></p> <p><b>Pay transparency proposals issued</b></p> <p>Starting 1 November 2023, prescribed employers in British Columbia (BC) could face new disclosure and reporting requirements aimed at reducing the gender pay gap, under Bill 13-2023 introduced to the provincial legislature on 7 March 2023. Employers would have to report on pay differences for employees' self-identified gender and other characteristics, could not ask job applicants about their salary history, and would have to provide the expected pay or pay range for publicly advertised job opportunities. If passed, the new requirements would apply to specified public-sector employers as of 1 November 2023 and would phase in for other organizations by 1 November 2026. Highlights include:</p> <ul style="list-style-type: none"> <li>• An employer would have to publish annual pay transparency reports on its website or otherwise make the reports available to employees.</li> <li>• An employer with 1,000 or more employees as of 1 January 2024 would have to prepare its first annual pay transparency report by 1 November 2024. Employers with 300 or more employees as of 1 January 2025 would have to report by 1 November 2025, and employers with 50 or more employees as of 1 January 2026 would have to report by 1 November 2026.</li> <li>• The government could issue regulations providing more details about what information employers would have to disclose.</li> <li>• The government would appoint a director of pay transparency to support employers' compliance and address noncompliance reports.</li> <li>• Employers could not ask job applicants for their salary history or use any third party to obtain this information, unless it is publicly available.</li> <li>• Employers could not dismiss, suspend, demote, discipline, harass or impose any other disadvantage — or threat to do so — on employees for enquiring about their pay, disclosing information about their own pay to a colleague or job applicant, enquiring about their employer's pay transparency report, asking their employer to comply with the act's legal obligations, or reporting their employer's noncompliance.</li> <li>• The government could publish annual reports starting in June 2024 that would include consolidated information about pay differences among prescribed groups of individuals, identify trends and summarize employers' noncompliance.</li> </ul> <p>The bill currently does not include any sanctions for noncompliance.</p>
Resources	<p><a href="mailto:kristin.smith@mercer.com">kristin.smith@mercer.com</a></p> <p><a href="#">Legislation will help close B.C.'s gender pay gap</a> (Government, 7 March 2023)</p>

Canada — British Columbia (new)	
Status	 Begins 30 September 2023
Development	<b>Career — Health</b> <b>New statutory holiday designated</b> <p>British Columbia has designated a new statutory holiday under the Employment Standards Act — the National Day for Truth and Reconciliation — to observe annually on 30 September, starting in 2023. The related legislation (Bill 2) received Royal Assent on 9 March 2023. The public holiday aims to honor survivors of the residential schools, their families, and communities and ensure public commemoration of the history and legacy of those schools.</p> <p>The day is already a statutory holiday for federally regulated employers in all provinces, provincially regulated employers in Prince Edward Island, and territorially regulated employers in the Northwest Territories, Nunavut and the Yukon.</p>
Resources	<a href="#">National Day for Truth and Reconciliation</a> (Government, 30 January 2023); <a href="#">Bill 2</a> (Legislature, 9 March 2023) and <a href="#">List of federally regulated industries and workplaces</a> (Government, 26 January 2023)
Canada — New Brunswick (new)	
Status	 Currently effective
Development	<b>Career</b> <b>Minimum wage increased</b> <p>On 1 April 2023, the hourly minimum wage increased to C\$14.75 (up from C\$13.75) — the highest in Atlantic Canada.</p>
Resources	<a href="#">Minimum wage to reach highest in Atlantic Canada</a> (New Brunswick, 30 January 2023)
Canada — Newfoundland and Labrador (previously covered, now effective)	
Status	 Currently effective
Development	<b>Career</b> <b>Minimum wage increased</b> <p>On 1 April 2023, the hourly minimum wage increased to C\$14.50 (up from C\$13.70) and will increase again to C\$15.00 on 1 October 2023.</p>
Resources	<a href="#">Provincial government releases minimum wage review committee report</a> (Government, 26 May 2022)

Canada — Nova Scotia (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> On 1 April, the hourly minimum wage increased to C\$14.50, and will increase again on 1 October 2023 to C\$15 — six months sooner than previously announced.
Resources	<a href="#">Province accepts faster path to \$15 minimum wage</a> (Government, 3 February 2023)
Canada — Ontario (new)	
Status	 <b>Effective 1 October 2023</b>
Development	<b>Career</b> <b>Minimum wage increased</b> On 1 October 2023, the hourly minimum wage will <u>increase</u> to C\$16.55 (up from C\$15.50). This will mark an 8% increase over one year.
Resources	<a href="#">Ontario increasing minimum wage to \$16.55 an hour</a> (Government, 31 March 2023)

## Canada — Ontario (new)

### Status



Effective dates have not been announced.

### Development

#### Health

##### Budget includes healthcare changes

The Ontario provincial government's budget for the 2023 fiscal year features some healthcare changes. Highlights include:

- Increased funding to support healthcare infrastructure and employment, with the objectives of decreasing emergency and surgical wait times; increasing physician and nursing positions through more training positions and international recruitment; improving palliative care services and hospice beds; increasing residential and respite care for children with complex medical needs; and continuing the focus on mental health and addiction recovery
- Upgraded IT infrastructure to manage claims for Ontario's health plans and to enhance the processes and systems for patients and healthcare providers
- Investment of \$5.5 million in 2023–24 to build new behavioural specialized units in long-term care homes, including approximately 70 new specialized beds, that would expand care for individuals with complex needs
- Expanded pharmacists' prescribing scope and responsibilities for common ailments, starting in fall of 2023

Expanded mental health support could impact employers' related initiatives and provide savings to current programs. Improved medical access for patients could translate to earlier detection of illness, resulting in increased health costs for treatment, but also would prevent the development of severe chronic conditions.



The effective date of these changes has not been announced, but the immediate impact on employers will be minimal.



### Resources

[kristin.smith@mercerc.com](mailto:kristin.smith@mercerc.com)

[2023 Ontario Budget: Building a Strong Ontario](#) (Government, 23 March 2023)

Canada — Québec (new)	
Status	 Effective 1 January 2024
Development	<p><b>Wealth</b></p> <p><b>2023–2024 budget includes pension plan changes</b></p> <p>On 21 March 2023, Québec’s Minister of Finance released the 2023–2024 Québec budget, titled A Committed Québec. This budget comes at a time of economic uncertainty, risk of recession and high inflation. The budget includes a number of measures related to the Québec Pension Plan (QPP), which aims to encourage experienced workers to stay in the workforce longer and ensure the financial security of Quebecers in retirement. Highlights of the changes, which will apply as of 1 January 2024, include:</p> <ul style="list-style-type: none"> <li>• The maximum age to start receiving QPP benefits will be raised to 72 — up from 70. People who can delay starting their benefits can receive an enhanced QPP pension.</li> <li>• QPP contributions will become optional at age 65 for workers who collect QPP benefits while continuing to work — as is the case with the Canada Pension Plan (CPP). Workers who continue contributing will accumulate pension credits, and their employer will also have to contribute to the QPP. Employers will need to introduce processes to manage the choices of their employees older than 65, which is already the case elsewhere in Canada.</li> <li>• As the CPP provides, reduced working time after age 65 will not affect the average earnings used to calculate the QPP pension. This will allow more experienced workers to remain employed on a part-time basis and defer their QPP pension during a transition period to full retirement, without negatively impacting the QPP pension.</li> <li>• Employee and employer QPP contributions will cease at the end of the year in which the employee turns age 72.</li> </ul> <p>For more information on these changes, see Mercer’s response below.</p>
Resources	<p><a href="mailto:FHubert.Tremblay@mercer.com">FHubert.Tremblay@mercer.com</a></p> <p><a href="#">2023–2024 Quebec budget: Changes to the Québec Pension Plan (QPP)</a> (Mercer, 22 March 2023) and <a href="#">Budget 2023–2024</a> (Government, 21 March 2024)</p>
Canada — Yukon (previously covered, now effective)	
Status	 Currently effective
Development	<p><b>Career</b></p> <p><b>Minimum wage increased</b></p> <p>The hourly minimum wage in Yukon increased by 6.8% on 1 April 2023 to C\$16.77, up from C\$15.70.</p>
Resources	<a href="#">The Yukon’s minimum wage to increase to \$16.77 per hour</a> (Government, 23 February 2023)

Colombia (new)	
Status	 <b>Proposal</b>
Development	<b>Wealth</b> <b>Pension reform bill proposed</b> <p>The president and Labor minister have presented to parliament a bill that would modify Colombia's pension system. The proposal would:</p> <ul style="list-style-type: none"> <li>• <b>Create four pension pillars: solidarity, semicontributory, contributory and voluntary individual savings.</b> Individuals earning up to three times the minimum wage would have to pay contributions into the state pension fund (Colpensiones). Individuals earning more could pay contributions on amounts exceeding the three times the minimum wage to a private fund. Those earning more than four times the minimum wage would have to contribute to a so-called solidarity fund.</li> <li>• <b>Expand pension coverage to increase support for older individuals living in extreme poverty.</b> Individuals aged 65 years or older who have not contributed throughout their lives could receive a monthly income of COP\$223,800, equivalent to the extreme poverty threshold projected for 2024.</li> </ul>
Resources	<a href="mailto:juan.yepes@mercer.com">juan.yepes@mercer.com</a> <a href="#">Press release</a> (Spanish) (President's office, 22 March 2023)
El Salvador (previously covered, with upcoming effective date)	
Development	<b>Career — Health</b> <ul style="list-style-type: none"> <li>• <a href="#">Large employers will be required to provide day care facilities</a> — key date: June 2024</li> </ul>
Jamaica (new)	
Status	 <b>Effective 1 June 2023</b>
Development	<b>Career</b> <b>Minimum wage rate to increase</b> <p>Starting 1 June 2023, Jamaica's weekly minimum wage will generally increase to JM\$13,000, up from JM\$9,000, calculated on a 40-hour week. The revised rates were announced in the budget on 17 March 2023.</p>
Resources	<a href="#">National minimum wage moves to \$13,000 June 1</a> (Government, 17 March 2023)

