Mercer

Law & Policy Group

Global Legislative Update

By Stephanie Rosseau and Fiona Webster
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A business of Marsh McLennan

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 | Developments to monitor

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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Section 1
Highlights

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Americas	
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Brazil	Social security contribution exemption to be extended
Canada	Guidance issued on multijurisdictional pension plan agreement issued Alberta proposes its own pension plan Incentive measure for remittance of unclaimed financial assets to end in Québec
Colombia	Mothers have right to paid breastfeeding breaks at work
Peru	New national holiday honors air force heroes starting in 2024
United States (US)	Top 10 health, leave benefit compliance and policy issues in 2024 Employer resources on Department of Labor's proposed expansion of overtime protections announced Eagerly awaited defined benefit mortality tables issued Minimum wage for federal contractors to increase Final rule on joint-employer status issued by National Labor Relations Board Executive order addressing artificial intelligence issued New proposal to expand ERISA investment advice United Kingdom employers can now transfer personal data to certified organizations in the US Protections for some foreign temporary workers strengthened Employer resources on noncompete restrictions Employer DEI resources after SCOTUS' ruling on affirmative action

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Asia Pacific	
Australia	New operational risk management standard to apply Reporting recommendations address managing environmental, social, and governance issues ASIC remediation guidance reminder to licensees issued Government responds to review of privacy law Financial Accountability Regime implementation begins Taxation of high super balance earnings proposed Strengthened work incentives for pensioners proposed
China	Certain policyholders in three provinces can transition from tax-deferred pension to new tax-deferred individual retirement account
Singapore	Infant care and paternity leave to increase in 2024
Europe, Middle East and Africa (EMEA)	
European Union (EU)	Commission to propose legislation to revise works council directive
Czech Republic	Changes to tax exemption of employee non-cash benefits proposed
France	Women who experience a miscarriage have expanded protections
Greece	Program tackles labor market 'brain drain' Employment reforms now effective
Mauritius	New law requires women make up at least 25% of board members and expands family-friendly measures
Norway	Changes to commuting deduction, social security proposed
Spain	Protections for LGBTQ employees enacted
Sweden	Employer compensation for high sick-pay costs to phase out
United Kingdom (UK)	Cap on bankers' bonus payments removed as of Oct. 31 Employers have new duty to prevent workplace sexual harassment Financial regulators consult on new diversity and inclusion regulatory framework Increased immigration health surcharge takes effect in 2024 UK employers can now transfer personal data to certified organizations in US

Section 2

Global

Reproductive rights	
Status	⚠ **Ongoing initiatives**
Development	**Health** **Global employer resources on reproductive rights post *Dobbs* ruling** In June 2022, the US Supreme Court's *Dobbs v. Jackson Women's Health Organization* decision overturned *Roe v. Wade*, finding no federal constitutional right to abortion and allowing states to regulate and ban abortions at all stages of pregnancy. To provide multinational employers 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	Roundup, regularly updated

Minimum wage rates	
Status	⚠ **Ongoing initiatives**
Development	**Career** **Global employer resources on minimum wage increases** 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	Roundup, regularly updated

Remote working	
Status	**Ongoing initiatives**
Development	**Career — Health — Wealth** **Countries address remote-working issues** 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 of 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 post-pandemic employer and employee requirements, 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.
Resources	Roundup, regularly updated

Section 3

Americas

Argentina (new)	
Status	**Currently effective**
Development	**Health** **Costs of private prepaid health system increased** The cost of prepaid medicine increased by 10.98% on Nov. 1, 2023, following a 6.97% increase on Oct. 1, 2023.
Resources	graciela.magonza@mercermarshbeneficios.com Information on health system costs (Department of Health)

Brazil (new)	
Status	**Extended until Dec. 31, 2027**
Development	**Health — Wealth** **Social security contribution exemption to be extended** Measures that would extend until Dec. 31, 2027, an exemption for employers in certain industry sectors from paying social security contributions, await the president's signature. The exemption is included in a current law slated to end in December 2023 and aims to boost employment. Highlights include: • Employers in 17 labor-intensive industry sectors include manufacturing (such as leather, footwear, clothing, textiles, machinery and equipment); services (such as information technology and call centers); transportation (such as road freight, urban road passenger transport and metro rail); and construction (civil and heavy construction). • Instead of paying social security contributions (normally 20% of salaries), employers in these sectors must pay an amount calculated on their company's gross revenues (from 1% to 4.5%, depending on the company's industry sector and business).
Resources	Announcement (Portuguese) (Government)

Canada (new)	
Status	**Currently effective**
Development	**Wealth** **Guidance on multijurisdictional pension plan agreement issued** The Canadian Association of Pension Supervisory Authorities (CAPSA) published its Commentary Guide on the multijurisdictional pension plan agreement (MJPPA) that was amended in 2023. The Guide contains the 2023 MJPPA's text, corresponding explanatory notes, and examples where necessary. The governments of Alberta, British Columbia, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, as well as the federal government, were signatories to the 2020 MJPPA. The 2020 MJPP was amended in 2023 to allow the governments of Manitoba, Newfoundland and Labrador to become parties to the agreement.
Resources	anastasia.soldatos@mercer.com Commentary Guide (CAPSA, October 2023)

Canada — Alberta (new)	
Status	**Consultation**
Development	**Wealth** **Alberta proposes its own pension plan** Alberta is consulting its residents, through telephone town hall sessions, on whether to exit the Canada Pension Plan and create its own pension plan, the Alberta Pension Plan (APP). An independent report suggest that the APP could "secure Albertan's pension benefits and achieve substantial savings with lower contribution rates and higher benefits for families and retirees." The engagement panel is gathering feedback on the implications, opportunities and challenges of establishing a provincial pension plan. The panel will then submit a report based on the provincewide engagement. An APP would have to be approved by referendum before it could be implemented.
Resources	kristin.smith@mercer.com Your pension, your choice (Government, Sept. 21, 2023) and Engaging with Albertans on a potential Alberta Pension Plan (Government, Oct. 12, 2023)

Canada — Québec (new)	
Status	⚠ **Ends Nov. 30, 2023**
Development	**Wealth** **Incentive measure for remittance of unclaimed financial assets to end** Québec is ending its incentive measure for the remittance of unclaimed financial assets, including amounts payable under a supplemental pension plan. Pension plan administrators have until Nov. 30, 2023, to take advantage of Revenu Québec's relief measures.
Resources	karine.bellavance@mercer.com What's new in 2023: End of the exceptional incentive measure for the remittance of unclaimed property on 30 November 2023 (Retraite Québec, Oct. 23, 2023)

Canada (previously covered, with upcoming effective date)	
Development	**Wealth** • Financial regulator issues final rule on assessments and fees in Ontario — key date: Dec. 1, 2023 • Québec's 2023–2024 budget includes pension plan changes — key date: Jan. 1, 2024 • Pension super priority federal legislation enacted — key date: April 27, 2027

Chile (previously covered, with upcoming effective date)	
Development	**Career — Health** • Weekly working time to be reduced — key date: Beginning in 2024

Colombia (new)	
Status	**Currently effective**
Development	**Career — Health** **Mothers have right to paid breastfeeding breaks at works** Employers must now provide nursing mothers with paid breastfeeding breaks during the working day under measures included in Law 2306 of July 31, 2023 that amends Article 238 of Colombia's labor code. Women who are breastfeeding must be provided with two paid 30-minute breaks during the working day up until their child is six months, and one paid 30-minute break per day up until their child is age two, subject to proving that they continue to breastfeed. Employers must grant more paid breastfeeding breaks if the employee provides a medical certificate stating that this is necessary. The labor code already requires employers to provide a lactation room, or another appropriate place, adjacent to the employee's workplace. In addition to the workplace measures, local government and other public bodies must establish public spaces to enable women to breastfeed privately.
Resources	david.vargas@mercer.com Law No. 2306 of July 31, 2023 (Spanish) (Government)

Dominican Republic (previously covered, with upcoming effective date)	
Development	**Career** • Minimum wage to increase — Feb. 1, 2024

El Salvador (previously covered, with upcoming effective date)	
Development	**Career — Health** • Large employers will be required to provide day care facilities — key date: June 2024

Mexico (previously covered, with upcoming effective date)	
Development	**Career — Health** • New safety and health standard for teleworkers published — key date: Dec. 5, 2023

Peru (new)	
Status	**Begins July 23, 2024**
Development	**Career** **New national holiday honors air force heroes starting in 2024** A new national holiday on July 23 is designated as the day of the Peruvian Air Force and commemorates a national hero of the air force. Employees have the right to paid time off if the national holiday falls on a working day (Monday through Friday). Employees who work on the national holiday will be paid a 100% premium.
Resources	Law No. 31822 (Spanish) (Official Diary, Aug. 7, 2023)

United States (US) (new)	
Status	**Effective dates vary.**
Development	**Career — Health** **Top 10 health, leave benefit compliance and policy issues in 2024** Employer-sponsored health plan compliance issues in 2024 will continue to generate extensive federal and state regulatory activity, legislation, and litigation. Issues in the spotlight include preparing for sweeping new mental health parity rules proposed for 2025, ongoing compliance with numerous group health plan transparency requirements, and efforts to rein in healthcare and prescription drug costs. Employers must also contend with the growing patchwork of state rules, particularly ones targeting prescription drug pricing and paid family/sick leave. Active litigation continues on several key health policy issues, including surprise billing, Affordable Care Act (ACA)-required preventive services and ERISA preemption of state benefit laws, especially those affecting prescription drug benefits. Major reforms in a divided Congress are unlikely, but bipartisan efforts to lower healthcare costs and regulate pharmacy benefit manager (PBM) practices this year could result in some new requirements for 2024 or later. This GRIST summarizes expected 2024 compliance and policy developments affecting health and leave benefits and suggests action steps for employers.
Resources	rich.glass@mercer.com, cheryl.hughes@mercer.com, geoff.manville@mercer.com, katharine.marshall@mercer.com, dorian.smith@mercer.com and jennifer.wiseman@mercer.com GRIST, Oct. 12, 2023

US (new)	
Status	**Proposal**
Development	**Career** **Employer resources on Department of Labor's proposed expansion of overtime protections announced** The Department of Labor (DOL) announced on Aug. 30, 2023, a proposed rule that would significantly expand overtime protections — guaranteeing overtime pay for most salaried workers earning less than $1,059 per week, or about $55,000 per year (up from $35,568 per year). Comments can be submitted until Nov. 7, 2023. The rule is controversial and will likely undergo revisions prior to being finalized. An Obama-era overtime rule was blocked in 2017 by a federal trial court, and business groups will also likely challenge this rule if finalized. To provide employers with some information about the proposed rules and the varying aspects and issues to consider, this roundup provides links to government information, third-party analyses, news articles and viewpoints.
Resources	Roundup (Mercer, regularly updated)