US (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>National Labor Relations Board’s general counsel issues guidance on severance agreements</b></p> <p>Employers violate the National Labor Relations Act (NLRA) if they offer severance agreements that require terminating employees to broadly waive their NLRA rights, the National Labor Relations Board (NLRB)’s general counsel said in a memo to NLRB field offices. The memo offers guidance on a recent decision that restored long-standing precedent. The memo addresses the decision’s scope, retroactive effect and application to supervisors. The memo also discusses the kinds of severance agreement provisions that could violate the NLRA if proffered, maintained or enforced, including confidentiality, nondisclosure and nondisparagement requirements, among other terms. The memo states that “lawful severance agreements may continue to be proffered, maintained, and enforced if they do not have overly broad provisions that affect the rights of employees to engage with one another to improve their lot as employees.” However, employees’ future rights may not be waived in a way that precludes future exercise of protected NLRA rights, including engaging in protected concerted activities and accessing the NLRB.</p>
Resources	<a href="#">NLRB General Counsel issues memo with guidance to regions on severance agreements</a> (NLRB, 22 March 2023) and <a href="#">press release on McLaren Macomb, with link to the decision</a> (NLRB, 21 February 2023)
US (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Regulators advance efforts to combat child labor</b></p> <p>After earlier announcing increased efforts to vet sponsors of migrant children, investigate child labor violations and hold companies accountable for violations, the departments of Labor (DOL) and Health and Human Services (HHS) recently issued a memorandum of agreement (MOA) to advance those efforts. The MOA seeks to maximize the DOL’s Wage and Hour Division’s enforcement of the Fair Labor Standards Act’s child labor protections, better safeguard children from exploitation, and connect individuals to benefits and services. The MOA includes “unprecedented steps” for greater DOL and HHS collaboration to prevent and address illegal child labor. Those steps will:</p> <ul style="list-style-type: none"> <li>• Help identify geographies and employers where children are likely being exploited</li> <li>• Aid investigations by providing information to help identify circumstances where children are unlawfully employed</li> <li>• Facilitate coordination to ensure victims or potential victims of child labor trafficking have access to critical services</li> <li>• Support the efforts of the interagency child labor task force announced in February 2023 (see announcement below)</li> </ul> <p>Since 2018, DOL has seen a 69% increase in children employed in violation of child labor laws.</p>
Resources	<a href="#">Departments of Labor, Health and Human Services announce additional steps to tackle child labor violations, strengthen coordination</a> (DOL, 24 March 2023); <a href="#">Departments of Labor, Health and Human Services announce new efforts to combat exploitative child labor</a> (DOL, 27 February 2023)

**US****Status****Consultation is open until 12 April 2023.****Development****Career****Input requested on proposals to revise race and ethnicity standards**

The Office of Management and Budget (OMB) has asked for input by 12 April 2023 on initial proposals for revising OMB's 1997 Statistical Policy Directive No. 15: Standards for Maintaining, Collecting, and Presenting Federal Data on Race and Ethnicity (SPD 15). The proposals from the Federal Interagency Technical Working Group on Race and Ethnicity Standards seek to improve the quality and usefulness of federal race and ethnicity data to better reflect America's diversity. The three proposals open for comments would:

- Collect race and ethnicity information using one combined question
- Add "Middle Eastern or North African" as a new response category
- Require the collection of detailed race and ethnicity categories by default

**Resources**



[Initial proposals for revising the federal race and ethnicity standards](#) (White House, 26 January 2023) and [US Office of Management and Budget interagency technical Working Group on Race and Ethnicity Standards](#) (OMB)

**US****Status****Currently effective****Development****Health****Transportation plans offer valued benefits but pose compliance issues**

Employees' option to pay for qualified transportation fringe benefits through pretax salary reductions under Internal Revenue Code (IRC) § 132(f) has become quite popular. The tax exemption extends to commuting expenses for transit passes, qualified parking, van pools and in certain years, bicycles. While these benefits are not subject to cafeteria plan or ERISA rules, compliance difficulties exist, and a 2018 tax law added complexities. Some state and local jurisdictions have imposed employer mandates — including one that started in Philadelphia on 31 December 2022 — leveraging the tax advantage of commuter benefits; others provide tax-related incentives. The GRIST cited below summarizes major issues concerning qualified transportation plans under federal, state and certain local laws.

**Resources**

[rich.glass@mercer.com](mailto:rich.glass@mercer.com) and [cheryl.hughes@mercer.com](mailto:cheryl.hughes@mercer.com)  
[GRIST](#), 25 January 2023

US — states	
Status	 Effective dates vary.
Development	<p><b>Career</b></p> <p><b>Roundup: Employer resources on states' recreational marijuana laws</b></p> <p>Twenty-one states and Washington, DC, have legalized the possession and personal use of marijuana for recreational purposes. To give employers some information on states' actions and the varying employment considerations involved, this roundup provides links to organizations, government websites, third-party analyses and news articles offering viewpoints on recreational marijuana use.</p>
Resources	<a href="#">Roundup</a> , regularly updated
US — states	
Status	 Effective dates vary.
Development	<p><b>Career</b></p> <p><b>Roundup: Employer resources on minimum wage increases</b></p> <p>In April 2021, President Joe Biden signed an executive order requiring federal contractors to pay workers a \$15/hour minimum wage, effective for new federal contract solicitations starting 30 January 2022. The Department of Labor (DOL) issued final implementation rules on 22 November 2021 and a field assistance bulletin in January 2022. In January 2021, the president issued an executive order asking the director of the Office of Personnel Management to provide recommendations on promoting a \$15/hour minimum wage for federal employees. House and Senate Democrats also introduced the Raise the Wage Act of 2021 to progressively increase the minimum wage to \$15/hour by 2025. Several states have already taken action to gradually increase the minimum wage to \$15/hour for most employees. To help employers prepare and address related issues, the roundup cited below provides links to federal and state resources from organizations, government websites, third parties and news articles.</p>
Resources	<a href="#">Roundup</a> , regularly updated

**US — states****Status****Effective dates vary.****Development****Career****Roundup: Employer resources on hairstyle nondiscrimination laws**

The Creating a Respectful and Open World for Natural Hair (CROWN) Act movement in the US aims to prohibit discrimination based on natural hair texture or hairstyles normally associated with race, such as braids, locks, twists, curls, cornrows, afros, head wraps or bantu knots. The official campaign of the CROWN Act is led by the CROWN Coalition. Federal legislation, supported by the Biden administration, passed the House in March 2022. Nineteen states have already passed CROWN Acts, and many others are considering legislation. To help employers ensure their employee handbooks and appearance policies are nondiscriminatory and comply with federal, state and local laws, the roundup cited below provides links to federal and state resources from organizations, government websites, other third parties and news articles.

**Resources**[Roundup](#), regularly updated**US — states (new)****Status****Effective dates vary.****Development****Health****State laws limit vacation forfeitures**

For many employers, vacation and other paid time off (PTO) are key benefits for recruiting and retention, enabling employees to relax, reduce stress, improve mental health, and return to work refreshed and recharged. To a degree, employers have latitude in determining eligibility, amount and accrual of these benefits. Employers should exercise caution, however, when addressing use-it-or-lose-it provisions and the treatment of unused accrued paid leave on employment separation in vacation policies. Many state laws limit vacation forfeitures. The below GRIST illustrates the mix of court rulings and state laws that employers must track when crafting vacation policies; provides a chart of relevant state law; and includes employer action steps.

**Resources**[rich.glass@mercer.com](mailto:rich.glass@mercer.com) and [katharine.marshall@mercer.com](mailto:katharine.marshall@mercer.com)[GRIST](#), 13 March 2023

## US — states

### Status



Effective dates vary.

### Development

#### Career — Health

##### State accrued paid sick leave mandates enacted



To date, 14 states — Arizona, California, Colorado, Connecticut, Maryland, Massachusetts, Michigan, New Jersey, New Mexico, New York, Oregon, Rhode Island, Vermont, Washington, and Washington, DC — have enacted paid sick leave mandates. Maine and Nevada have laws requiring accrued paid time off not limited to sick time. All of these laws have common features, including the following:

- Accruals are based on the employee's work location and start on the date of hire.
- Employers whose existing paid leave programs (such as time off, sick leave or personal leave) meet or exceed the maximum accrual and allow the same leave uses without more restrictions or limitations do not have to provide additional leave.
- The term "health" includes mental health, preventive care and chronic conditions in addition to physical illness.
- Employees exempt from the federal Fair Labor Standards Act's minimum wage and overtime standards are considered to work 40 hours per week.
- Properly classified independent contractors are not eligible for paid sick leave.
- Employers may require reasonable notice if the leave is foreseeable.
- If the leave is unforeseeable, employees should provide notice as soon as practicable.
- Worker protections and anti-retaliation provisions apply.
- Leave mandates do not apply to federal government employers, but may apply to state and/or local government employers.

The GRIST below can help employers track key provisions of different jurisdictions' accrued paid leave laws.

### Resources

[katharine.marshall@mercer.com](mailto:katharine.marshall@mercer.com) and [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[GRIST](#), regularly updated

US — states	
Status	 Effective dates vary.
Development	<p><b>Career — Health</b></p> <p><b>States, cities tackle COVID-19 paid leave</b></p> <p>To alleviate some of the economic strain on employees unable to work due to COVID-19, some state and local authorities have implemented new paid leave requirements. Other jurisdictions have modified existing leave laws or benefit programs to accommodate employees' needs during the pandemic. The GRIST cited below provides brief summaries of COVID-19-related state and local paid leave benefits, as well as new guidance on how current paid leave benefits apply during the pandemic. The GRIST does not address broader state and local accrued paid sick leave laws that permit using accrued leave for reasons related to a public health emergency (for more information on those programs, see <a href="#">Paid sick leave mandates continue to expand at state level</a> (April 29, 2022)). In addition, the GRIST does not address unpaid job-protected leave laws that apply to or specifically address COVID-19-related absences.</p>
Resources	<a href="mailto:katharine.marshall@mercer.com">katharine.marshall@mercer.com</a> and <a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">GRIST</a> , regularly updated
US — states	
Status	 Ongoing initiatives
Development	<p><b>Wealth</b></p> <p><b>Resources for tracking state and city retirement initiatives</b></p> <p>This GRIST cited below summarizes state and city retirement initiatives for private-sector workers and rounds up relevant Mercer and third-party resources. The article is updated periodically and may not always reflect the latest developments in every state.</p>
Resources	<a href="mailto:margaret.berger@mercer.com">margaret.berger@mercer.com</a> and <a href="mailto:brian.kearney@mercer.com">brian.kearney@mercer.com</a> <a href="#">GRIST</a> , regularly updated

## US — states (new)

### Status



### Development

#### Health

##### Nine states considering universal healthcare

Nine states are considering single-payer healthcare. After Oregon voters last fall passed Measure 111, ensuring “affordable healthcare access” as a state constitutional right, a pending bill (SB 704) would establish a governance board to create a comprehensive plan for implementing universal health care by 2027. Under the bill as currently drafted, the nine-member board would not have clear representation from employers or employees. Here is the current activity elsewhere:




- **Colorado.** HB 1209 would authorize the Colorado School of Public Health to analyze model legislation for implementing a publicly financed and privately delivered universal healthcare payment system.
- **Illinois.** HB 1094 would develop a universal healthcare program for all state residents, prohibiting private insurers from selling duplicative coverage.
- **Maryland.** HB 329 would establish a Commission on Universal Health Care to develop a plan for the state by July 1, 2026.
- **Massachusetts.** SB 2182 would establish a trust to fund healthcare services for every state resident. A “fairly apportioned, dedicated health care tax” would apply to employers, employees and residents.
- **Minnesota.** SB 2740 would establish the Minnesota Health Plan open to all state residents.
- **New Hampshire.** HB 353 would establish an interstate compact for universal healthcare with other member states. Services would be at no cost to enrollees. A trust would reimburse providers.
- **Vermont.** HB 156 would establish an advisory group to make recommendations on a publicly financed healthcare program for all residents. Small business and organized labor representatives would have a seat at the table.
- **Washington.** SB 5335 would establish the Washington Health Trust. Late last year, the state’s Universal Health Care Commission issued a preliminary report with three model approaches.

California and New York do not currently have any proposed legislation on this issue, but both states considered proposals last year. Any of these laws would almost certainly necessitate obtaining a state innovation waiver from the US Department of Health and Human Services under Section 1332 of the Affordable Care Act.

### Resources

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[HB 1209](#) (Colorado legislature); [HB 1094](#) (Illinois legislature); [HB 329](#) (Maryland legislature); [SB 2182](#) (Massachusetts legislature); [SB 2740](#) (Minnesota legislature); [HB 353](#) (New Hampshire legislature); [Measure 111](#) and [SB 704](#) (Oregon legislature); [HB 156](#) (Vermont legislature); [SB 5335](#) (Washington legislature); and [GRIST](#), 31 May 2022

US — Arkansas (new)	
Status	 <b>Currently effective</b>
Development	<b>Career — Health</b> <b>Family and medical leave law enacted</b> Act No. 84 sets up a new line of voluntary insurance for family and medical leave, effective 17 February 2023.
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">Act No. 84</a> (Legislature, 17 February 2023)
US — Arkansas (new)	
Status	 <b>Effective 8 June 2023</b>
Development	<b>Health</b> <b>Prescription drug laws enacted</b> The Healthcare Insurer/Pharmacy Benefits Manager (PBM) Share the Savings Act (Act No. 333) requires fully insured plans and PBMs to reduce any participant cost sharing by 100% of all rebates at the point of sale. Another law (Act No. 302) expands the definition of a health benefit plan for purposes of PBM licensure and regulation to include plans issued outside the state if they cover Arkansas residents.
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">Act No. 333</a> (Legislature, 21 March 2023) and <a href="#">Act No. 302</a> (Legislature, 16 March 2023)
US — Colorado (new)	
Status	 <b>Currently effective</b>
Development	<b>Career — Health</b> <b>Changes to wage calculation under family and medical leave insurance</b> A new law (2023 Ch. 40) changes the average weekly wage calculation to take into account wages from previous jobs under the state's Family and Medical Leave Insurance Program. The law took effect 23 March 2023.
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">Ch. 40</a> (Legislature, 23 March 2023)

## US — Illinois (updated)

### Status



**Effective 1 January 2024**

### Development

#### Career — Health

##### **Paid leave law enacted**

Starting in 2024, the Paid Leave for All Workers (PLFAW) Act will provide at least 40 hours of paid leave (or one hour for every 40 hours worked) for any reason to all Illinois employees (with some exceptions). Overtime-exempt employees are deemed to work 40 hours per week. Leave must be available after 90 days of employment. Employers may:

- Require a reasonable leave increment of no less than two hours per day and seven calendar days' notice for foreseeable leave
- Prohibit carryover from the prior 12-month period (which can be designated by the employer) if all leave is front-loaded on the first day of employment or the first day of the new 12-month period
- Deny payout of unused, earned leave at termination of employment, as long as leave was not credited to a paid time off (PTO) bank or vacation account

Employers must follow these rules:

- Cannot request the reason for leave
- Post a workplace notice, subject to penalties
- Cannot retaliate against employees' exercising their leave rights
- Pay at least the prevailing minimum wage (relevant for workers who earn gratuities or commissions)



The PFLAW Act excludes these workers:

- Employees who work for an employer subject to any type of local paid leave ordinance (as in [Chicago](#) and [Cook County](#)) in effect on 1 January 2024
- Construction workers, national delivery workers and state employees subject to a collective bargaining agreement
- School district and park district employees
- Railroad employees
- Temporary, part-time student employees employed by a college or university
- Short-term employees of a higher education institution employed for less than two calendar quarters in a row and lacking a reasonable expectation of rehire for the same service in a later calendar year.

### Resources

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)

[Gov. Pritzker signs historic legislation guaranteeing 40 hours of paid leave](#) (Government, 13 March 2023); [Public Act 102-1143](#) (Legislature, 13 March 2023)

US — Indiana (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>Pharmacy benefit manager regulations finalized</b></p> <p>Final rules implement a 2020 law imposing changes on pharmacy benefit managers (PBMs) operating in the state. The scope includes PBM licensure and financial requirements, application and renewal fees, pharmacy claims audits, maximum allowable cost pricing, annual reporting, and penalties for violations. The application of these rules to self-funded plans is unclear. The rules took effect 23 March 2023.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">Final rule</a> (Register, 22 March 2023)</p>
US — Michigan (new)	
Status	 <b>Effective 30 March 2024</b>
Development	<p><b>Career</b></p> <p><b>Right-to-work law repealed</b></p> <p>Michigan is the first state in decades to repeal its right-to-work law that allowed employees in unionized workplaces to opt out of paying union dues and fees, even if the union represents those workers in negotiations. Signed by the governor on 24 March 2023, the act will take effect on 30 March 2024 — 90 days after the current legislative session ends. Highlights include:</p> <ul style="list-style-type: none"> <li>• Private-sector workers in unionized workplaces could be contractually required to join the union, and workers who object to funding union activities unrelated to collective bargaining and grievance matters could still be required to pay dues or agency fees.</li> <li>• No law or policy can “prohibit or limit an agreement that requires all bargaining unit employees, as a condition of continued employment, to pay to the labor organization membership dues or service fees.”</li> </ul> <p>Just over half of the states still have right-to-work laws.</p>
Resources	<p><a href="#">Public Act 8</a> (Legislature, 11 April 2023) and <a href="#">Union members in Michigan — 2022</a> (US Bureau of Labor Statistics)</p>

US — Michigan (new)	
Status	 Currently effective
Development	<p><b>Career</b></p> <p><b>LGBTQ bias in employment banned</b></p> <p>Effective 19 June 2023, Public Act 6 expands Michigan’s civil rights law to prohibit employment discrimination based on sexual orientation, gender identity or expression. The governor encouraged this expansion in her January State of the State address, and the change is consistent with a 2022 court ruling and the Michigan Civil Rights Commission’s position since 2018.</p>
Resources	<p><a href="#">Public Act 6</a> (Legislature, 21 March 2023); <a href="#">Governor Whitmer's 2023 State of the State address as prepared for delivery</a> (Governor, 25 January 2023); and <a href="#">court ruling</a> (Michigan Supreme Court, 28 July 2022)</p>

## US — New Jersey (previously covered, now effective)

### Status



Currently effective

### Development

#### Career

##### New mass layoff measures take effect

Effective 10 April 2023, a new state law amends New Jersey's version of the Worker Adjustment and Retraining Notification (WARN) Act to require that employers with 100 or more employees provide 90 days of advance notice of a mass layoff and guaranteed severance to employees, regardless of their tenure.

The changes to the WARN Act (2020 Ch. 423) were originally scheduled to take effect in July 2020, but Executive Order (EO) 103 declaring a COVID-19 state of emergency delayed implementation until 90 days after the EO's expiration. In April 2020, additional WARN amendments were enacted to exclude national emergencies (such as COVID-19) or a "natural emergency" from WARN requirements. EO 103 has not expired, prompting New Jersey's legislature to hasten implementation of the amended WARN Act. Highlights include:



- Employers with 100 or more employees (full- and part-time) are subject to the New Jersey WARN Act. Employers must have operated in New Jersey for three or more years.
- The notification requirement will be triggered if an employer (i) transfers or terminates its operations in an establishment during any 30-day period (or 30 days aggregated over 90 days), or (ii) conducts a reduction in force that results in the layoff of 50 or more employees at any group location in New Jersey, including employees located outside of the state who report to any location in New Jersey. An establishment is defined as including one or more locations in New Jersey.


Mandatory severance pay is one week's pay for each full year of employment. Employers that give employees fewer than 90 days' notice will have to pay an additional four weeks of severance. The severance calculation will be based on the "average regular rate of compensation" paid to the employee over the last three years of employment or the employee's final regular rate of compensation, whichever amount is higher.




### Resources

[Ch. 423](#) (Legislature, 21 January 2020); [EO 103](#) (Governor, 9 March 2020); [Ch. 22](#) (Legislature, 14 April 2020); and [GRIST](#), 25 February 2020

US — New York (new)	
Status	 Effective dates vary
Development	<p><b>Health</b></p> <p><b>Three new laws impact insured health benefits</b></p> <p>Three laws amend New York’s Insurance Code:</p> <ul style="list-style-type: none"> <li>• <b>Ch. 79, SB 825.</b> This law requires large group plans to cover preexposure prophylaxis (PrEP) and post-exposure prophylaxis (PEP) related to HIV infection. This requirement previously applied to all health insurance policies. Cost-free coverage of PrEP is already a preventive health service mandated by the federal Affordable Care Act. The state law took immediate effect on 3 March 2023.</li> <li>• <b>Ch. 63, AB 2200.</b> This law requires insurers or pharmacy benefit managers in the state to furnish required cost, benefit and coverage data on the request of a participant, a participant’s healthcare provider or an authorized third party considered a HIPAA business associate. The law takes effect on or about 28 June 2023.</li> <li>• <b>Ch. 62, AB 1975.</b> This law removes creative arts therapists (as defined by state law) from a list of mandated covered services and providers for fully insured plans in New York. This law is effective retroactive to 1 January 2023.</li> </ul> <p>These laws do not apply to self-funded ERISA plans or fully insured plans located in other states.</p>
Resources	<p><a href="mailto:rich.glass@mercercor.com">rich.glass@mercercor.com</a></p> <p><a href="#">Ch. 79, SB 825</a>; <a href="#">Ch. 63, AB 2200</a>; and <a href="#">Ch. 62, AB 1975</a> (Legislature, 3 March 2023)</p>
US — New York (updated)	
Status	 Effective 17 September 2023
Development	<p><b>Career</b></p> <p><b>Expansion of salary disclosure law enacted</b></p> <p>Starting 17 September 2023, a New York employer, employment agency, employee or agent thereof will have to include the compensation or compensation range when advertising a job, promotion or transfer opportunity that will physically be performed — at least in part — in New York under recent legislation (Ch. 94) that amends the labor code. Since January 2022, New York City (NYC) has required job postings to include salary information and is considering legislation to expand that requirement. The state law explicitly states it does not supersede or preempt any provisions of local law, rules or regulations, so NYC employers will need to comply with both laws.</p>
Resources	<p><a href="mailto:tauseef.rahman@mercercor.com">tauseef.rahman@mercercor.com</a></p> <p><a href="#">Ch. 94</a> (Legislature, 3 March 2023); and <a href="#">GRIST</a>, 9 March 2023</p>