US (new)	
Status	Sponsors using plan-specific mortality tables can continue relying on them for 2024
Development	**Wealth** **Eagerly awaited defined benefit mortality tables issued** Defined benefit (DB) pension plan sponsors and administrators eager to update valuation and administration systems will welcome IRS's release of 2024 mortality tables for funding, minimum lump sum and other calculations. The regulation reflects the first update to the base mortality rates since 2018 and has a surprise adjustment to the mortality projection scale to reflect the impact of COVID-19 from 2020 through 2023. The final rule lets most sponsors using plan-specific mortality tables continue relying on them in 2024, but another IRS proposal addresses substitute mortality tables for 2025 and later valuation years. Comments on the proposal are due Dec. 19, 2023.
Resources	margaret.berger@mercer.com; bruce.cadenhead@mercer.com and brian.kearney@mercer.com GRIST, Oct. 27, 2023

US (new)	
Status	Effective Jan. 1, 2024
Development	**Career** **Minimum wage for federal contractors to increase** Beginning on Jan. 1, 2024, the Executive Order 14026 minimum wage rate that generally must be paid to workers performing work on or in connection with covered federal contracts will increase to $17.20/ hour — up from $16.20/hour in 2023. This minimum wage rate will apply to non-tipped and tipped employees alike, as, beginning Jan. 1, 2024, the executive order eliminates the lower cash wage that contractors may pay tipped employees. Contracts entered into before January 2022 are still subject to the lower hourly minimum wage rate — which is $12.15 for 2023. As a reminder, the executive order minimum wage increase has been blocked in Louisiana, Mississippi and Texas by a federal court order.
Resources	Executive order on increasing the minimum wage for federal contractors (The White House, April 27, 2021)

US (new)	
Status	⚠ **Effective for cases filed after Dec. 26, 2023.**
Development	**Career** **Final rule on joint-employer status issued by National Labor Relations Board** A final rule addressing the standard for determining joint-employer status under the National Labor Relations Act (Act) was issued by the National Labor Relations Board (NLRB) on Oct. 26, 2023 and will be effective for cases filed after Dec. 26, 2023. The 2020 Trump administration final rule, that set a higher threshold determination, is rescinded. Under the new standard, an entity may be considered a joint employer of a group of employees if each entity has an employment relationship with the employees, and they share or codetermine one or more of the employees' essential terms and conditions of employment. These are defined exclusively as: • Wages, benefits, and other compensation • Hours of work and scheduling • The assignment of duties to be performed • The supervision of the performance of duties • Work rules and directions governing the manner, means, and methods of the performance of duties and the grounds for discipline • The tenure of employment, including hiring and discharge • Working conditions related to the safety and health of employees. NLRB says the new final rule "more faithfully grounds the joint-employer standard in established common-law agency principles" by considering the alleged joint employers' authority to control essential terms and conditions of employment, whether or not such control is exercised, and without regard to whether the exercise of control is direct or indirect. The rule also provides guidance to parties regarding their rights and responsibilities in situations where joint-employer status has been established. The NLRB has issued a fact sheet on the rule.
Resources	Board issues final rule on joint-employer status (NLRB, Oct. 26, 2023); Standard for determining joint employer status (Federal Register, Oct. 27, 2023) and NLRB Fact Sheet: Joint-employer standard final rule (NLRB)

US (new)	
Status	**Currently effective**
Development	**Career — Health — Wealth** **Executive order addressing artificial intelligence issued** President Biden issued a “landmark executive order (EO) on Safe, Secure, and Trustworthy Artificial Intelligence (AI)” on Oct. 30, 2023. The executive order builds on previous actions the president has taken, including work that led to voluntary commitments from 15 leading companies to drive safe, secure, and trustworthy development of AI. The EO covers new standards for AI safety and security, privacy protections, nondiscrimination protections, healthcare precautions, worker support, mobility, and global initiatives.
Resources	Fact sheet: President Biden issues EO on safe, secure, and trustworthy AI (The White House, Oct. 30, 2023); Executive Order on the Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence (The White House, Oct. 30, 2023); Blueprint for an AI bill of rights (The White House); Fact sheet: President Biden Signs Executive Order to Strengthen Racial Equity and Support for Underserved Communities Across the Federal Government (The White House, Feb. 16, 2023)

US (new)	
Status	**Comments can be submitted until Jan. 2, 2024**
Development	**Wealth** **New proposal to expand ERISA investment advice** The Department of Labor (DOL) has released a new proposal to redefine and expand the scope of investment advice under ERISA. Individuals and firms who provide investment advice for a fee or other compensation are subject to ERISA’s fiduciary standard of care and conflict-of-interest prohibitions. The proposal is a top priority for both DOL and the Biden White House, which posted a fact sheet explaining the proposal’s objective to “minimize junk fees in retirement products, promote competition, and protect American workers’ retirements.” The proposal includes amendments to DOL’s longstanding five-part test for fiduciary investment advice and updates to seven prohibited transaction exemptions. The amended definition of investment advice would also apply to individual retirement accounts (IRAs) and health savings accounts (HSAs); these accounts generally aren’t covered by ERISA, but DOL has interpretive authority over similar prohibited transaction restrictions under the Tax Code.
Resources	matthew.calloway@mercer.com Proposed retirement security rule: Definition of an investment advice fiduciary (Employee Benefits Security Administration) and Fact Sheet: President Biden to announce new actions to protect retirement security by cracking down on junk fees in retirement investment advice (The White House, Oct. 31, 2023)

US — UK (new)	
Status	**Currently effective**
Development	**Career — Health — Wealth** **UK employers can now transfer personal data to certified organizations in US** From Oct. 12, 2023, organizations in the UK can transfer personal data to US organizations certified to the UK Extension to the European Union (EU)-US Data Privacy Framework (DPF) list maintained by the US Department of Commerce's International Trade Administration. However, some privacy campaigning organizations have already indicated they are considering a legal challenge to the EU-US DPF and possibly, the UK Extension. US Executive Order 14086 published on Oct. 7, 2023, designated the UK as a "qualifying state," meaning that UK individuals will have rights in relation to their personal data, provided that US organizations are certified. Under the UK Extension, data transfers from the UK to the US will be considered to provide data protection equivalent to the UK's General Data Protection Regulation, and do not require a transfer risk assessment or other measures. UK individuals can also rely on the DPF's newly established redress mechanism if they believe that the US authorities have unlawfully accessed their personal data for national security purposes. However, other personal data transfer mechanisms remain valid options for organizations to use, depending on their circumstances. The UK's Information Commissioner's Office advised that the UK Extension provides an "adequate level of data protection" but identified four areas that the UK secretary of state should monitor to ensure that data subjects' rights are not undermined. The areas of concern are that the definition of sensitive information does not include all the categories included in the UK's General Data Protection Regulation; the specific protections that will be given to criminal offense data; the lack of protection for individuals from decisions that are based solely on automated processing; and the absence of a right to be forgotten or an unconditional right for an individual to withdraw their consent.
Resources	UK and US reach commitment in principle over 'data bridge' (Government, June 8, 2023); Data privacy framework list (Data Privacy Framework Program); Enhancing safeguards for United States signals intelligence activities (Federal Register, Oct. 7, 2022) and The UK Government's assessment of adequacy for the UK Extension to the EU-US Data Privacy Framework for the general processing of personal data (Information Commissioner's Office)

US	
Status	**Comments can be submitted until Nov. 20, 2023, and Nov. 14, 2023, respectively**
Development	**Career** **Protections for some foreign temporary workers strengthened** Proposals that would strengthen the protections for foreign temporary workers employed through H-2A and H-2B visas in the US were issued by Homeland Security Department and published in the Federal Register on Sept. 20, 2023. H-2A visas cover seasonal and agricultural occupations, and H-2B visas apply to nonagricultural occupations including hospitality, landscaping, seafood processing and outdoor recreation. The proposal is open to comments until Nov. 20, 2023. Highlights include: • Protection of workers from illegal fees and salary reductions (including, but not limited to, visa application fees). Employers would face increased sanctions for imposing illegal fees on workers (including a one-year ban from participating in the temporary visa programs) • Employers could not charge “breach fees” to workers leaving their job before completion • Introduction of whistleblower protections for those reporting abuse • Elimination of the eligible countries’ list that restricts employer to hiring workers only from DHS-specified countries • More flexibility for H-2 workers by extending the grace periods for seeking new employment, preparing for departure from the US, or seeking a change of immigration status • The portability of H-2 visa status would be made permanent, allowing employers to hire H-2 workers who are already lawfully in the US while the employer’s H-2 petition for the worker is pending. Separately, the Department of Labor proposals issued on Sept. 15, 2023, would strengthen protection measures for H-2A workers and expand the department’s monitoring of program compliance and enforcement actions. Comments are invited through Nov. 14, 2023.
Resources	DHS issues proposed rule to modernize H-2 temporary visa programs and strengthen worker protections (Homeland Security, Sept. 18, 2023) and Proposed rules (Federal Register, Sept. 15, 2023)

US	
Status	⚠ **Effective dates vary.**
Development	**Career** **Employer resources on noncompete restrictions** Noncompete agreements prevent former employees from working for a competing employer or starting a competing business for a certain time period after their employment ends. At the federal level, President Biden, the FTC, the NLRB and Congress have recently attempted to ban or limit the use of noncompete agreements. At the state level, four states — California, Minnesota, North Dakota and Oklahoma — have generally banned noncompete agreements, and New York is poised to do so if the governor signs approved legislation. Numerous other states have enacted restrictions, such as only allowing noncompete agreements for employees above a certain salary threshold. This roundup focuses on recent federal and state actions to restrict noncompete provisions and provides links to federal and state resources from organizations, government websites, third-party resources and news articles.
Resources	Roundup, regularly updated

US	
Status	⚠ **Currently effective**
Development	**Career** **Employer DEI resources after SCOTUS' ruling on affirmative action** On June 29, 2023, the US Supreme Court, in *Students for Fair Admissions, Inc. v. President and Fellows of Harvard College*, ruled colleges' use of race as a factor in student admissions is unconstitutional under the Fourteenth Amendment's Equal Protection Clause. Since the decision, there have been various viewpoints on the effect of this ruling on companies' diversity, equity and inclusion (DEI) programs. For example, the EEOC announced that the decision "does not address employer efforts to foster diverse and inclusive workforces or to engage the talents of all qualified workers, regardless of their background." The EEOC said "[i]t remains lawful for employers to implement diversity, equity, inclusion, and accessibility programs that seek to ensure workers of all backgrounds are afforded equal opportunity in the workplace." In July, state attorneys general wrote to Fortune 100 CEOs about the decision and took different positions based on political affiliation. To provide employers with some information about the decision and the varying aspects and issues to consider with respect to employers' DEI programs, this roundup provides links to government information, third-party analyses, news articles and viewpoints. The aggregated content in each section is organized in reverse chronological order and is by no means comprehensive. The content also does not necessarily reflect Mercer's or the authors' point of view on the subject.
Resources	Roundup, regularly updated

US	
Status	⚠ **Effective dates vary.**
Development	**Wealth** **Resources for tracking state and local retirement initiatives** This article summarizes state and local retirement initiatives for private-sector workers and rounds up relevant Mercer and third-party resources. This listing is updated periodically and may not always reflect the latest development in every locality.
Resources	margaret.berger@mercer.com and brian.kearney@mercer.com GRIST, regularly updated

US — States	
Status	⚠ **Effective dates vary.**
Development	**Career** **Roundup: Employer resources on states' recent equal pay laws** The federal Equal Pay Act of 1963 requires that men and women in the same workplace receive equal pay for equal work. In recent years, many states have taken further efforts to address equal pay, such as enacting laws that prohibit employers from asking job applicants about salary history, requiring disclosure of salary ranges and pay data, protecting employees who disclose their pay, expanding equal pay protections for characteristics other than sex, and broadening comparisons of work and pay. In 2023, New Jersey and Illinois expanded equal pay protections to temporary workers. Stronger federal legislation — the Paycheck Fairness Act — was first introduced in 1997 but has failed to pass after numerous attempts — most recently in June 2021. On March 15, 2022, the Biden administration also announced commitments to advance pay equity. This roundup primarily focuses on recent state legislative initiatives pertaining to salary history bans and salary range disclosure requirements that affect private sector employers, and provides links to state resources from organizations, government websites, third-party resources and news articles. Certain cities have also taken action, but they are generally beyond the scope of this roundup.
Resources	Roundup, regularly updated

US — States	
Status	**Effective dates vary.**
Development	**Career** **Roundup: Employer resources on states' recreational marijuana laws** Twenty-three states, plus Guam and Washington, DC, have legalized the possession and personal use of marijuana for recreational purposes. To provide employers with some information on states' actions and the varying employment considerations involved, this roundup provides links to organizations, government websites, third-party analysis, news articles and viewpoints on marijuana usage for recreational purposes. Thirty-eight states, Guam, Puerto Rico, the US Virgin Islands and Washington, DC, have legalized marijuana use for medical purposes, but this roundup focuses on legal recreational marijuana use and its implications for employers. The aggregated content in each section is organized in reverse chronological order and is by no means comprehensive. It also does not necessarily reflect Mercer's or the authors' point of view on the subject.
Resources	Roundup, regularly updated

US — States	
Status	**Effective dates vary.**
Development	**Career** **Roundup: Employer resources on minimum wage increases** Beginning Jan. 1, 2023, the hourly minimum wage that federal contractors must pay to their employees increased to $16.20/hour — this follows an April 2021 executive order that required federal contractors to pay a $15 hourly minimum wage to workers for new federal contract solicitations starting Jan. 30, 2022. Several states have also taken action to gradually increase the minimum wage to at least $15/hour for most employees. To help employers prepare and address related issues, this roundup provides links to federal and state resources from organizations, government websites, third-party resources and news articles.
Resources	Roundup, 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 United States 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. Twenty 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 — California (new)	
Status	**Increases begin in June 2024**
Development	**Career** **Minimum hourly wage for healthcare workers will gradually increase to $25/hour** On Oct. 13, 2023, Governor Newsom signed legislation (SB 525) that will increase the minimum wage for many healthcare workers to $25/hour beginning in 2026. Under the law, workers at large healthcare facilities will earn $23/hour in June 2024, $24/hour in June 2025 and $25/hour in June 2026. For the rest of healthcare workers, the minimum wage will gradually increase to $25/hour at a slower pace. For example, employees at independent rural hospitals will get $18/hour in June 2024, and the rate will gradually increase to $25/hour in June 2033. California's state-wide minimum wage will be $16/hour in 2024.
Resources	SB 525 (Legislature)

US — California (new)	
Status	**Increases begin April 1, 2024.**
Development	**Career** **Fast food workers to earn $20/hour minimum wage** California's state-wide minimum wage will be $16/hour in 2024. Fast food workers will earn $20/hour beginning April 1, 2024, under legislation (AB 1228) that was signed by the governor on Sept. 28, 2023. The Fast Food Council can increase the wage annually, but the increase will be capped at the lesser of 3.5% or the annual increase in the US-CPI for Urban Wage Earners and Clerical Workers. The Council is also authorized to develop and propose other labor, health or safety standards for rule-making by the appropriate body. The Council and its authority sunset Jan. 1, 2029. California's general minimum wage is $15.50/hour for 2023; it will increase to $1/hour in 2024.
Resources	AB 1228 (Legislature)

US — California (new)	
Status	**Currently effective**
Development	**Career** **Ban on noncompete agreements reinforced, employee notification required** California's governor recently signed legislation (SB 699 and AB 1076) that reinforces California's existing ban on noncompete agreements. SB 699 prevents employers from entering into or enforcing contracts that are void under the California Business and Professions Code, regardless of whether the contracts were signed, or if employment was maintained outside of California. The legislation states that "California has a strong interest in protecting the freedom of movement of persons whom California-based employers wish to employ to provide services in California, regardless of the person's state of residence. This freedom of employment is paramount to competitive business interests." Employers that violate these provisions commit a civil violation, and an employee, former employee or prospective employee may bring a private action for injunctive relief and/or recovery of damages. AB 1076 codifies existing case law by specifying that the statutory provision voiding noncompete contracts is to be broadly construed to void the application of any noncompete agreement or any noncompete clause in an employment context — no matter how narrowly tailored — that does not satisfy specified exceptions. These provisions apply also to contracts where the person being restrained is not a party to the contract. By Feb. 14, 2024, employers are required to provide written notification to current and former employees who were employed after Jan. 1, 2022, that their noncompete clause or agreement is void. A violation of this law constitutes an act of unfair competition.
Resources	SB 699 and AB 1076 (Legislature)

US — California (new)	
Status	**Currently effective**
Development	**Career** **Asking applicants about prior cannabis use prohibited** On Oct. 7, 2023, the governor signed legislation (SB 700) that will make it unlawful for an employer to request information from an applicant for employment relating to the applicant's prior use of cannabis. The law does not apply to employees in the building and construction trades. Also, information about a person's prior cannabis use obtained from the person's criminal history will be exempt if the employer is permitted to consider or inquire about that information under a specified provision of the California Fair Employment and Housing Act or other state or federal law. As a reminder, on Sept. 18, 2022, the governor signed legislation (AB 2188) that, effective Jan. 1, 2024, makes it generally unlawful for an employer to discriminate based on nonworkplace cannabis use under the Fair Employment and Housing Act.
Resources	SB 700 (Legislature)

US — California (new)	
Status	**Effective Jan. 1, 2024**
Development	**Health** **Telehealth services expanded** California enacted 2023 Ch. 837 (AB 1369), which allows those licensed as physicians and surgeons in another state to provide healthcare via telehealth to individuals with an immediately life-threatening disease or condition. Other requirements must be met.
Resources	rich.glass@mercer.com 2023 Ch. 837 (AB 1369) (Legislature)

US — California (new)	
Status	⚠ **Effective for plan years starting in 2024**
Development	**Health** **Ground ambulance law passes** California enacted a law limiting what a participant must pay for out-of-network (OON) ground ambulance services. Under 2023 Ch. 454 (AB 716), participants in fully insured and managed care plans (including HMOs) will need to pay no more than the in-network (INN) cost-sharing rate for OON ground ambulance providers. In addition, these providers will not be prohibited from trying to collect a higher amount from participants or otherwise bill them more than the INN rate. Finally, these providers' charges for uninsured or self-pay individuals will be capped at Medi-Cal or Medicare rates, whichever is greater. Previously, medical transportation services providers were entitled to direct reimbursement from a plan and to demand payment for any unpaid portion from plan participants. The law will take effect for plan years starting in 2024. California generally does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state, as long as both an employer's principal place of business and a majority of employees are located outside of California. The law does not affect self-funded plans. A growing minority of states are addressing ground ambulance concerns, given their omission from federal No Surprises Act protections. Louisiana and Texas passed laws this year.
Resources	rich.glass@mercer.com 2023 Ch. 454 (AB 716) (Legislature)

US — California (new)	
Status	⚠ **Effective Jan. 1, 2024**
Development	**Health** **Forced arbitration tactics by employers limited** Effective Jan. 1, 2024, a party that appeals an order denying a motion to compel arbitration is not entitled to an automatic stay on trial court proceedings. SB 365 was recently signed by the governor and will give the courts discretion to decide if a case can proceed in the trial court while an appeal is heard. Under current California law, employers can halt proceedings by filing an appeal when a court refuses a defendant's petition to compel a case to private arbitration — in some cases, this can result in long delays before cases are heard. Various business organizations opposed the measure, and it is expected that SB 365 will be challenged. SB 365 will apply if employers' arbitration policies are governed by the California Arbitration Act; however, arbitration policies that are explicitly governed by the Federal Arbitration Act (FAA) will preempt SB 365. SB 365 follows AB 51, signed in October 2019, that was struck down by the Ninth Circuit Court of Appeals. It would have protected employees from forced arbitration and prohibited from waiving their rights under the California Fair Employment and Housing Act or other employment statutes as a condition of employment.
Resources	SB 365 (Legislature)

US — California (new)	
Status	⚠ **Effective Jan. 1, 2024**
Development	**Career — Health** **Paid sick leave entitlement expanded, preempting some aspects of local laws** Recently signed SB 616 expands mandatory paid sick leave from three days (or 24 hours) to five days (or 40 hours). The increase takes effect on Jan. 1, 2024. The final version of the bill is scaled back from the original, which proposed an increase to seven days. The accrual rate of one hour of paid sick leave for every 30 hours worked can continue, as long as new employees accrue 40 hours of paid sick leave by the 200th calendar day of employment (and ongoing employees accrue the same by the 200th calendar day of the benefit year). The annual usage cap increases to 40 hours, and the total accrual cap (with carryover from year to the next) goes up from six days (or 48 hours) to ten days (or 80 hours). Employers can still front-load the paid sick leave, but it must be at least 40 hours. Additional changes are made for employees covered by a collective bargaining agreement. The amended law also contains a limited preemption of certain local paid sick leave law provisions. Specifically, local law is preempted to the extent it is "contrary to" state law prescribing employer obligations related to end of employment and reinstatement, advance leave, paystubs, rate of pay, employee notice, and when leave must be paid. These preemption provisions may have little impact on employers with employees in the eight local jurisdictions with existing paid leave requirements. Watch for guidance from the state labor department.
Resources	katharine.marshall@mercer.com SB 616 (Legislature)

US — California (new)	
Status	**Currently effective**
Development	**Health** **Fully insured Rx law passed** A new California law removes a prescription drug sunset date for fully insured and managed care plans (including HMOs). Existing law caps copayments, coinsurance, or other cost sharing for a prescription drug at $250 for a 30-day supply. This provision was set to expire in 2024. 2023 Ch. 820 (AB 948) removes this expiration date. California generally does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state, as long as both an employer's principal place of business and a majority of employees are located outside of California. The law does not affect self-funded plans.
Resources	rich.glass@mercer.com 2023 Ch. 820 (AB 948) (Legislature)

US — California (new)	
Status	**Interim report is due Jan. 1, 2025**
Development	**Health** **Law requires a unified healthcare financing system study** A new law directs the state Health and Human Services Agency to conduct a study of how a unified healthcare financing system would work for all state residents. An interim report is due Jan. 1, 2025; a final report is due 10 months later.
Resources	rich.glass@mercer.com 2023 Ch. 412 (SB 770) (Legislature)