US — New York — New York City (previously covered, now effective)	
Status	 Enforcement delayed until 15 April 2023
Development	<p><b>Career</b></p> <p><b>Enforcement of law on automated employment decision tools delayed</b></p> <p>The Department of Consumer and Worker Protection (DCWP) will begin enforcing a 2021 law (Local Law 144) regulating automated employment decision tools (AEDTs) on 5 July 2023 — it has been delayed twice — from 15 April 2023 and 1 January 2023. The law defines an AEDT as “any computational process, derived from machine learning, statistical modelling, data analytics, or artificial intelligence, that simplifies output, including a score, classification, or recommendation, that is used to substantially assist or replace discretionary decision making for making employment decisions that impact natural persons.” Employers will be prohibited from using AEDT (such as, software used to test job candidates or employees about their skills, CV scanners, and employee monitoring software), unless each tool has been subject to a bias audit within one year of its use. Employers will have to provide employees and job candidates with advance notice about the use of AEDT and allow them to “request an alternative selection process or accommodation.” Employers must make the audit information publicly available, and will be subject to a civil penalty for violations of the law.</p>
Resources	<a href="#">New laws &amp; rules</a> (DCWP); and <a href="#">Local Law 144</a> (NYC Council, 13 December 2021)
US — North Carolina (new)	
Status	 Effective date is not yet known.
Development	<p><b>Health</b></p> <p><b>North Carolina opts into Medicaid expansion</b></p> <p>Session Law 2023-7 makes North Carolina the 40th state to opt into the Medicaid expansion under the Affordable Care Act. The effective date is conditioned on the later of two dates: CMS approval and the effective date of the state’s 2023–2024 fiscal-year budget.</p>
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">Session Law 2023-7</a> (Legislature)

US — Puerto Rico (new)	
Status	 Currently effective
Development	<p><b>Career — Health</b></p> <p><b>Ruling reinstates 2017 labor law</b></p> <p>A US district court ruling has nullified Puerto Rico's Act 41-2022, which in June 2022 had reinstated certain employment and labor rights eliminated or reduced by Act 4-2017. Private-sector employers are now subject to the law prior to June 2022. The court also issued a permanent injunction prohibiting the governor's office from taking any steps that would help private parties implement the act. Highlights include:</p> <ul style="list-style-type: none"> <li>• The statute of limitations is reduced to one year for claims connected with employment contracts, unfair dismissal, wages and hours.</li> <li>• The probationary period is nine months for nonexempt employees and 12 months for white-collar employees.</li> <li>• Employers no longer have to pay nonexempt student employees twice their hourly rate for working on their rest day.</li> <li>• The calculation of severance pay for employees hired before 26 January 2017 depends on the length of service. Employees hired on or after 26 January 2017 will receive three months of salary plus two weeks for each full year of employment, capped at nine months.</li> <li>• Nonexempt employees are generally entitled to a meal break between third and sixth consecutive hour of work. Employees working more than 10 hours in a particular day are generally entitled to a second meal break. Employees hired after 26 January 2017 must receive time-and-a-half compensation if they work during meal periods. Meal breaks can be waived for employees who work six or fewer hours per day.</li> <li>• Employees must work 130 hours or more per month to accrue vacation and sick leave. Vacation leave increases according to the employee's length of service and may depend on the employer's size. Nonexempt employees can only cash out the excess of 10 days of accrued vacation leave. Part-time employees no longer accrue either form of leave.</li> </ul> <p>The Christmas bonus payment calculation will depend on the employee's hiring date and must be paid between 15 November 15 and 15 December.</p>
Resources	<a href="#">Ruling (D. PR, 3 March 2023)</a>

US — South Dakota (new)	
Status	 Effective 1 July 2023
Development	<p><b>Health</b></p> <p><b>Pharmacy benefit manager law enacted</b></p> <p>A new law (HB 1135) increases pharmacy benefit manager pricing transparency. Provisions include timely updates to the maximum allowable cost list and limitations on steerage to affiliated pharmacies. Whether the law applies to self-funded plans is unclear. The law appears to take effect 1 July 2023.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">HB 1135</a> (Legislature, 27 March 2023)</p>
US — Tennessee (new)	
Status	 Effective for policy years starting on or after 1 January 2024
Development	<p><b>Health</b></p> <p><b>Voluntary paid family leave law enacted</b></p> <p>Tennessee enacted the Paid Family Leave Insurance Act (SB 454) authorizes family leave insurance as either a rider to a group disability/life insurance policy or a separate group policy. Coverage includes:</p> <ul style="list-style-type: none"> <li>• Birth, adoption and foster care</li> <li>• Care for a family member with a serious health condition</li> <li>• A family member's impending call or order to active military duty</li> </ul> <p>The law takes effect for policy years starting on or after Jan. 1, 2024. Tennessee joins four other states with similar laws.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">SB 454</a> (Legislature, 31 March 2023) and <a href="#">GRIST</a>, 1 February 2023</p>
US — Utah (new)	
Status	 Effective 3 May 2023
Development	<p><b>Health</b></p> <p><b>Telehealth laws enacted</b></p> <p>A new law (Ch. 278) allows nonresident healthcare professionals to provide telemedicine services to Utah residents. Another law (Ch. 339) allows for remote mental health therapy or substance use disorder (MH/SUD) counseling by nonresident providers. However, MH/SUD counselors must be licensed in Utah to prescribe drugs to state residents.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">Ch. 278</a> (Legislature, 15 March 2023) and <a href="#">Ch. 339</a> (Legislature, 17 March 2023)</p>

US — Vermont (new)	
Status	 Generally extended until 31 March 2024
Development	<p><b>Health</b></p> <p><b>Expiration date for several health-related provisions extended</b></p> <p>Vermont extended certain COVID-19 expiration dates, such as:</p> <ul style="list-style-type: none"> <li>• Compliance with the federal Health Insurance Portability and Accountability Act's rules on connections for delivering telehealth services (including dental)</li> <li>• Temporary registration of out-of-state healthcare professionals for telehealth purposes (and removal of the 30 June 2023 expiration date for this provision)</li> <li>• Allowance and temporary licensing of out-of-state healthcare professionals to provide services (including mental health) to state residents</li> <li>• Any emergency rule making related to insurance cost sharing</li> </ul>
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">Act 4</a> (Legislature, 29 March 2023)
US — Virginia (new)	
Status	 Effective 1 July 2025
Development	<p><b>Health</b></p> <p><b>Prescription drug law enacted</b></p> <p>Two identical acts (Chs. 474 and 475) require insured plans and pharmacy benefit managers to establish an e-prescribing process. The laws take effect 1 July 2025.</p>
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">Ch. 474</a> and <a href="#">Ch. 475</a> (Legislature, 24 March 2023)
US — Virginia (new)	
Status	 Currently effective
Development	<p><b>Health</b></p> <p><b>Self-funded multiple-employer welfare arrangements regulations issued</b></p> <p>Final rules implement changes for self-funded multiple-employer welfare arrangements (MEWAs), establishing new requirements related to those plans' licensure, reporting, disclosures, financial condition and solvency.</p>
Resources	<a href="#">Order amending and adopting regulations</a> (Government, 24 March 2023)

US — Virginia (new)	
Status	 Effective 1 January 2024 and 1 July 2023, respectively
Development	<b>Health</b> <b>New requirements for insurance carriers enacted</b> A new law (Ch. 490) requires insurance carriers to use a provider panel to establish continuity-of-care procedures and establishes a minimum 90-day period, 180 days for life-threatening conditions. The law takes effect 1 January 2024. Also, two identical acts (Chs. 514 and 515) provide that insured association health plans may base premium rates on a community-rating methodology that considers all participant claims while using each employer-member's specific risk to establish that employer-member's rates. The law takes effect 1 July 2023.
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">Ch. 490</a> (Legislature, 24 March 2023); <a href="#">Ch. 514</a> and <a href="#">Ch. 515</a> (Legislature, 26 March 2023)
US — Washington (new)	
Status	 Currently effective
Development	<b>Health</b> <b>Cost-sharing cap for insulin made permanent</b> A new law (Ch. 14) removes the 1 January 2024 expiration date of an existing law that caps insulin cost sharing at \$35 for a 30-day supply.
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">Ch. 14</a> (Legislature, 30 March 2023)
US — Washington (new)	
Status	 Expiration date extended to 1 July 2024
Development	<b>Health</b> <b>Telehealth law extended</b> A new law (Ch. 6) extends the expiration date from 1 January 2024 to 1 July 2024 for an existing law that allows real-time audio or video telehealth to establish a patient-provider relationship.
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">Ch. 6</a> (Legislature, 30 March 2023)

US — West Virginia (new)	
Status	 Effective 1 January 2024
Development	<p><b>Health</b></p> <p><b>Prescription drug law enacted</b></p> <p>Enacted legislation (SB 577) reduces the copay cap on insulin from \$100 to \$35 and implements a copay cap on covered devices of \$100, both for a 30-day supply. Testing equipment may be purchased without a prescription.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">SB 577</a> (Legislature, 23 March 2023)</p>
US — Wyoming (new)	
Status	 Effective 1 January 2024
Development	<p><b>Health</b></p> <p><b>Prescription drug law enacted</b></p> <p>A new law regulating pharmacy benefit managers (PBMs) (Ch. 189, Act No. 90) received the governor's approval after he made some changes using a line-item veto. The law imposes significant restrictions on PBMs, including pricing, limitations on mail order and affiliated pharmacy steerage. Whether the law applies self-funded plans is unclear.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">Ch. 19, Act No. 90</a> (Legislature, 17 March 2023)</p>
US (previously covered, with upcoming effective dates)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Equal pay, benefit and employment rights granted to temporary employees in New Jersey</a> — key date: 5 May 2023</li> <li>• <a href="#">More pay data reporting imposed in California</a> — key date: 10 May 2023</li> <li>• <a href="#">Hourly minimum wage to increase in Los Angeles, California</a> — key date: 1 July 2023</li> <li>• <a href="#">Hourly minimum wage to increase in Washington, DC</a> — key date: 1 July 2023</li> <li>• <a href="#">Hair nondiscrimination legislation enacted in Minnesota</a> — key date: 1 August 2023</li> <li>• <a href="#">Salary ranges required in job postings in New York</a> — key date: 17 September 2023</li> <li>• <a href="#">Insurance law requires third-party payments to apply toward cost sharing in Delaware</a> — key date: 1 January 2024</li> <li>• <a href="#">Final SEC clawback rule requires significant changes to policies</a> — key date: early in 2024</li> <li>• <a href="#">Two-tier minimum wage system to be eliminated In Nevada</a> — key date: 1 July 2024</li> <li>• <a href="#">Hourly minimum wage to increase to \$18 in Hawaii</a> — key date: 1 January 2026</li> </ul>

## US (previously covered, with upcoming effective dates) (continued)

### Development

#### Career — Health

- [Rights of nursing employees to express breast milk expanded in New York](#) — key date: 7 June 2023
- [Pregnancy and nursing protections for working mothers enacted](#) — key date: 27 June 2023
- [Voluntary family medical leave program announced in Vermont](#) — key date: 1 July 2023
- [Employment discrimination based on nonworkplace cannabis use barred in California](#) — key date: 1 January 2024
- [Paid leaving coming to Illinois](#) — key date: 1 January 2024
- [Paid family medical leave program legislation enacted in Delaware](#) — key date: 2025

#### Health


- [Voters approve ballot initiative that expands Medicaid eligibility in South Dakota](#) — key date: 1 July 2023
- [Long-term care law changes enacted in Washington](#) — key date: 1 July 2023
- [Paid family and medical leave law enacted in Maryland](#) — key date: 1 October 2023
- [Voters approve medical debt ballot initiative in Arizona](#) — key date: 1 January 2024
- [New law requires annual behavioral health well check for insured plans in Delaware](#) — key date: 1 January 2024
- [More health insurance mandates enacted in Illinois](#) — key date: 1 January 2024
- [Voters approve medical loss ratio requirement for Massachusetts insured dental plans](#) — key date: 1 January 2024
- [Pharmacy benefit management legislation enacted in Michigan](#) — key date: 1 January 2024
- [Hearing aid coverage mandated in Vermont](#) — key date: 1 January 2024

#### Wealth


- [Amendment deadlines for SECURE, Miners and CARES acts extended](#) — key date: 31 December 2023
- [SECURE 2.0 retirement reforms are now law](#) — key date: 1 January 2024

# Section 4

## Asia Pacific

Australia (new)	
Status	 Currently effective
Development	<b>Health</b> <b>Fringe benefits guidance issued</b> The Australian Taxation Office has issued updated guidance on the fringe benefits tax (FBT). The guidance includes the 47% FBT rate for 2020–2024; higher and lower gross-up rates; the minimum grossed-up value threshold (AU\$3,733) for reporting from 2020–2024; recordkeeping exemption thresholds for 2020–2024; FBT rates and thresholds for motor vehicles; reasonable food and drink expenses for employees who live away from home, either in Australia or abroad; and the procedures for filing, pay and lodging FBT.
Resources	<a href="#">2023 fringe benefits tax return instructions</a> (Australian Taxation Office, 6 March 2023)

Australia (new)	
Status	 Report
Development	<p><b>Wealth</b></p> <p><b>ASIC urges super trustees to improve member outcomes</b></p> <p>Report 760, <i>Insurance in superannuation: Industry progress on delivering better outcomes for members</i> (REP 760) issued by Australian Securities and Investments Commission (ASIC) reviews the actions taken by 15 super trustees to address concerns previously flagged by ASIC. The report found that many trustees had made improvements, but not across all areas. ASIC has strongly encouraged all trustees to analyze thoroughly their insurance arrangements, using the information and action points in the report to identify shortcomings and address any gaps.</p> <p>The review examines trustees' response to recent regulatory reforms and focuses on three broad areas:</p> <ul style="list-style-type: none"> <li>• <b>Insurance design and data.</b> Many trustees have made changes to the design of their insurance arrangements to better meet member needs and provide value for money, such as by changing restrictive total and permanent disability (TPD) definitions.</li> <li>• <b>Claim-handling practices.</b> Many trustees have worked with their insurers to streamline their claim processes and have enhanced their oversight of insurers' claims handling practices.</li> <li>• <b>Member communications.</b> Some trustees have more clearly explained their insurance offerings, improving members' understanding and enhancing their decision making to suit their circumstances.</li> </ul>
Resources	<p><a href="mailto:paul.shallue@mercer.com">paul.shallue@mercer.com</a></p> <p><a href="#">REP 760</a> (ASIC, 22 March 2023)</p>
Australia (new)	
Status	 Proposal
Development	<p><b>Wealth</b></p> <p><b>Superannuation objective considered</b></p> <p>Australia's government closed a consultation on legislating an agreed objective of superannuation on 31 March 2023. The proposed legislation would provide a shared understanding and greater stability and confidence to policy makers, regulators, the industry and the community, the government says. The proposed objective is "to preserve savings to deliver income for a dignified retirement, alongside government support, in an equitable and sustainable way." To ensure that the focus remains on a single comprehensive objective, no secondary or subsidiary objectives or principles are proposed.</p>
Resources	<p><a href="mailto:paul.shallue@mercer.com">paul.shallue@mercer.com</a></p> <p><a href="#">Consultation begins on legislating objective of super</a> (Treasury, 20 February 2023)</p>

Australia (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>Fringe benefit tax exemption for electric vehicles clarified</b></p> <p>A fact sheet issued by the Australian Taxation Office clarifies the taxation of employer-provided electric vehicles that are used privately. The fact sheet addresses eligibility for the electric vehicle fringe benefits tax exemption for vehicles held by an employee on or after 1 July 2022 (vehicles subject to the luxury car tax do not benefit from the exemption). The guidance also covers application of the exemption to plug-in hybrid electric vehicles from 1 April 2025; the taxation of electric vehicle charging points at an employee's home and at business premises; and reportable fringe benefits and calculation of the taxable value of the car benefit.</p>
Resources	<a href="#">Electric vehicles and fringe benefits tax</a> (Australian Taxation Office, 24 February 2023)

**Australia (new)****Status****Proposal****Development****Wealth****Earnings tax on large superannuation balances proposed**


Individuals with total superannuation balances exceeding AU\$3 million at the end of a financial year would pay an additional 15% tax on earnings attributed to the excess amount, under proposals announced by the government. The measures would apply from 1 July 2025, and the first test would apply on 30 June 2026, impacting an estimated 80,000 individuals (around 0.5% of super members). The government will introduce enabling legislation to implement the change “as soon as practicable” but will consult further with the superannuation industry and other relevant stakeholders. Highlights include:

- The additional tax would apply to earnings attributed to the proportion of an individual’s Total Superannuation Balance (TSB) over AU\$3m at the end of the financial year.
- Total earnings for this purpose would be calculated based on the change in TSB over the year, less net contributions, plus withdrawals.
- Excess earnings would be calculated as total earnings multiplied by the proportion of the total balance exceeding AU\$3m at the end of the financial year — for example,  $\text{AU\$1m/AU\$4m} = 25\%$  for a TSB of AU\$4m.
- The additional tax would be 15% multiplied by excess earnings.
- Negative excess earnings (that is, a loss) for a financial year could be carried forward to reduce the tax liability in future years.
- The calculation of total earnings includes all notional (unrealized) gains and losses.
- The Australian Taxation Office would calculate taxable earnings and the excess earnings tax each year and send assessments to individuals, who can choose to pay the tax directly or from their super funds.
- The new tax would be separate from an individual’s personal income tax and would be similar to the existing Division 293 tax on concessional contributions for high-income earners.
- TSBs exceeding AU\$3m would be tested for the first time on 30 June 2026, with the first notices of a tax liability expected to be issued to individuals in the 2026–27 financial year.

**Resources**

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[Superannuation tax breaks](#) and [Better targeted superannuation concessions](#) (Treasury, 28 February 2023)

Australia	
Status	 Currently effective
Development	<b>Health</b> <b>Private health insurance premium increased</b> The annual industry average private health insurance premium in Australia will increase by 2.9% from 1 April 2023. However, some private health insurance providers have announced they will delay the increase until later in the year. The 2023 increase is below the 10-year average of 4.4%.
Resources	<a href="mailto:darren.downie@mercermarshbenefits.com">darren.downie@mercermarshbenefits.com</a> <a href="#">Average annual price changes in private health insurance premiums</a> (Department of Health and Aged Care, 6 February 2023)

Australia (previously covered, with upcoming effective dates)	
Development	<p><b>Career — Health</b></p> <ul style="list-style-type: none"> <li><a href="#">Federal employment reforms enacted</a> — key date: June 2023</li> <li><a href="#">Parental leave pay scheme expanded</a> — key date: 1 July 2023</li> </ul> <p><b>Wealth</b></p> <ul style="list-style-type: none"> <li><a href="#">APRA releases updated standard SPS 310</a> — key date: 30 June 2023</li> <li><a href="#">Tax regulator confirms transfer balance cap increase</a> — key date: 1 July 2023</li> </ul>
China (new)	
Status	 Currently effective
Development	<p><b>Career</b></p> <p><b>Compliance guidance on workplace equality laws issued</b></p> <p>Six government departments have issued employer reference documents that address the protection of female employees in the workplace and the elimination of workplace sexual harassment. The two documents aim to guide employers developing internal rules and policies to comply with current equality laws and regulations. Highlights include:</p> <ul style="list-style-type: none"> <li><b>Protection of female employees.</b> The document includes 26 articles that consolidate current workplace protections but do not create any new rights. The measures address equality in hiring, equal pay for equal work, special protections for female employees, the prevention of sexual harassment in the workplace, fertility protection (including menstruation, pregnancy, maternity and breastfeeding), supervisors' protection responsibilities, and the provision and management of complaint mechanisms for employees.</li> <li><b>Elimination of workplace sexual harassment.</b> The document defines sexual harassment and sets out a model elimination framework that includes policy statements, training, complaint mechanisms and protocols, the process to investigate of harassment claims (including the involvement of trade unions), and the right to privacy during complaint investigation.</li> </ul>
Resources	<a href="#">Guidance</a> (Chinese) (Ministry of Human Resources and Social Security, 8 March 2023)

## China (previously covered, now effective)

### Status



Currently effective

### Development

#### Wealth

##### Private 'third pillar' pension plan for individuals moves forward

China has rolled out a private pension plan that allows individuals to voluntarily contribute up to CNY12,000 annually to pension accounts to complement the current pension system. The State Council announced details of this “third pillar” scheme on 21 April 2022, and implementation began in the last quarter of 2022. Highlights include:

- **Eligibility.** Individuals participating in the basic pension insurance for urban employees or the basic pension insurance for urban and rural residents can set up one private pension account.
- **Contributions.** Individuals can contribute up to CNY12,000 per year to their pension account.
- **Tax treatment.** To encourage participation in the new system, the government has provided a tax incentive. Participants will be entitled to a contribution deduction of up to CNY12,000 each year from their annual taxable income.
- **Financial vehicles.** Pension contributions can be used to purchase eligible financial products, such as wealth management products, savings deposits, commercial endowment insurance and public funds.
- **Vesting rules.** Participants can withdraw their money on a monthly basis, in batches or all at once if they fulfill certain eligibility criteria, such as reaching the legal retirement age, becoming unable to work or moving to live abroad. In case of the account holder's death, remaining assets can be passed on to heirs.