US — California (new)	
Status	**Effective Jan. 1, 2025**
Development	**Health** **Maternal and infant health equity program required** Current law requires fully insured and managed care plans (including HMOs) to cover maternal mental health services. The new law requires plans to provide a maternal and infant health equity program addressing racial health disparities in maternal and infant health outcomes through the use of doulas. Generally, doulas are individuals who provide guidance and support during pregnancy; the law does not define the term.
Resources	rich.glass@mercer.com 2023 Ch. 349 (AB 904) (Legislature)

US — California (new)	
Status	**Effective Jan. 1, 2024**
Development	**Health** **Autism coverage mandate expanded** Current law requires fully insured and managed care plans (including HMOs) to cover behavioral health treatment for autism and related conditions, as prescribed by a qualified professional. The new law expands determination rights to include psychological associates, associate marriage and family therapists, and associate clinical social workers.
Resources	rich.glass@mercer.com 2023 Ch. 635 (SB 805) (Legislature)

US — California (new)	
Status	**Effective Jan. 1, 2024**
Development	**Career — Health** **Leave required for reproductive loss event** The law requires employers with five or more employees to allow up to five days of paid or unpaid leave after a "reproductive loss event." The term means a failed adoption, failed surrogacy, miscarriage, stillbirth, or an unsuccessful assisted reproduction of an employee, spouse or domestic partner. Leave may be taken intermittently, and in most cases, it must be taken within three months of the event.
Resources	rich.glass@mercer.com AB 848 (Legislature)

US — California (new)	
Status	⚠ **Effective Jan. 1, 2024**
Development	**Career** **Equal pay and antiretaliation protections expanded** From Jan. 1, 2024, changes to California's labor code will provide a rebuttable presumption of retaliation for employees if their employer has disciplined or fired them within 90 days of certain protected activity, such as flagging workplace concerns, including equal pay. The measures feature in SB 497, signed by the governor on Oct. 8, 2023. Protected activities include filing complaints, participating in investigations, or exercising rights, or refusal to participate in an activity that would violate state or federal statute. Highlights of the changes include: • Employers who face a rebuttable presumption will have to show a legitimate, nonretaliatory reason for the alleged retaliation, and employees must show that the discipline was nonetheless retaliatory in nature. • Employers will have to pay increased penalties if they retaliate against employees who disclose information to government agencies or who testify during investigation. Penalties will be $10,000 per employee for each violation, awarded to the employee. • Employers face a rebuttable presumption against an employees' equal pay claim. Current law prohibits retaliation against employees who disclose or discuss their wages with coworkers, or who enquire about another coworker's wage, and requires equal pay for substantially similar work regardless of gender or race/ethnicity.
Resources	SB 497 (Legislature)

US — California (new)	
Status	⚠ **Effective Jan. 1, 2024**
Development	**Career — Health** **State disability insurance and paid family leave rates for 2024 issued** California announced its State Disability Insurance (SDI) and Paid Family Leave (PFL) rates for 2024. The employee contribution rate, which includes both SDI and PFL, will increase to 1.1% from 0.9% in 2024. The 2024 maximum weekly benefit has not been announced yet; it is $1,620 for 2023. Benefits are payable at 60% or 70%, depending on an employee's greatest quarterly base-period earnings, subject to a $50 minimum. Starting in 2024, the employee contribution wage limit will be removed, as the result of a 2022 law.
Resources	rich.glass@mercer.com Contribution rates, withholding schedules, and meals and lodging values (Employment Development Department)

US — California (new)	
Status	**Currently effective**
Development	**Health** **Medical information definition expanded under confidentiality law** A new law expands the Confidentiality of Medical Information Act's definition of medical information to include reproductive or sexual health application information.
Resources	rich.glass@mercer.com 2023 Ch. 254 (AB 254) (Legislature)

US — Connecticut	
Status	**Effective Jan. 1, 2024**
Development	**Career** **Minimum wage will increase to $15.69/hour** Connecticut's minimum wage will increase to $15.69/hour on Jan 1, 2024, up from $15/hour, the governor recently announced. For the first time, the adjustment is required under a 2019 state law (Public Act 19-4), that, beginning in 2024, ties adjustments to the percentage change in the federal employment cost index for the 12-month period ending on June 30 of the preceding year.
Resources	Governor Lamont announces Connecticut's minimum wage will increase to $15.69 in January under its first-ever economic indicator (Governor's website, Sept. 18, 2023) and Public Act 19-4 (Legislature)

US — Maryland (new)	
Status	**Beginning Oct. 1, 2024**
Development	**Career — Health** **Paid family medical leave contribution rate announced for 2024 through June 2024** Maryland's Department of Labor announced the contribution rate for the forthcoming family and medical leave insurance system. Employers participating in the state plan will begin making contributions on wages paid to employees starting Oct. 1, 2024. The total rate of 0.9% of covered wages up to the Social Security wage base (currently $160,200) will be evenly split between employees and employers, who will each contribute 0.45%. Small businesses with 14 or fewer employees are exempt from the employer's portion of the contributions, but employees will continue to contribute their 0.45% share. The contribution rate announced will continue through at least June 30, 2026. Starting in 2026, Maryland workers will receive job protection and up to $1,000 a week for up to 12 weeks to take time away from work to care for themselves or a loved one, to bond with a child, and for certain military-related events.
Resources	katharine.marshall@mercer.com Maryland Department of Labor announces contribution rate for the forthcoming Family and Medical Leave Insurance system (DOL, Sept. 29, 2023)

US — Massachusetts (new)	
Status	**Effective Jan. 1, 2024**
Development	**Career — Health** **2024 paid family leave contribution rates released** Massachusetts has posted its 2024 PFML contribution rates. Starting on Jan. 1, 2024, the contribution rate will significantly increase from 0.63% to 0.88% of wages up to the Social Security maximum wage base, which has not yet been announced for 2024. Employers with 25 or more Massachusetts employees will contribute 0.42% (up from 0.312% in 2023) while their employees will contribute 0.46% (up from 0.318% in 2023). Those with fewer than 25 workers in the state do not have to contribute but must collect and remit employee contributions of 0.46% for leave — 0.18% (family) and 0.28% (medical). The 2024 maximum weekly benefit will be $1,149.90.
Resources	rich.glass@mercer.com 2024 rates (Government)

US — Massachusetts (new)	
Status	⚠ **Currently effective**
Development	**Career — Health** **Employees are able to supplement paid family and medical leave** Under HR 4053, employers must allow "top-off" benefits in addition to paid family and medical leave (PFML) benefits available either through the state's public plan or an employer's approved private plan. Depending on the employer, these benefits might take the form of paid sick time, vacation, or other paid time off. Previously, employer-provided, non-PFML leave was only available during the seven-day waiting period for those covered under the public plan. The law took effect Nov. 1.
Resources	rich.glass@mercer.com HR 4053 (Legislature)

US — New York (previously covered, soon to be effective)	
Status	⚠ **Effective Nov. 13, 2023**
Development	**Career** **Employers will be required to notify employees of unemployment insurance eligibility** Employers will have to notify employees in writing about their eligibility for unemployment insurance when they make a permanent or temporary separation of the employee, reduce their working hours to the point where the employee qualifies for total or partial unemployment, or if there is any other interruption of continued employment that results in total or partial unemployment. The measures feature in S. 4878-A/A. 398-A, effective Nov. 13, 2023. The bill aims to increase impacted employees' awareness of their eligibility for unemployment insurance introduction, and also notes that some employers may be disincentivized from informing their employees about eligibility due to increased unemployment insurance payments when employees, or former employees, file for unemployment assistance.
Resources	Governor Hochul signs legislation to strengthen workers' rights in New York State (Governor's website, Sept. 14, 2023) and Senate Bill S4878A (Legislature)

US — New York — New York City (previously covered, soon to be effective)	
Status	**Effective Nov. 22, 2023**
Development	**Career — Health** **Employment discrimination based on height and weight banned** On May 26, 2023, the mayor of New York City signed a bill amending the New York City Human Rights Law to prohibit employment discrimination based on a person's height or weight. Employers can consider height or weight in employment decisions only when: • It's required by federal, state, or local laws or regulations • The Commission on Human Rights permits such considerations because height or weight may prevent a person from performing essential requirements of a job and no alternative is available • This criteria is reasonably necessary for the normal operation of the business. Employers can still offer incentives that support weight management as part of a voluntary wellness program.
Resources	Int. No. 0209-2022 (New York City Council, May 26, 2023) and Mayor Adams signs legislation to prohibit height or weight discrimination in employment, housing, and public accommodations (Government, May 26, 2023)

US — New York	
Status	**Comments may be submitted until Nov. 12, 2023.**
Development	**Career** **New pay transparency regulations proposed** New York's Department of Labor has issued proposed regulations on its new pay transparency law that took effect on Sept. 17, 2023, that requires salary ranges to be included in job postings. Highlights include: • The law does not apply to government agencies or temporary health firms. However, a temporary health firm must comply when it is advertising for positions within its own firm. • The requirements include opportunities that will be physically performed outside of New York but report to a supervisor, office or other work site in New York, such as where the applicant may be remote working, telecommuting or working from home. It does not include incidental/infrequent instances of being in New York for work purposes. • Advertisements are covered regardless of the medium in which they are posted and whether they are posted directly by the employer or a third party. However, employers shall not be deemed responsible for advertisements that are "scraped," or automatically aggregated electronically and posted by a third party without their knowledge or consent. • Employers may still hire, promote or transfer employees without posting an advertisement. • Advertisements must contain a job description for the opportunity if a job description exists. In limited circumstances, the name of the position may convey the duties, for example, a dishwasher when duties are only washing dishes. • "Range of compensation" is defined as the base rate of pay, regardless of payment frequency. Such range must be for a single opportunity and a single geographic location or region. If an advertisement for an opportunity is intended to cover multiple geographic locations or intended to include multiple levels of seniority or supervisory authority, then multiple ranges of compensation for each individual opportunity must be provided. If the range information is extensive, the employer may provide it in a separate attachment or addendum as long as it is available free of charge and is easily accessible. • Other forms of compensation or benefits offered in connection with the opportunity are not required to be disclosed. However, employers may provide additional relevant compensation or benefit information. • The range of compensation cannot be open-ended, for example, by stating $20 per hour and up or maximum $50,000 per year. • The range of compensation must include the minimum and maximum annual salary, or hourly rate, for an opportunity that the employer believes in good faith to be accurate at the time of the posting of an advertisement for such opportunity. "Good faith" means the range of compensation the employer legitimately believes they are willing to pay the successful applicant or employee at the time they post an advertisement. Employers may consider various factors, such as the job market, current employee compensation levels, hiring budget, and experience and education levels acceptable for the opportunity. Examples of good and bad faith are provided. An employer is not precluded from adjusting the range of compensation after collecting additional information through the hiring process.
Resources	Proposed regulations (Register, Sept. 13, 2023) and GRIST, (March 9, 2023)