### Resources

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[Implementation measures](#) (Chinese) (Ministry of Human Resources and Social Security, 26 October 2022); [Interim investment provisions](#) (Chinese) (Securities Regulatory Commission, 4 November 2022); [Announcement on individual income tax policies for personal pensions](#) (Chinese) (Ministry of Finance and State Administration of Taxation, 3 November 2022); [Announcement](#) (Chinese) (State Council, 21 April 2022)

## Hong Kong (previously covered, with upcoming effective date)

### Development

#### Career


- [Statutory minimum wage to increase](#) — key date: 1 May 2023
- [Gender board diversity, corporate governance required](#) — key date: 31 December 2024


#### Wealth

- [Mandatory pension fund offsetting to be abolished](#) — key date: Earliest 2025

India (new)	
Status	 <b>Deadline postponed until 3 May 2023</b>
Development	<p><b>Wealth</b></p> <p><b>Deadline postponed for applying for higher Employees' Pension Scheme benefits</b></p> <p>Eligible members will now have until 3 May 2023 to file their application to receive higher Employees' Pension Scheme (EPS) benefits. The initial application deadline of 3 March 2023 was postponed due to technical difficulties with the Employees' Provident Fund Organisation (EPFO) portal.</p> <p>Individuals and their employer must submit a joint declaration to the EPFO to receive higher benefits, but many employers have not done so. However, the EPFO has accepted these declarations and credited interest on the contributions. Several EPS members have filed petitions in different high courts challenging the requirement for individuals to provide proof of having paid higher provident fund contributions.</p> <p>As background, the Supreme Court's ruling in November 2022 eliminated the salary cap on EPS contributions introduced in 2014, and eligible individuals in India have a one-time option to receive increased EPS benefits. The ruling means that certain individuals can now opt for their pension benefits to be calculated on their actual salary instead of the monthly salary cap of INR 15,000 introduced in 2014 under the Employees' Pension (Amendment) Scheme 2014.</p>
Resources	<p><a href="mailto: jyotsna.tiwari@mercer.com">jyotsna.tiwari@mercer.com</a></p> <p><a href="#">EPFO website</a></p>
India (previously covered, with upcoming effective date)	
Development	<p><b>Career — Health — Wealth</b></p> <ul style="list-style-type: none"> <li><a href="#">Labor and employment laws reformed</a> — key date: effective date delayed</li> </ul>
Indonesia (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Adjustment of working hours, wages in textile sector allowed</b></p> <p>Export and labor-intensive companies in Indonesia's textile and apparel industries that face weaker global demand can temporarily adjust their employees' working hours and wages, under measures in Regulation No 5 of 2023 from the Ministry of Manpower. Changes to working hours and wages would be valid for a maximum of six months and must be agreed to by company labor unions and registered with the local manpower office. Social security contributions and all other employee rights remain unchanged. To be eligible for this measure, employers must provide proof of their dependence on orders from the United States and Europe, employ 200 or more employees, and have labor costs amounting to 15% or more of production costs.</p>
Resources	<a href="#">Regulation No 5 of 2023</a> (Indonesian) (Ministry of Manpower, 13 March 2023)

Japan (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Employment insurance contributions increased</b> Employment contribution rates increased on 1 April 2023 to 1.55% (up from 1.35%). The employee contribution rate for general business increased to 0.6% (up from 0.5%), and the employer rate increased to 0.95% (up from 0.5%). The employment contribution rates for the two other sectors (the agricultural, forestry, fishing and sake production sector and the construction sector) increased to 0.7%, up from 0.6%.
Resources	<a href="#">Announcement</a> (Japanese) (Ministry of Health, Labour and Welfare, 1 February 2023)
Japan (previously covered, with upcoming effective date)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li><a href="#">Gender pay disclosures will be required for most companies</a> — key date: 8 July 2023</li> </ul> <b>Wealth</b> <ul style="list-style-type: none"> <li><a href="#">Defined contribution reforms enacted</a> — key date: 1 December 2024</li> </ul>
Malaysia (previously covered with upcoming effective dates)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li><a href="#">Minimum wage order postponed for small employers</a> — key date: 1 July 2023</li> </ul>
New Zealand (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> The minimum wage rates in New Zealand increased on 1 April 2023. The standard hourly minimum is NZ\$22.70 (up from NZ\$21.20), and the rate for trainees (aged 20 years or older) and younger workers (aged 16 to 19) is NZ\$18.16 (up from NZ\$16.96). The rates are included in Minimum Wage Order 2023.
Resources	<a href="#">Minimum wage rising to \$22.70 per hour from 1 April 2023</a> (Ministry of Business Innovation & Employment, 8 February 2023)

Philippines (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Voluntary pension fund program established</b></p> <p>A new voluntary retirement savings program — the Workers' Investment and Savings Program Plus (WISP Plus) — introduced in December 2022 and is open to all Social Security System (SSS) members who have not claimed their final SSS benefit. Two voluntary programs – the Personal Equity and Savings and the Flexi-Fund Program for overseas Filipino workers — will eventually become part of the WISP Plus. Highlights include:</p> <ul style="list-style-type: none"> <li>• <b>Eligibility.</b> All SSS members, regardless of their earnings, are eligible to join, including overseas Filipino workers and self-employed individuals who have not yet claimed a final SSS benefit (old age, total disability and survivor pensions). Individuals are limited to establishing one WISP Plus account.</li> <li>• <b>Contributions.</b> All fund members can contribute at any time, subject to having paid one or more social insurance contributions during the previous three months (if they are employed). The minimum contribution is PHP500, and a maximum could apply, depending on other legal requirements.</li> <li>• <b>Account withdrawals.</b> Lump sums will be payable tax-free to members when they receive their final SSS benefits, but part or full withdrawals can be made after one year's participation (or sooner in exceptional circumstances).</li> <li>• <b>Investment strategy.</b> The Social Security Commission is responsible for allocating the investment of WISP Plus assets, and income earned will be distributed proportionately to fund members based on their account balance. The government will guarantee the principal amounts paid into WISP Plus</li> </ul>
Resources	<a href="#">SSS launches WISP Plus, the newest retirement savings scheme for members</a> (Social Security System, 15 December 2022)
Singapore (new)	
Status	 <b>1 September 2023</b>
Development	<p><b>Career</b></p> <p><b>Employers will need to verify Employment Pass applicants' academic qualifications</b></p> <p>Employers in Singapore that sponsor foreign nationals will have to verify employees' academic credentials when applying for Employment Passes (EP) from 1 September 2023 and for EP renewals from 1 September 2024. The measures aim to reduce fraudulent EP applications. EPs are designed for foreign professionals, managers and executives who have a job offer with a minimum monthly salary of SG\$5,000. In addition, a Complementary Assessment Framework (COMPASS) will award points to EP applicants based on personal and employer criteria, including their academic qualifications, subject to verification by a background screening company.</p>
Resources	<a href="#">Documents required for Employment Pass</a> (Ministry of Manpower)

Singapore (new)	
Status	 Effective dates vary.
Development	<p><b>Wealth</b></p> <p><b>Budget increases CPF contributions</b></p> <p>Singapore's 2023 budget announced changes to the Central Provident Fund (CPF), with the aim of boosting retirement savings, especially for middle-income earners. Employers should review the budgetary impact of the increases and assess employee benefit packages to ensure that all employees are treated equitably. Highlights include:</p> <ul style="list-style-type: none"> <li>• The CPF monthly salary cap for calculating contributions will increase gradually to SG\$8,000 by 2026, up from SG\$6,000. The monthly base salary will increase by SG\$300 in September 2023, SG\$500 in December 2024, SG\$600 in December 2025 and SG\$600 in January 2026.</li> <li>• The CPF annual salary cap remains unchanged at SG\$102,000.</li> <li>• Total CPF contribution rates for workers aged 50 to 55 years will increase by 1.5 percentage points from 1 January 2024.</li> </ul>
Resources	<a href="#">Budget 2023</a> (Ministry of Finance, 14 February 2023)
Singapore (previously covered with upcoming effective dates)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Work pass framework to fill skills gaps expanded</a> — key date: September 2023</li> </ul> <p><b>Career — Health</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Medical coverage of permit applicants enhanced</a> — key date: postponed from end of 2022</li> <li>• <a href="#">Paid paternity leave and unpaid infant care leave expanded</a> — key date: 1 January 2024</li> </ul>
South Korea (previously covered with upcoming effective dates)	
Development	<p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Deadline for implementation of defined contribution default investment option approaches</a> — key date: 12 July 2023</li> </ul>

## Section 5

# Europe, Middle East and Africa (EMEA)

### European Union (EU) (new)

#### Status



Consultation is open until 25 May 2023.

#### Development

#### Wealth

##### EIOPA consults on technical advice for IORP II review

The European Insurance and Occupational Pensions Authority (EIOPA) has launched a public consultation on draft technical advice for the review of the IORP (Institutions for Occupational Retirement Provision) II Directive. The draft responds to the European Commission's call for advice, and comments may be submitted until 25 May 2023. EIOPA will provide its final advice in October 2023. The consultation covers advice in the following areas:

- The directive's adequacy from a prudential and governance viewpoint and impact on the stability of different types of IORPs, including issues concerning proportionality, liquidity risk, the treatment of conflict of interests, the effective use of data and standardized risk assessment
- Cross-border activity and transfers
- Information to members and beneficiaries and other business conduct requirements, such as the functioning of the Pension Benefit Statement, the appropriate presentation of information in a digital context, and ways to provide additional transparency on costs and charges
- The need for and possible ways of adapting the regulatory framework to the shift from defined benefit to defined contribution (DC) schemes, including options related to long-term risk assessments of DC IORPs, and draft advice on reporting costs and charges, complaint procedures, members' and beneficiaries' contribution to their IORP's decision making, and the fitness of the individuals who run DC IORPs



IORPs are currently not required to integrate sustainability factors in their investment decisions. The advice considers the sustainability aspects of the fiduciary duties and stewardship rules of IORPs and suggests introducing provisions on sustainability risks similar to those for insurers. The consultation paper also suggests raising awareness of the extent to which member states can take active steps to reduce the gender pension gap.

To improve the diversity of the management board of IORPs, draft advice is provided on an IORP policy to promote diversity and inclusion (D&I) in the management body, a representation target for the underrepresented gender in the management body, gender neutrality of remuneration policies, and D&I reporting by IORPs.