US — New Jersey (new)	
Status	⚠ **Effective Jan. 1, 2024**
Development	**Career — Health** **Temporary disability insurance and family leave insurance rates for 2024 posted** New Jersey posted its 2024 temporary disability insurance (TDI) and family leave insurance (FLI), which together constitute the state's paid family medical leave. Employee contributions are not required in 2024 for TDI, just like in 2023. Employee FLI contributions will increase from 0.06% in 2023 to 0.09% in 2024. Employer FLI contributions are not required. Employers must collect and remit contributions up to the $161,400 taxable wage base for 2024, an increase from $156,800 in 2023. The 2024 maximum TDI/FLI weekly benefit rate of $1,055 reflects an increase from $1,025 in 2023.
Resources	rich.glass@mercer.com Rate information, contributions and due dates (Department of Labor and Workforce Development)

US — Oregon (new)	
Status	⚠ **Currently effective**
Development	**Career — Health** **Clarification of paid leave law issued** Oregon's Bureau of Labor and Industries issued a temporary administrative order to clarify that an employer may require a written attestation when an employer requests paid leave to care for or deal with the death of a family member related by affinity.
Resources	rich.glass@mercer.com Temporary Administrative Order (Office of the Secretary of State, Sept. 6, 2023)

US — Washington (new)	
Status	**Effective Jan. 1, 2024**
Development	**Career** **Minimum wage rates to increase** Washington will increase its minimum wage for employees aged 16 or older to $16.28/hour as of Jan. 1, 2024 — up from $15.74/hour in 2023. Employees aged 14 to 15 years will be paid $13.84/hour in 2024 — up from $13.38/hour in 2023. Large employers with 51 or more employees must pay exempt employees at least twice the minimum wage to be exempt from overtime requirements — $1,302.40 per week/$67,724.80 per year for 2024 — up from $1,101.80 per week/$65,478.40 per year for 2023. Seattle's Office of Labor Standards also announced the hourly minimum wage rates for 2024. The minimum wage for 2024 will be $19.97/hour for employers with 501 or more employees (up from $18.69/hour in 2023). Smaller employers will pay $17.22/hour if they pay $2.72 or more per hour toward employees' medical benefits (up from $2.19/hour in 2023), or if the employee earns $2.72 or more per hour in tips (up from $2.19/hour in 2023). Otherwise, they must pay $19.97/hour (up from $18.69/hour in 2023). Additionally, the city of SeaTac announced that the minimum wage for hospitality and transportation workers will increase to $19.71/hour as of Jan. 1, 2024 — up from $19.06/hour.
Resources	Washington's minimum wage will hit $16.28 per hour in 2024 (Washington State Department of Labor & Industries, Sept. 29, 2023); Office of Labor Standards announces Seattle's 2024 minimum wage (Government, Oct. 16, 2023) and City of Seatac announces 2023 minimum wage adjustments (City of Seatac, Oct. 6, 2023)

US — Washington (new)	
Status	**Effective Jan. 1, 2024**
Development	**Career — Health** **Paid family and medical leave contribution rates to drop** Washington's Employee Security Department announced that paid family and medical leave (PFML) contributions will drop from 0.8% to 0.74%, starting in 2024. The employer portion of that rate is 28.57% (0.21142%); the employee portion is 71.43% (0.52858%). Employers with fewer than 50 Washington employees are not required to contribute. The maximum wage base equals the Social Security maximum taxable wage base ($168,600).
Resources	rich.glass@mercer.com 2024 paid family & medical leave premiums (Employee Security Department)

US — Washington, DC (new)	
Status	⚠ **Currently effective**
Development	**Career — Health** **Universal paid leave maximum weekly benefit to increase** The District's Universal Paid Leave maximum weekly benefit increased to $1,118, based on a minimum wage increase to $17 per hour.
Resources	rich.glass@mercer.com Benefits calculator (Government)

US (previously covered, with upcoming effective dates)

Development

Career

- Hourly workers' overtime pay exempt from state income tax in Alabama — key date: Dec. 31, 2023
- Final SEC clawback rule requires significant changes to policies — key date: early in 2024
- Hourly minimum wage to increase to $16/hour in California — key date: Jan. 1, 2024
- Equal pay disclosure requirements amended in Colorado — key date: Jan 1, 2024
- Hourly minimum wage to increase to $18.29/hour in Denver, Colorado — key date: Jan. 1, 2024
- Pay disclosure required in job listings, equal pay law expanded in Hawaii — key date: Jan. 1, 2024
- Law requiring pay transparency in job postings enacted in Illinois — key date: Jan. 1, 2025
- Minimum wage rate to increase in Maryland — key date: Jan. 1, 2024
- Hourly minimum wage to generally exceed $15.13/hour in 2024 in New Jersey — key date: Jan. 1, 2024
- Wage payment salary threshold for exempt employees to increase in New York — key date: March 13, 2024
- Right-to-work law repealed in Michigan — key date: March 30, 2024
- Law bans age-related inquiries during hiring process in Colorado — key date: July 1, 2024
- Two-tier minimum wage system to be eliminated in Nevada — key date: July 1, 2024
- Hourly minimum wage to increase to $18 in Hawaii — key date: Jan. 1, 2026

Career — Health

- Employment discrimination based on nonworkplace cannabis use barred in California — key date: Jan. 1, 2024
- Family and medical leave insurance wages will include pre-tax amounts in Colorado — key date: Jan. 1, 2024
- Paid family medical leave regulations finalized in Colorado — key date: Jan. 1, 2024
- Employers must notify remote workers electronically in Illinois — key date: Jan. 1, 2024
- New unpaid child bereavement leave law enacted in Illinois — key date: Jan. 1, 2024
- Paid leave to be required for organ donations in Illinois — key date: Jan. 1, 2024
- Paid leave coming to Illinois — key date: Jan. 1, 2024
- Medically necessary fertility preservation law enacted in Louisiana — key date: Jan 1, 2024
- Paid sick and safe leave requirements adopted in Minnesota — key date: Jan. 1, 2024
- Paid family and medical leave mandated in Minnesota — key date: Jan. 1, 2024
- Unpaid domestic violence leave law changed to include sexual assaults in Nevada — key date: Jan. 1, 2024
- 2024 paid family leave rates published in New York — key date: Jan. 1, 2024
- Voluntary paid family leave law enacted in Tennessee — key date: Jan. 1, 2024
- Voluntary family medical leave program announced in Vermont — key date: Jan. 1, 2024
- Paid family medical leave calculations changed in Washington — key date: Jan. 1, 2024

US (previously covered, with upcoming effective dates) (continued)	
Development	**Health** • 2024 paid family medical leave benefit limits issued — key date: Jan. 1, 2024 • App-based workers entitled to accrue sick and safe time in Seattle, Washington — key date: Jan. 13, 2024 • Paid family and medical leave revised in Maryland — key date: Oct. 1, 2024 • Paid family medical leave program legislation enacted in Delaware — key date: 2025 • Paid family and medical leave law enacted in Minnesota — key date: Jan. 1, 2026 • Voters approve medical debt ballot initiative in Arizona — key date: Jan. 1, 2024 • Health insurance restrictions enacted in Connecticut — July 1, 2024 • Insurance law requires third-party payments to apply toward cost sharing in Delaware — key date: Jan. 1, 2024 • New law requires annual behavioral health well check for insured plans in Delaware — key date: Jan. 1, 2024 • Prepaid Health Care Act Form HC-5 for 2024 now posted in Hawaii — key date: Jan. 1, 2024 • Prescription drug law enacted in Illinois — key date: Jan. 1, 2024 • Transportation benefits law enacted in Illinois — key date: Jan. 1, 2024 • More health insurance mandates enacted in Illinois — key date: Jan. 1, 2024 • Abortifacient, hormonal therapy and HIV coverage mandated in Illinois — Jan. 1, 2024 • Two telehealth laws enacted in Louisiana — key date: 2024 plan year • Health care cost comparison website expanded to include ambulance services in Maine — key date: Jan. 1, 2024 • Fully insured plans prohibited from applying cost sharing to abortion services in Maine — key date: Jan 1, 2024 • Law increases restrictions on pharmacy benefit managers in Maryland — key date: Jan. 1, 2024 • 2024 individual-mandate coverage dollar limits set in Massachusetts — key date: Jan. 1, 2024 • Voters approve medical loss ratio requirement for insured dental plans in Massachusetts — key date: Jan 1, 2024 • Pharmacy benefit management legislation enacted in Michigan — key date: Jan. 1, 2024 • New fertility coverage mandate applies to fully insured plans in Montana — key date: Jan 1, 2024 • Diabetes self-management training and education services coverage required in Montana — key date: Jan. 1, 2024 • Step therapy restricted in Nevada — key date: Jan. 1, 2024 • Insulin cost-sharing law enacted in Nebraska — key date: Jan. 1, 2024 • Prescription benefit law enacted in New Mexico — key date: Jan. 1, 2024

US (previously covered, with upcoming effective dates) continued	
Development	**Health (continued)** • Diabetes insurance coverage and protections expanded in New Mexico — key date: Jan. 1, 2024 • Comprehensive pharmacy benefit manager reforms enacted in South Carolina — key date: Jan. 1, 2024 • Employers providing paid family medical leave eligible for state tax credits in Tennessee — key date: 2024 • Law eases multiple-employer welfare arrangements, adds participant protections in Texas — key date: Jan. 1, 2024 • Law applies balance billing restrictions to ground ambulance providers in Texas — key date: Jan. 1, 2024 • Multiple benefit laws enacted in Texas — key date: 2024 plan year • Hearing aid coverage mandated in Vermont — key date: Jan. 1, 2024 • New requirements for insurers in Virginia — key date: Jan. 1, 2024 • Abortion insurance coverage mandate enacted in Washington — key date: Jan. 1, 2024 • Prescription drug law enacted in West Virginia — key date: Jan. 1, 2024 • Prescription drug law enacted in Wyoming — key date: Jan. 1, 2024 • Expiration date for several health-related provisions extended in Vermont — key date: March 31, 2024 • New health data privacy law enacted in Washington — March 31, 2024 • Sweeping pharmacy benefit manager law passed in Florida — key date: July 1, 2024 • Telehealth law extended in Washington — key date: July 1, 2024 • Prescription drug law enacted in Virginia — key date: July 1, 2024 • High-deductible health plan COVID-19 testing predeductible flexibility ends — key date: Jan 1, 2025 • New law to require dental plan disclosures in California — key date: Jan. 1, 2025 • Third-party prescription drug payment law enacted in Colorado — key date: 2025 plan year • Health coverage mandates enacted in Colorado — key date Jan. 1, 2025 • Insulin cost-sharing law enacted in Illinois — key date: July 1, 2025 • Prescription cost-sharing limits law enacted in Minnesota — key date: Jan. 1, 2025 • Prescription benefit law enacted in North Dakota — key date: Jan. 1, 2025 • Cost-sharing caps imposed on specialty drugs and EpiPens in Rhode Island — key date: 2025 plan year • Prescription drug requirements enacted in Texas — key date: Jan. 1, 2025 • Benefit law enacted in Washington — key date: Jan 1, 2025 • Fertility treatment law enacted in Washington, DC — key date: Jan. 1, 2025 • Data protection law enacted in Tennessee — key date: July 1, 2025 • Telehealth law to expire in Hawaii — key date: Dec. 31, 2025 • State-based exchange delivery to change in Oregon — key date: Nov. 1, 2026

US (previously covered, with upcoming effective dates) continued	
Development	**Wealth** • SECURE 2.0 retirement reforms are now law — key date: Jan. 1, 2024 • Final required minimum distribution rule delayed, relief for SECURE Act given — key date: Jan. 1, 2024 • IRS delays SECURE 2.0's Roth catch-up mandate — key date: 2026 • Common pension system established — key date: Dec. 1, 2023 • IRS delays SECURE 2.0's Roth catch-up mandate — key date: 2026

Section 4

Asia Pacific

Australia (new)	
Status	**Effective July 1, 2025**
Development	**Wealth** **New operational risk management standard to apply** Following finalization of the new cross-industry Prudential Standard CPS 230 Operational Risk Management, the Australian Prudential Regulation Authority (APRA) has made a legislative determination that the standard will apply from July 1, 2025, to various APRA-regulated entities, including Authorized Deposit-Taking Institutions (ADIs) and non-ADIs, insurers and registered superannuation entity licensees. Regulated entities have just over 18 months to bring their current arrangements into compliance with the new requirements. The determination also revokes existing prudential standards from that July date as follows: • Prudential Standard CPS 231 Outsourcing • Prudential Standard CPS 232 Business Continuity Management • Prudential Standard SPS 231 Outsourcing • Prudential Standard SPS 232 Business Continuity Management • Prudential Standard HPS 231 Outsourcing. CPS 230 is designed to strengthen the management of operational risk, improve business continuity planning and manage risks from using service providers for all APRA-regulated entities. The determination's explanatory statement explains the specific provisions of CPS 230 and APRA's power to exercise various discretions.
Resources	paul.shallue@mercer.com Prudential Standard CPS 230 Operational Risk Management (APRA, July 2025)

Australia (new)	
Status	Currently effective
Development	**Wealth** **Reporting recommendations address managing environmental, social and governance issues** The Taskforce on Nature-Related Financial Disclosures (TNFD) has issued reporting recommendations on the management of ESG issues. The TNFD is a globally-sponsored initiative funded by the private sector and governments, including the Australian Department of Climate Change Energy Environment and Water. The TNFD's 14 disclosure recommendations are designed to meet the corporate reporting requirements of organizations in different jurisdictions and align with global corporate sustainability reporting standards and the Kunming-Montreal Global Biodiversity Framework. They guide corporations on the identification, assessment, management and, where appropriate, the disclosure of nature-related dependencies, impacts, risks and opportunities. The framework comprises a set of general requirements, and recommended disclosures focus on four pillars (governance, strategy, risk and impact management, and metrics and targets). The TNFD is consistent with the Taskforce on Climate-Related Financial Disclosures and the International Financial Reporting Standards. The Australian Council of Superannuation Investors has endorsed the TNFD's recommendations, and will encourage listed corporations to align and comply with the recommendations.
Resources	paul.shallue@mercer.com Taskforce on Nature-Related Financial Disclosures

Australia (new)	
Status	Currently effective
Development	**Wealth** **ASIC remediation guidance reminder to licensees issued** The Australian Securities and Investments Commission (ASIC) issued a reminder to licensees to remediate affected customers quickly and fairly, in line with ASIC's guidance in Regulatory Guide 277 Consumer Remediation. ASIC assessed the implementation of RG 277 by some large financial institutions and reviewed their remediation policies and procedures. The review identified inconsistencies between policies and procedures with RG 277 that could result in poor customer outcomes. ASIC notified the licensees included in the review, outlining its findings and concerns and requiring changes to their remediation policies, procedures and practices to be consistent with RG 277. ASIC expects all licensees to align their remediation practices with the guidance in RG 277. ASIC warns licensees to consider the review's key findings and make any necessary changes to their policies, procedures and practices.
Resources	paul.shallue@mercer.com ASIC calls on licensees to strengthen remediation procedures (ASIC, Sept 25, 2023) and Regulatory Guide 277 Consumer Remediation (ASIC, Sept. 27, 2022)

Australia (new)	
Status	⚠ **Currently effective**
Development	**Career — Health — Wealth** **Government responds to review of privacy law** The government has responded to the 116 proposed recommendations included in the review of the Privacy Act conducted by the Federal Attorney General's Department, indicating that it will accept and legislate for most of the recommendations. The review was conducted over a three-year period and delivered earlier in 2023. It aims to build on legislation passed in 2022 that significantly increased the penalties for repeated or serious privacy breaches; strengthened the notification and remediation requirements for affected individuals and the regulator; and, expanded the Australian Information Commissioner's powers. The Government accepted and agreed to 38 recommendations; it agreed "in principle" to 68 recommendations (and will conduct further engagement and impact analysis on regulated entities), and "noted" 10 recommendations. The recommendations that are "agreed" and "agreed in principle" would require entities to gain informed consent from individuals over the handling of their personal data; make entities accountable for handling individuals' information and strengthen requirements to keep the information secure; and, clarify how entities could protect individuals' privacy and simplify their obligations when handling personal data on behalf of another entity. The Government intends to introduce legislation to implement the accepted recommendations in 2024.
Resources	paul.shallue@mercer.com Government response to the Privacy Act Review Report (Government, Sept. 28, 2023)

Australia (new)	
Status	**Effective dates vary.**
Development	**Career — Wealth** **Financial Accountability Regime implementation begins** The Australian Prudential Authority (APRA) and the Australian Securities and Investments Commission (ASIC) released an information package outlining how they will jointly administer the Financial Accountability Regime (FAR) and providing guidance to authorized deposit-taking institutions (ADIs). The first group of APRA-regulated entities (ADIs) must transition from the Banking Executives Accountability Regime to comply with FAR from March 2024. The information includes ADI accountability statement guidance and a template. FAR will commence for superannuation trustees and APRA-regulated insurers from March 2025. APRA and ASIC confirmed they will soon publish the Regulator Rules and Transitional Rules for ADIs and the Key Functions Descriptions — these were released for consultation on July 20, 2023. Regulator reporting instructions will also follow. A FAR information paper and consultation on key functions for insurance and superannuation are planned in Q1 2024.
Resources	paul.shallue@mercer.com Financial Accountability Regime (ASIC)

Australia (new)	
Status	**Proposal**
Development	**Wealth** **Taxation of high super balance earnings proposed** The government has released exposure draft legislation to implement the proposed new tax earnings on “high” superannuation balances from July 1, 2025. A short consultation period closed on Oct 18, 2023. The proposed tax measures are broadly consistent with previous announcements, but measures on the taxation of defined benefit (DB) pension interests have not been issued. As drafted, a new division would be established in the Income Tax Assessment Act 1997 — Division 296. The tax would initially apply in the 2025-26 financial year to individuals who have a Total Superannuation Balance (TSB) exceeding $3 million AUD at the end of the financial year — this amount is defined in the draft legislation as the large superannuation balance threshold (LSBT) and is not subject to indexation (this threshold could be adjusted in the future). The tax would be levied directly on individuals. However, super funds would have some new reporting requirements to enable the Australian Taxation Office to determine, assess and notify of taxes due. Individuals would have the option to pay the tax, use their super fund to pay the tax, or defer payment into a “Div 296 tax debt account” if the tax is associated with a DB interest. Special rules would apply to individuals with a DB interest (a separate consultation on the proposed methodology applicable is expected), and DB income streams would require annual valuations.
Resources	paul.shallue@mercer.com Exposure draft explanatory materials (Treasury)

Australia (new)	
Status	**Proposal**
Development	**Wealth** **Strengthened work incentives for pensioners proposed** Measures that would provide more choice and flexibility for older Australians and eligible veterans through an enhanced pension "Work Bonus" are included in the Social Security and Other Legislation Amendment (Supporting the Transition to Work) Bill 2023. Eligible social security pensioners who are older than the "age pension" age, and certain recipients of veterans' entitlement who are older than the qualifying age would be allowed to earn up to $4,000 AUD before the income test is applied and their payments are impacted. The measures would also double the employment income nil rate period and expand access to the nil rate period for recipients who enter full-time work. The Minister for Social Services said the bill would help remove the barriers faced by individuals looking to re-enter the workforce, and particularly those seeking short-term, casual and gig economy work. Highlights of the bill include: • Eligible payment recipients would be credited $4,000 AUD to their unused Work Bonus concession balance on commencement, making the current temporary credit permanent. • The AU $4,000 increase to the maximum unused Work Bonus concession balance (to $11,800 AUD, up from $7,800 AUD) would also be made available to all eligible pensioners on an ongoing basis. • Eligible social security recipients — including recipients who work full-time — would also benefit from an extended employment income nil rate period of 24 weeks under the Social Security Act 1991. This would allow more recipients to have continued access to supplementary benefits (such as concession cards and additional child care subsidy) if their own and/or their partners' income (including some employment income) exceeds the relevant income limit for a longer period. Recipients would be granted an extended period during which their payment could be restored if they lose their job or report a reduced income that triggers the payment threshold. • Schedule 1 of the Bill (this addresses the pensioner work bonus) would start on Jan. 1, 2024, and Schedule 2 (dealing with extending the employment income nil rate period) would start on July 1, 2024.
Resources	paul.shallue@mercer.com Social security and other legislation amendment (supporting the transition to work) bill 2023 (Legislature)

Australia (previously covered, with upcoming effective dates)

Development

Career

- Regulator finalizes new remuneration disclosure requirements — key date: Jan. 1, 2024
- Employer gender pay, equality reporting requirements expanded — key date: April 1, 2024

Career — Wealth

- Financial Accountability Regime enacted — key date: March 15, 2025

Wealth

- Protecting Worker Entitlements Bill includes superannuation measures — key date: Jan. 1, 2024
- Regulator issues final prudential standards and guides — key date: Jan. 1, 2024

China — Shanghai, Fujian province (including Xiamen), and Suzhou Industrial Park

Status ⚠ **Currently effective**

Development

Wealth

Certain policyholders in three provinces can transition from tax-deferred pension to new tax-deferred individual retirement account

Since 2018, Shanghai, Fujian province (including Xiamen), and Suzhou Industrial Park were selected to pilot tax-deferred individual commercial pension insurance plans. On Aug. 31, 2023, the Ministry of Finance announced the alignment of the tax-deferred pension treatment account (IRA) introduced in 2022 with the pilot tax-deferred individual commercial pension insurance.

In 2022, China launched the IRA system — a voluntary private pension scheme that complements its three-pillar pension system. Contributions to the IRA are deductible against an individual's gross comprehensive income. Annual contributions are capped at 12,000 RMB per person. The IRA offers more tax advantages than the pension insurance program launched in 2018, reducing the tax burden on pension distribution to 3%, down from 7.5%.