#### Resources


[Consultation on the technical advice for the review of the IORP II Directive](#) (EIOPA, 3 March 2023)


EU (new)	
Status	 <b>Announcement</b>
Development	<p><b>Career</b></p> <p><b>Revision of European Works Council Directive announced</b></p> <p>The European Commission will start formal consultations during 2023 with the European Union social (EU) partners — BusinessEurope and the European Trade Union Confederation — to revise the European Works Council directive, the commissioner confirmed on 1 March 2023. The directive provides for transnational information and consultation rights in companies that have 1,000 or more employees in the EU and European Economic Area.</p> <p>The commissioner's announcement follows an own-initiative report approved by the European Parliament in February 2023 that calls for full revision of the directive. The commissioner will invite the social partners later in 2023 to consider if they want to negotiate the directive's revision. If they do not agree to do so, the commission will issue legislative proposals before the end of 2023. The commission last revised the 1994 directive in 2009 but has declined to update it since then, opting to publish best practice guidance and fund social partner training.</p>
Resources	<p><a href="#">Commissioner: New European Works Council proposal by end of 2023 (Euractiv, 3 March 2023)</a> <a href="#">European Parliament resolution of 2 February 2023 with recommendations to the Commission on Revision of European Works Councils Directive (2019/2183(INL)) (European Parliament, 2 February 2023)</a> and <a href="#">Directive 2009/38/EC of the European Parliament and of the Council of 6 May 2009 (Official Journal of the EU, 15 May 2009)</a></p>
EU (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Directive on promoting statutory minimum wages finalized</a> — key date: 15 November 2024</li> <li>• <a href="#">Law to improve gender balance on company boards approved</a> — key date: 30 June 2026</li> </ul> <p><b>Career — Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">EU requires enhanced corporate sustainability disclosures</a> — key date: 6 July 2024</li> </ul>
Belgium (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Collective agreement increases bicycle allowance</a> — key date: 1 May 2023</li> </ul> <p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Blue- and white-collar pension harmonization postponed</a> — key date: 1 January 2027</li> </ul>


France (new)	
Status	 <b>Proposal</b>
Development	<p><b>Wealth</b></p> <p><b>Increased pension age and contribution period proposed</b></p> <p>Retirement proposals could take effect from 1 September 2023, subject to the constitutional court's review. The reforms include two key changes:</p> <ul style="list-style-type: none"> <li>• The legal retirement age would progressively increase to 64 years by 2030 for individuals born in 1968 or later.</li> <li>• The contribution period required to receive full pension benefits would be extended — individuals born in 1965 or later would require 172 validated quarters.</li> </ul> <p>The legal retirement age in France currently is 62, and retirees receive full pension benefits, subject to having sufficient validated quarters — capped at 172 validated quarters for individuals born in 1973 or later. For example, an employee born in 1963 could receive full pension benefits at age 62, subject to having 168 validated quarters. Individuals who retire earlier receive permanently reduced pension benefits.</p>
Resources	<a href="mailto:marina.rouxel@mercer.com">marina.rouxel@mercer.com</a> , <a href="mailto:camille.mosse@mercer.com">camille.mosse@mercer.com</a> and <a href="mailto:arnauld.fourniol@mercer.com">arnauld.fourniol@mercer.com</a> <a href="#">Proposals</a> (French) (Legislature, 16 March 2023)
France (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">New gender quotas imposed for senior execs/management teams</a> — key date: 1 March 2026</li> </ul> <p><b>Career — Health</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Metallurgy sector agrees on national CBA</a> — key date: 1 January 2024</li> </ul>
Gibraltar (previously covered, with upcoming effective date)	
Development	<p><b>Health — Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Social security contribution rates change</a> — key date: 1 July 2023</li> </ul>
Greece (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Minimum wage increased</b></p> <p>On 1 April 2023, the monthly minimum wage increased to €780 euros, up from €713, and is payable over 14 months. The minimum wage is paid to 585,000 workers.</p>
Resources	<a href="#">News release</a> (Greek) (Government, 17 March 2023)

Greece (new)	
Status	 <b>Currently effective</b>
Development	<b>Health — Wealth</b> <b>Remuneration cap for social security contribution increased</b> Greece's National Social Security Agency announced on 9 February 2023 that the monthly cap on remuneration subject to employer and employee social security contributions has increased to €7,126 up from €6,500. The increase is effective from 1 January 2023.
Resources	<a href="#">Announcement</a> (Greek) (Government, 9 February 2023)
Hungary (new)	
Status	 <b>Currently effective</b>
Development	<b>Health — Wealth</b> <b>Minimum social security contribution rate for 2023 issued</b> The minimum social security contribution for full-time employees is HUF69,600 in 2023, calculated on the minimum monthly basic salary of HUF232,000. The National Tax and Customs Administration published the rate on 17 March 2023, along with information on tax filing and payments in the event of any temporary changes to the employer, such as the temporary assignment of an employee to another employer.
Resources	<a href="#">Announcement</a> (Hungarian) (Government, 17 March 2023)
Ireland (new)	
Status	 <b>Currently effective</b>
Development	<b>Wealth</b> <b>Tax agency updates guidance on pan-European pension products</b> The Irish Revenue commissioners has published updated guidance on contributions to Pan-European Pension Products (PEPPs) and the tax treatment of those contributions. The updated Revenue Pensions Manual sets out the aggregate tax-free contribution limit (€115,000) for taxpayers who have more than one source of income and contribute to several pension plans. The manual also provides further detail on how a pension adjustment order applies to benefits from a PEPP and discusses the tax relief for pension contributions and how the earnings limit applies. An appendix addresses tax relief for pension contributions made in the year of an individual's retirement.
Resources	<a href="#">Revenue eBrief No. 038/23</a> (Revenue, 24 February 2023)
Ireland (previously covered, with upcoming effective date)	
Development	<b>Career</b> <a href="#">Gender pay gap regulations issued</a> — key date: December 2023

Isle of Man (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> Effective 1 April 2023, the adult hourly minimum wage rates increased to £10.75, up from £9.50, and to £8.05 per hour, up from £6.80 for individuals older than school age but younger than age 18.
Resources	<a href="#">Minimum wage rates from 1 April 2023</a> (Government)
Israel (previously covered, with upcoming effective date)	
Development	<b>Career</b> <a href="#">Private medical insurance coverage reforms enacted</a> — key date: 1 May 2023
Mauritius (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> On 1 January 2023, the new monthly minimum wage increased to MUR12,075 (including the special allowance payment of MUR500) for workers in nonexport enterprises and to MUR12,075 (including the special allowance payment of MUR1,200 and an additional amount of MUR140) for workers in export enterprises.
Resources	<a href="#">Special allowance — Employees</a> (Mauritius Revenue Authority)
Netherlands (previously covered, with upcoming effective date)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li><a href="#">Whistleblowing law revised</a> — key date: 17 December 2023</li> <li><a href="#">30% tax rule for expat employees to change</a> — key date: 1 January 2024</li> </ul> <b>Wealth</b> <ul style="list-style-type: none"> <li><a href="#">Pension plan reforms delayed</a> — key date: Enactment expected in 2023</li> </ul>
Nigeria (previously covered, with upcoming effective date)	
Development	<b>Health</b> <ul style="list-style-type: none"> <li><a href="#">Health insurance coverage to significantly expand</a> — key date: Implementation date unknown</li> </ul>

Poland (new)	
Status	 Effective 21 days after law's publication in official journal
Development	<p><b>Career — Health</b></p> <p><b>Leave entitlement, protections for working parents established</b></p> <p>Employees in Poland are entitled to expanded parental leave, carer's leave and 'force majeure' leave under labour code revisions, some of which implement the European Union's directive on work-life balance for parents and carers. The measures will take effect 21 days after the law's publication in the official journal. Highlights include:</p> <ul style="list-style-type: none"> <li>• <b>Parental leave.</b> Employees are entitled to up to 41 weeks of parental leave (up from 32) for a child's birth and up to 43 weeks (up from 34) for multiple births. Each parent can take up to nine weeks of nontransferable leave, and both parents can take leave at the same time.</li> <li>• <b>Carer's leave.</b> Employees can take up to five workdays per year to care for a family member (son, daughter, mother, father or spouse) or a household member who requires care or support for serious medical reasons. Employees must provide their employer at least one day's written notice before taking carer's leave and include their relationship to the person requiring care and the medical reason for the leave.</li> <li>• <b>Force majeure leave.</b> Employees can take up to two days (or 16 hours) of leave every year for urgent family matters arising due to illness or accident if their immediate presence is necessary. The leave is paid at half-rate.</li> <li>• <b>Protection for working parents.</b> Employees with children younger than eight years can refuse night work, overtime work, split shifts that include a rest period of up to five hours and work in another location.</li> </ul>
Resources	<p><a href="mailto:kamil.skowera@MercerMarshBenefits.com">kamil.skowera@MercerMarshBenefits.com</a></p> <p><a href="#">Information on the law</a> (Polish) (Ministry of Family and Social Policy, 24 March 2023)</p>

Poland (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Health</b></p> <p><b>New remote-working measures enacted</b></p> <p>New remote-working provisions signed by the president replace the current teleworking measures in the Labor Code. The law took effect on 7 April 2023 — two months after publication in the <i>Journal of Laws</i>. Employers should adjust their internal policies and update their risk assessment and data protection policies. Highlights include:</p> <ul style="list-style-type: none"> <li>• Employers and employees should agree on remote-working arrangements (either full- or part-time), including the place of work. Either party can request reinstatement of the former working arrangements if remote working was agreed to during the employment relationship (rather than on completion of the employment contract).</li> <li>• Pregnant employees, employees with children younger than age four and individuals caring for a person with a disability have the right to remote-working arrangements. Employers can only refuse remote working because of the nature of the work or the organization, such as police or fire-fighting positions.</li> <li>• Employers can impose remote-working arrangements in exceptional circumstances, such as a pandemic.</li> <li>• Employers must pay for the costs incurred, including electricity and telecommunication expenses.</li> <li>• Employees can request occasional remote working — up to 24 days per year — although the employer would not be liable for the reimbursement of incurred expenses.</li> <li>• Remote employees must confirm with their employer that their workplace is health and safety compliant.</li> </ul>
Resources	<a href="#">Announcement</a> (Polish) (Journal of Laws, 6 February 2023) and <a href="#">Law</a> (Polish) (President's Office, 30 January 2023)
Poland (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Minimum wage to increase</a> — key date: 1 July 2023</li> </ul>
Saudi Arabia (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Contracting with companies with regional headquarters outside of the kingdom to cease</a> — key date: 1 January 2024</li> </ul>

Spain (new)	
Status	 Effective 1 June 2023
Development	<p><b>Career — Health</b></p> <p><b>Employees will be allowed to take sick leave due to ‘incapacitating menstruation’</b></p> <p>From 1 June 2023, women who suffer from secondary incapacitating menstruation will be allowed to take three to five days of sick leave every month, under a regulation modifying the law on sexual and reproductive health and abortion. Statutory sick leave benefits will be paid from the first day of absence, without requiring a minimum contribution period. To be eligible for the leave, women must have been medically diagnosed with secondary incapacitating menstruation (dysmenorrhea) and must have a medical certificate.</p>
Resources	<a href="#">Organic Law 1/2023 (Spanish)</a> (Official Bulletin, 1 March 2023)

**Spain (new)****Status****Effective dates vary.****Development****Wealth****Changes to public pension system enacted**

Royal Decree Law 2/2023 includes various measures to help meet demographic challenges and make the public pension system more equitable, sufficient and sustainable. The decree took effect on 1 April 2023, and the measures will be phased in. Highlights include:

- The maximum social security contribution base will increase annually in line with the consumer price index (CPI) for the 12-month period prior to December of the previous year. From 2024 to 2050, an additional 1.2 percentage points differential will be added to the annual CPI rate. The maximum pension from 2025 to 2050 will increase by the CPI, with an additional 0.115 percentage points cumulative increase each year. From 2051 to 2065, pensions will continue to increase annually up to a maximum of 20 percentage points.
- Workers with salaries exceeding the maximum contribution base will have to make an additional solidarity contribution that will have no impact on their benefits. The contribution will be introduced gradually from approximately 1% in 2025 to approximately 6% in 2045. The solidarity contribution will be shared between the worker and employer in line with the formula used to allocate social security contributions for common contingencies (currently, 23.6% paid by the employer and 4.7% paid by the employee).
- The intergenerational equity mechanism (MEI) will increase gradually to strengthen the Social Security Reserve Fund. The MEI will increase in 2029 to 1.2% (up from 0.6%), of which the employer will pay 1% and the worker will pay 0.2%. The 1.2% rate will be maintained from 2030 to 2050 (no rebate, reduction, exemption or deduction can be applied).
- The period for calculating pension benefits will change after a transitional arrangement that will let individuals (depending on their retirement date) choose between the current system (25 years) or the new formula. (This formula will use an individual's previous 29 years of contributions and exclude the two years in which the lowest contributions were paid.) The new system will fully apply from 2044. A transitional period also will apply from 2026 to 2036 for determining the regulatory base under Article 209.1 of the General Social Security Law.
- From 2024 to 2025, the gender gap supplement will increase by 10% in addition to the CPI increase. Coverage of the integration of gaps will be improved, with a special focus on women. Contribution gaps of up to five years will be covered up to 100% of the minimum base (this currently is capped at four years). The sixth and seventh years without contributions will be covered up to 80% (up from the current 50%) of the minimum base.