The pilot tax-deferred individual commercial pension insurance ceased on Sept. 1, 2023, and policyholders in the three provinces, who paid a minimum six consecutive months of contributions, can apply to transition to IRA. If the total premium paid for years 2022 and 2023 exceeds 12,000 RMB, the policyholder can apply for redemption of the additional amount.

Resources

angela.li@mercer.com

Announcement (Chinese) (Aug. 31, 2023)

China (previously covered, with upcoming effective date)

Development

Career

- Preferential taxation policy for expatriates expanded — key date: Dec. 31, 2027
- Preferential taxation policy for annual one-time bonus extended — key date: Dec. 31, 2027

Hong Kong (previously covered, with upcoming effective date)	
Development	**Career** • Gender board diversity, corporate governance required — key date: Dec. 31, 2024 **Wealth** • Mandatory pension fund offsetting to end — key date: May 2025
India (previously covered, with upcoming effective date)	
Development	**Career — Health — Wealth** • Labor and employment laws reformed — key date: effective date delayed
Japan (previously covered, with upcoming effective date)	
Development	**Wealth** • Defined contribution reforms enacted — key date: Dec. 1, 2024
Malaysia (previously covered with upcoming effective dates)	
Development	**Career** • Progressive wage policy to be included in 2024 budget — key date: April or May 2024
Singapore (new)	
Status	**Effective Jan. 1, 2024**
Development	**Career — Health** **Infant care and paternity leave to increase in 2024** From Jan. 1, 2024, unpaid infant care leave for parents who are Singapore citizens will expand to 12 days per year under measures included in the Child Development Co-Savings (Amendment) Bill of 2023. Under the bill, employers can also opt to grant male employees an additional two weeks of paid paternity leave for children born on or after Jan. 1, 2024. Highlights: • Twelve days of infant care leave will be given to Singapore citizens with a minimum of three months of service, and who have children under age two. Currently, unpaid infant care is capped at six days per year. • Male employees are currently entitled to two weeks of statutory paid paternity leave that can be taken in one block within 16 weeks of the baby's birth, or in shorter periods within 12 months of the birth. From Jan 1, 2024, employers that opt to give an additional two weeks of paid paternity leave to eligible employees can claim reimbursement from the government. To be eligible, fathers and children must be Singapore citizens, and fathers must have a minimum three months of service with their employer and be married to the child's mother either before the birth, or within 12 months of the birth. The additional paternity leave must be taken directly after the two weeks of statutory leave, or within 12 months of the baby's birth.
Resources	The Child Development Co-Savings (Amendment) Bill of 2023 (Government)

Singapore (previously covered with upcoming effective dates)	
Development	**Career** • Legislation to combat discrimination will be issued — key date: 2024 **Career — Health** • Paid paternity leave and unpaid infant care leave expanded — key date: Jan. 1, 2024 **Wealth** • Budget increases CPF contribution rates for workers aged 50 to 55 years — Jan. 1, 2024 • Central Provident Fund monthly salary cap for calculating contributions increased — December 2024

South Korea (previously covered with upcoming effective dates)	
Development	**Career** • Minimum wage to increase — key date: Jan. 1, 2024

Taiwan (previously covered with upcoming effective dates)	
Development	**Career** • Employee protections from sexual harassment expanded — key date: March 8, 2024

Europe, Middle East and Africa (EMEA)

European Union (EU) (new)	
Status	**Upcoming proposal**
Development	**Career** **Commission to propose legislation to revise works council directive** The European Trade Union Confederation (ETUC) has rejected the opportunity to negotiate revisions to the European Works Council (EWC) directive with BusinessEurope and instead says a legislative proposal from the European Commission ("commission") would be the most suitable method to achieving "substantial improvements of the rights of EWCs." The second of a two-stage consultation issued by the commission to the ETUC and BusinessEurope indicated aspects of the EWC directive that the social partners should consider, and set a deadline of Oct. 4, 2023, for them to determine if they were willing to start negotiations. Although the ETUC refused to negotiate a revised EWC directive, BusinessEurope took a different position, saying that the social partners are best placed to agree to revisions. The commissioner announced some time ago its intention to bring forward proposals if the social partners failed to negotiate, and this was confirmed by the commission president in her State of the Union Speech in September 2023. The precise timing of the commission's legislative initiative is not yet known — European Parliament elections are scheduled for June 2024 (legislative proposals that are not finalized by the election date would not move forward), and a new College of Commissioners will be appointed in October 2024
Resources	Directive 2009/38/EC (Europa, June 5, 2009); ETUC calls for a directive to strengthen the European Works Council directive (ETUC, Oct. 4, 2023) and State of the Union (European Commission, Sept. 13, 2023)

EU (previously covered, with upcoming effective date)

Development

Career

- Directive on promoting statutory minimum wages finalized — key date: Nov. 15, 2024
- Reforms to Blue Card coming for highly skilled workers — key date: Nov. 18, 2024
- Law to improve gender balance on company boards approved — key date: June 7, 2026

Career — Health — Wealth

- EU requires enhanced corporate sustainability disclosures — key date: July 6, 2024
- Sustainability reporting standards issued — key date: 2025

Belgium (previously covered, with upcoming effective date)

Development

Wealth

- Blue- and white-collar pension harmonization postponed — key date: Jan. 1, 2027
- Federal government agrees on pension reforms — key date: Jan. 1, 2028

Czech Republic (new)

Status Proposal

Development

Health

Changes to tax exemption of employee non-cash benefits proposed

The tax exemption of certain employee non-cash benefits will become less favourable from 2024 under a package of fiscal measures aimed at reducing the public deficit. The changes recently passed the Chamber of Deputies and await Senate vote and the president's signature. If agreed to, they will apply either from a benefit's entitlement date, or when it is provided. Highlights of the proposals:

- Non-cash benefits provided to employees and their families (such as culture, books, recreation, education, sports facilities and the purchase of medical services and equipment) will be tax-exempt up to an amount equivalent to one-half of the annual average salary. Amounts exceeding this threshold will be considered as taxable income, and subject to employer and employee social and health insurance contributions.
- Benefits-in-kind with a value of up to one-half of the annual average salary will not be tax deductible for employers, but amounts exceeding this threshold will be.
- Gratuitous benefits given to employees (up to 2,000 CZK per year), and social assistance payments to employees, will no longer be tax exempt.
- The tax rules applying to meal vouchers and non-cash meals provided at the workplace will be aligned with the current cash contribution for meals.

Resources

petr.boldis@mercer.com
Proposal (Czech) (Government)

France (new)	
Status	**Effective Jan. 1, 2024**
Development	**Career — Health** **Women who experience a miscarriage have expanded protections** From Jan. 1, 2024, workplace protections will be expanded in France for women who suffer a miscarriage under measures included in Loi 2023-567 of 7 July 2023. Women who take leave following a spontaneous termination before the 22nd week of gestation will no longer have to wait the standard three days (as required by the French social security code) before they receive social security daily benefit. Women who experience a late miscarriage (between the 14th and 21st week of pregnancy) are also protected from dismissal — this measure took effect on July 9, 2023.
Resources	ayce.nisancioglu@mercer.com Loi 2023-567 of 7 July 2023 (French) (Government)
France (previously covered, with upcoming effective date)	
Development	**Career** • New gender quotas imposed for senior execs/management teams — key date: March 1, 2026 **Career — Health** • Metallurgy sector agrees on national CBA — key date: Jan. 1, 2024
Greece (new)	
Status	**Currently effective**
Development	**Career** **Program tackles labor market 'brain drain'** The Greek government has launched an initiative to match highly skilled workers who live in Greece, as well as Greeks who live outside of the country, with specialized private sector jobs. The online platform — called "Rebrain Greece" — was one of the measures included in law 5053/2023 and aims to reverse Greece's 'brain drain' in recent years.
Resources	spyridon.spyrakos@marsh.com Platform (Minister of Labour and Social Security)

Greece (previously covered, now effective)	
Status	⚠ **Currently effective**
Development	**Career** **Employment reforms now effective** Reforms to Greece's employment law took effect on Sept. 26, 2023. The measures are included in Law No. 5053/2023 and implement EU directive 2019/1152 on transparent and predictable working conditions, and introduce other changes, including those to work schedules and certain dismissals, and the reinstatement of seniority pay increases. Highlights of the law include: • Employers must notify employees of their basic terms of employment in writing or electronically within one week of starting employment. The terms must include place of work, role and work scope, working hours, salary, start and end date, and probationary period details. • Probationary periods must not exceed six months. For fixed-term contracts, the duration should be proportionate and not exceed one-quarter of the contract. The employment contract starts from the initial hiring date after successful completion of the probationary period. • Employee contracts must be uploaded to the Ergani II information platform and be signed by both parties. • Employers must provide employees who have on-demand contracts with at least a 24-hours advance work notification, and it must be within a previously agreed reference period covering the time and days of work. • Employers can use Digital Employment Cards to record changes to employees' working hours and overtime, including individuals working remotely — such employers will no longer have to notify working time changes to the Ergani II platform. Employers now face increased fines for working time inconsistencies. • In exceptional circumstances, employees who normally work a five-day schedule in certain types of jobs could be asked to work a sixth day in any given week — for an additional 40% rate of normal pay. • Work on Sundays and on public holidays is now permitted in more industry sectors. • Employee training must be calculated as working time, free, and during working hours (where possible). • Dismissal procedures are simplified for employees who are unjustifiably absent for periods exceeding five consecutive days, subject to the employer completing certain procedures. • Three-yearly seniority pay increases will be reinstated from Jan. 1, 2024 — this follows their suspension in 2012 as part of the economic austerity package. • Employers can no longer restrict employees from taking additional employment outside of their agreed working hours, unless there are objective considerations, such as health and safety, confidentiality, noncompete or avoidance of conflicts of interest.
Resources	maria.markopoulou@marsh.com Law No. 5053/2023 (Greek) (Government)

Greece (previously covered, with upcoming effective date)	
Development	**Career** • Companies with 50 to 249 employees must appoint a whistleblowing officer — key date: Dec. 17, 2023

Ireland (previously covered, with upcoming effective date)	
Development	**Career** • Gender pay gap regulations to apply to smaller employers — key date: 2024

Luxembourg (previously covered, with upcoming effective date)	
Development	**Career** • Meal voucher scheme adjusted — Jan. 1, 2024