**Resources**


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[Royal Decree Law 2/2023](#) (Spanish) (Official Bulletin, 17 March 2023)


**Switzerland (previously covered, with upcoming effective date)****Development****Wealth**



- [First-pillar pension scheme reforms approved](#) — key date: unknown

Turkey (new)	
Status	 Currently effective
Development	<p><b>Wealth</b></p> <p><b>Early retirement option for eligible YET members introduced</b></p> <p>Changes to Turkey's regulation on Delayed Pension Age Employees (Emeklilikte Yaşa Takılanlar or EYT) will ease the retirement rules for EYT employees who do not currently meet the minimum retirement age requirement but fulfil certain other eligibility criteria. Until the 2023 changes, employees younger than the minimum retirement age who met the other retirement eligibility criteria could not retire early.</p> <p>The measures — Decree No. 375 and the Law on the Amendment of the Social Security and General Health Insurance No. 5510 — could impact an estimated 2.5 million employees. The first pension benefits under these measures will be paid from 1 April 2023. Highlights include:</p> <ul style="list-style-type: none"> <li>• The measures impact individuals who started work before 8 September 1999 and are within scope of the social security system — Social Insurance Institution (SSK), BAĞ-KUR and Emekli Sandığı.</li> <li>• The EYT's retirement rules remain unchanged (that is, individuals must be retirement age, have a minimum number of paid premium days and a minimum insurance period), but EYT members who fulfill two criteria (minimum insurance period and premium days) will be able to retire, regardless of their age.             <ul style="list-style-type: none"> <li>— Individuals covered by the SSK must have 5,000–6,000 premium days and a minimum insurance period of 20 years for women and 25 for men.</li> <li>— Individuals covered by BAĞ-KUR &amp; Emekli Sandığı must have 20 full insurance years for women (7,200 premium days) and 25 years for men (9,000 premium days).</li> </ul> </li> <li>• Employees who meet these conditions can apply online for retirement at any time. Employees also will have to submit a resignation letter to their employer, along with a letter from the SSK confirming their eligibility for a retirement pension and their application to the SSK. EYT employees could be rehired by the same employer (subject to their agreement) after starting to receive EYT retirement benefits.</li> </ul> <p>The EYT system is regulated by the state social security system, and the private pension system is subject to separate legislation and rules. However, the EYT scheme can affect current private pension plans (such as auto-enrolment schemes and company-sponsored plans).</p>
Resources	<p><a href="mailto:evsen.olmez@mercer.com">evsen.olmez@mercer.com</a></p> <p><a href="#">Law</a> (Turkish) (Official Gazette, 3 March 2023)</p>

United Kingdom (UK) (new)	
Status	 Ongoing initiative
Development	<p><b>Wealth</b></p> <p><b>Pensions Regulator focuses on climate and ESG reporting</b></p> <p>The Pensions Regulator (TPR) has launched a new campaign to ensure that trustees meet their environmental, social and governance (ESG) and climate-change reporting duties. As part of the campaign, TPR will launch a regulatory initiative in spring 2023 using scheme return data to check trustees' compliance.</p> <p>TPR will verify whether trustees of schemes with 100 or more members have published a statement of investment principles (SIP) that details the policies controlling how the scheme invests, including consideration of financially material ESG and climate factors. Schemes must also publish an implementation statement showing how the principles set out in the SIP are implemented.</p> <p>TPR will then review a cross-section of SIPs and implementation statements in the summer. The review's outcome will be published to highlight good practices, but TPR has warned that trustees of in-scope schemes could face enforcement action if they fail to publish their SIP and/or implementation statement.</p> <p>Schemes with relevant assets of £1 billion or more must also publish an annual climate change or Task Force on Climate-related Financial Disclosures (TCFD) report and include a link to that report in their scheme return. TPR plans to issue a statement on TCFD reports in the spring</p>
Resources	<a href="#">The Pensions Regulator increases its focus on climate and ESG noncompliance</a> (TPR, 22 February 2023)

UK (new)	
Status	 <b>Applicable from 6 April 2023</b>
Development	<p><b>Wealth</b></p> <p><b>Spring Budget 2023 includes pension tax changes</b></p> <p>The Spring Budget 2023 contained a number of significant pension tax changes, applicable from 6 April 2023. Highlights include:</p> <ul style="list-style-type: none"> <li>• Lifetime allowance (LTA) tax charges will no longer apply from 6 April 2024. The LTA is the cap on tax-effective pension savings that an individual can make without incurring penalty tax charges.</li> <li>• The pension commencement lump sum (PCLS or “tax-free cash”) will be limited to £268,275 (25% of the 2022–23 LTA) from 6 April 2023, except for individuals who have higher cash limits under various protections.</li> <li>• LTA protections (enhanced and fixed) will no longer be lost if individuals accrue or transfer benefits from 6 April 2023.</li> <li>• The annual allowance (AA) will increase to £60,000 (up from £40,000). The tapered AA will progressively decrease to a minimum of £10,000 (up from £4,000) for individuals with adjusted income exceeding £260,000 (up from £240,000).</li> <li>• The money purchase annual allowance (MPAA) will increase to £10,000 (up from £4,000). The MPAA is a separate allowance that limits savings into a money purchase arrangement for individuals who have already “flexibly accessed” any pension savings — for example, by taking benefits from flexi-access drawdown or taking an uncrystallized flexible pension lump sum.</li> </ul>
Resources	<p><a href="#">Spring Budget 2023</a> (HM Treasury, 15 March 2023) and <a href="#">Policy paper: Abolition of lifetime allowance and increases to pension tax limits</a> (Government, 17 March 2023)</p>

UK	
Status	 Consultation is open through 10 May 2023.
Development	<p><b>Career</b></p> <p><b>Financial regulator consults on the governance of sustainability</b></p> <p>The Financial Conduct Authority (FCA) recently published a discussion paper and consultation entitled “DP23/1 Finance for positive sustainable change: governance, incentives and competence in regulated firms.” The paper asks if regulated firms — including banks, insurers and asset managers — should incorporate sustainability into their business in addition to the current regulatory expectations of senior management. Comments are invited through 10 May 2023.</p> <p>The FCA clarifies that sustainability should be defined broadly to include climate matters and related issues, “such as human rights, diversity and inclusion, nature and biodiversity.” The FCA aims for the discussion paper to “encourage industry-wide dialogue on firms’ sustainability-related governance, incentives, and competencies” and includes 10 articles from industry experts and thought leaders to encourage the debate.</p> <p>The FCA previously informed asset managers that it will test their claims about ESG and sustainable investing, requiring appropriate governance structures to oversee their product development. (The FCA’s consultation on investment firms’ sustainability claims closed on 25 January 2023.) In 2022, the FCA announced the establishment of an ESG Advisory Committee to advise the FCA’s board and the formation of an independent group to develop a voluntary code of conduct on ESG data and providers of ESG ratings.</p>
Resources	<p><a href="mailto:andrew.marshall@mercer.com">andrew.marshall@mercer.com</a></p> <p><a href="#">Discussion Paper 23/1</a> (FCA, February 2023); <a href="#">DP 23/1: Finance for positive sustainable change</a> (FCA, 10 February 2023); <a href="#">FCA announces ESG advisory committee to its board</a> (FCA, 13 December 2022); <a href="#">Code of conduct for ESG data and ratings providers</a> (FCA, 22 November 2022); and <a href="#">Sustainability disclosure requirements (SDR) and investment labels</a> (FCA, October 2022)</p>

UK	
Status	 Consultation is open until 18 April 2023.
Development	<p><b>Career</b></p> <p><b>Code of practice on workforce dismissal and reengagement proposed</b></p> <p>Proposals on the dismissal and reengagement of employees feature in a consultation document and a draft statutory Code of Practice published by the UK government, with input invited through 18 April 2023. The code outlines steps employers should consider when dismissing and reengaging employees. Those steps include communication and consultation with employees and their representatives, the introduction of unilateral changes to employment terms and conditions, compliance with layoff obligations, and the reengagement of employees.</p> <p>The code would not impose any legal obligations, but it would be admissible in court or tribunal proceedings. Tribunals could increase an employee's compensation by up to 25% if an employer fails to comply with the code. The government has not provided an implementation time frame and said implementation will occur when parliamentary time allows.</p>
Resources	<a href="#">Draft code of practice on dismissal and re-engagement</a> (Government, January 2023)
UK (previously covered, now effective)	
Status	 Currently effective
Development	<p><b>Career</b></p> <p><b>National living wage and national minimum wage rates now effective</b></p> <p>The UK's revised national living wage (NLW) and national minimum wage (NMW) rates took effect on 1 April 2023. The NLW hourly rate now is £10.42 (up from £9.50) for individuals aged 23 year or older. The NMW rates are as follows: £10.18 (up from £9.18) for individuals aged 21 to 22; £7.49 (up from £6.83) for individuals aged 18 to 20; and £5.28 (up from £4.81) for individuals aged 16 to 17 and apprentices. The accommodation offset amount — an allowable deduction from wages for accommodation — is £9.10 (up from £8.70) and applies for each day of the week.</p>
Resources	<a href="#">Large minimum wage increases help protect low-paid workers' living standards</a> (Government, 17 November 2022)
UK (previously covered, with upcoming effective date)	
Development	<p><b>Wealth</b></p> <ul style="list-style-type: none"> <li><a href="#">New rules on defined contribution pension illustrations published</a> — key date: 1 October 2023</li> </ul>



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