Mauritius (new)	
Status	⚠ **Currently effective**
Development	**Career — Health** **New law requires women make up at least 25% of board members and expands family friendly measures** Measures that introduce a minimum gender representation on company boards and family friendly requirements took effect on July 1, 2023. Highlights include: • The boards of publicly listed companies must now have a minimum of 25% female members. • Employees can request to condense their five-day work week into four days. Employers must grant the request if it is operationally feasible. Employers can also ask their employees to work a four-day week, subject to providing 48 hours' notice. • Employees can now carry forward unused leave to the following year, subject to making a request to their employer before the end of the calendar year. Previously, employees could only be paid for unused leave. Employers must now specify the number of accumulated leave days as of January in their employees' payslips. • Adoptive fathers of children younger than 12 months are now entitled to five days of employer-paid paternity leave — previously, the leave was restricted to biological fathers. Employees who have been employed for fewer than 12 months can take unpaid leave. • Employees can use their statutory paid leave (for example, annual, vacation or sick leave) to care for a child (biological or adopted), parent, grandparent who has a medical condition. The leave is capped at 10 days when it is used to care for a spouse, parent or grandparent, but it can be extended to care for a child. Employees must notify their employer on the first day of taking leave and provide proof of the relationship and medical need if the leave is for longer than three consecutive days. Previously, employees could only take leave to care for a child. • Women are now allowed an additional five days of paid leave that must be taken immediately after the three weeks of maternity leave. Employees must provide a medical certificate. • Employers with more than 250 employees must provide free workplace day care facilities for employees with children aged three years or younger. The day care facility must be located onsite or within 1km of the workplace and comply with standards defined in the Child Day Care Centres Regulations 2022. Penalties will apply for breaches of this requirement. • Employers are exempt from paying into the Portable Retirement Gratuity Fund if their contribution to a private pension scheme is not less than their monthly contribution would have been under the Workers' Rights (Portable Gratuity Fund) Regulations 2020 for every 12-month period, starting on July 1, 2023. The calculation of overtime pay for part-time workers has been standardized with the formula used for full-time workers —previously, there was no legislated formula.
Resources	Budget 2023-2024 (Government) and The Financial (Miscellaneous Provisions) Act 2023 (Legislature)

Netherlands (previously covered, with upcoming effective date)

Development

Career

- Whistleblowing law revised — key date: Dec. 17, 2023
- 30% tax rule for expat employees to change — key date: Jan. 1, 2024
- Hourly rate to be introduced — key date: Jan. 1, 2024

Wealth

- Parliament agrees to significant occupational pension reforms — key date: Jan. 1, 2025

Nigeria (previously covered, with upcoming effective date)

Development

Health

- Health insurance coverage to significantly expand — key date: implementation date unknown

Norway (new)

Status Proposal

Development

Health — Wealth

Changes to commuting deduction, social security proposed

Proposed tax measures issued by Norway's Ministry of Finance include increasing commuter deductions to 1.76 NOK per kilometre up, from 1.70 NOK and reducing social security contribution rates on wages to 7.8% down from 7.9%.

Resources Announcement (Norwegian) (Ministry of Finance, Oct. 6, 2023)

Poland (previously covered, with upcoming effective date)

Development

Career

- Two-phase minimum wage increase announced — Jan. 1, 2024

Romania (previously covered, with upcoming effective date)

Development

Health

- Maximum value of tax-free meal tickets increased — Jan. 1, 2024

Saudi Arabia (previously covered, with upcoming effective date)

Development

Career

- Localization for certain professions to increase — Dec. 24, 2023
- Contracting with companies with regional headquarters outside of the kingdom to cease — key date: Jan. 1, 2024

Spain (new)	
Status	⚠ **Effective March 2, 2024**
Development	**Career** **Protections for LGBTQ employees enacted** By March 2, 2024, companies with more than 50 employees must have introduced certain equality measures for LGBTI people, including an LGBTI anti-harassment policy. Law 4/2023 of Feb. 28, 2022, took effect on March 2, 2023, and aims to complement current gender equality laws. Implementing regulations are expected to clarify certain measures but have not yet been published. Highlights include: • Employers must negotiate an action plan and antiharassment protocol with their employee representatives. • Social partners are encouraged to include measures aimed at promoting LGBTI equality and complaint procedures into collective bargaining agreements. • Employers are encouraged to prepare ethics codes and protocols to prevent discrimination. • Actions that directly or indirectly discriminate against an LGBTI individual on the grounds of their sexual orientation and identity, gender expression, or sexual characteristics, will be null and void.
Resources	Law 4/2023 of Feb. 28, 2022 (Spanish) (Government)
Spain (previously covered, with upcoming effective date)	
Development	**Wealth** • Changes to public pension system enacted — key date: Jan. 1, 2024
Sweden (new)	
Status	⚠ **Will be phased out during 2024.**
Development	**Career — Health** **Employer compensation for high sick-pay costs to phase out** The Swedish government announced on Sept. 18, 2023, its intention to terminate the compensation for annual sick pay costs exceeding a fixed proportion of wages. The compensation scheme will be phased-out during 2024, and the last payment likely will be credited to employers' accounts in 2025, based on their 2024 submissions to the Tax Agency. The scheme had originally been introduced to encourage employers to hire more staff. The government contends that the compensation has led to fewer employer initiatives to reduce sickness absence. It also claims that the automated procedure for claiming compensation makes it difficult to verify payments, saying that employer errors amount to 3.2% of the benefit's insurance costs. The government estimates that the scheme's phase-out will save 1,230 million SEK in 2025, and 2,638 million SEK in 2026.
Resources	malin.soederbaeck@mercer.com Announcement (Swedish) (Government, Sept. 18, 2023) and Sick employee days 1-90 (Government)

Switzerland (previously covered, with upcoming effective date)	
Development	**Career** • Hourly minimum wage to be introduced in Zurich and Winterthur — key date: effective date unknown **Career — Health** • Paid leave introduced in Geneva — key date: effective date unknown **Wealth** • First-pillar pension scheme reforms approved — key date: Jan. 1, 2024 • Occupational pension reforms pass parliament — key date: effective date unknown

United Kingdom (UK) (new)	
Status	⚠ **Currently effective**
Development	**Career** **Cap on bankers' bonus payments removed as of Oct. 31** The Bank of England (BoE) announced the removal of the cap that limits bankers' bonuses to twice their base pay in Policy Statement (PS) 9/23 — Remuneration: Ratio between fixed and variable components of total remuneration. The BoE's PS provides feedback in response to the joint consultation by the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) — the regulators. The European Union (EU) had imposed the cap in 2014 to discourage finance workers from taking huge risks following the 2008-2009 financial crisis. The cap applies to banks, building societies, PRA-designated investment firms, including third country branches subject to the remuneration part of the PRA Rulebook and the FCA dual-regulated firms Remuneration Code. Highlights of the PS: • The cap removal applies to a firm's performance year that is ongoing as of Oct. 31, 2023, and to future performance years, but firms could choose to delay until a later date, such as the start of their next performance year. Firms that have already submitted their remuneration policy statements for the ongoing year do not have to resubmit. • Firms can now restructure pay faster to deal with economic downturns, and they will have more flexibility over their cost base and the alignment of incentives and financial rewards with effective risk management, good conduct, and long-term interests of the firms. • The regulators consider that because the bonus cap does not limit total remuneration, it places pressure on salaries and allowances that may not be linked to longer-term performance, and that cannot be clawed back in the event of later failure or previous misconduct. • UK firms can potentially attract new talent sooner and compete more effectively in those jurisdictions where no bonus cap applies. The bonus cap is not routinely imposed in other leading financial centers outside the EU and is a factor that limits labor mobility. • The change fulfills the regulators' new secondary objective imposed by the Financial Services and Markets Act 2023 to "act so far as is reasonably possible" to facilitate the international competitiveness of the UK economy and its medium- to long-term growth. • The regulators confirmed that gender pay gap issues have not been specifically addressed, although they acknowledge that gender pay gaps in bonuses are "typically larger" than in fixed pay, and that the banking sector "may have high gender pay gaps." They also warn that "without proper mitigation and focus by firms, there is a risk that removing the bonus cap may exacerbate the gender pay gap," and they "expect firms to take care to avoid adverse impact on pay gaps when … [setting] more appropriate pay ratios."
Resources	PS9/23 — Remuneration: Ratio between fixed and variable components of total remuneration ("bonus cap") (BOE, Oct. 24, 2023)

UK (new)	
Status	**Likely effective in autumn 2024**
Development	## Career **Employers have new duty to prevent workplace sexual harassment** Employers in the UK will have to show that they have taken reasonable steps to prevent workplace sexual harassment under measures included in The Worker Protection (Amendment of Equality Act 2010) Act 2023. The law has received Royal Assent, and the measures will take effect in 2024 — likely in the autumn. The law aims to strengthen current protections against sexual harassment. Highlights include: • Employers have a preemptive duty to take "reasonable steps" (this term is not defined in the law) to protect employees from sexual harassment during the course of their employment, including off-site events. Employers will not be liable for sexual harassment by third parties, such as customers. • The definition of employee also includes workers and self-employed individuals. • The definition of sexual harassment is unchanged and includes unwanted conduct of a sexual nature that has the purpose of violating a person's dignity, or that creates an intimidating, hostile, degrading, humiliating or offensive environment for the individuals. • A statutory code of practice and further guidance will be published by the Equality and Human Rights Commission (EHRC) and will include examples of "reasonable steps" that employers could take. The EHRC had published in 2020 non-statutory guidance for employers on preventing workplace sexual harassment. • Penalties for breaching the new duty likely will including ordering or recommending employers to take specific steps, and the payment of increased compensation (up to 25% more) to a successful complainant.
Resources	The Worker Protection (Amendment of Equality Act 2010) Act 2023 (Legislature)

UK

Status

Comments can be submitted through Dec. 18, 2023.

Development

Career

Financial regulators consult on new diversity and inclusion regulatory framework

The Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA) have issued consultations on proposals to introduce a new regulatory framework on boosting diversity and inclusion in the financial sector, building on a 2021 discussion paper.

FCA’s proposal highlights:

- The FCA aims to better integrate nonfinancial misconduct considerations into staff fitness and propriety assessments, conduct rules and the suitability criteria for financial sector firms. The measures would not set sector-wide targets and companies would remain free to determine their own targets, consistent with their needs.
- Certain firms would be required to report annually (at entity level, not group) their average number of employees; collect, report and disclose certain diversity and inclusion data; establish, implement and maintain a diversity and inclusion strategy; determine and set appropriate diversity targets; and recognize a lack of diversity and inclusion as a nonfinancial risk.
- The requirements would apply differently to companies, depending on their workforce size, their categorization under the Senior Managers and Certification Regime and if they are dual-regulated. Smaller firms with fewer than 251 employees (the workforce size would be calculated over a rolling three-year period from a specified reference date) would be exempt from many of the requirements.

PRA’s proposal highlights:

- The PRA aims to improve diversity and inclusion in PRA-regulated firms to support prudent decision-making, better risk management and reduce the risk of groupthink.
- Companies would be required to publish their diversity and inclusion strategy, including values, measurement of progress, the role of individuals in the firm to support the strategy and the role of risk and control functions in supporting the strategy.
- The largest companies would be required to set their own diversity targets, publish a strategy to promote board-level diversity, clarify expectations on succession planning and disclose information on the targets they have set for themselves.
- Companies would have to assign individual accountability for diversity and inclusion among relevant senior management functions; assign board and board subcommittee responsibilities for diversity and inclusion; and conduct internal monitoring and regulatory reporting.

Resources

Consultation Paper 23/20: Diversity and inclusion in the financial sector — working together to drive change (FCA) and CP18/23 — Diversity and inclusion in PRA-regulated firms (Bank of England, Sept. 25, 2023)

UK (new)	
Status	⚠ **Effective Jan. 16, 2024**
Development	**Career — Health** **Increased immigration health surcharge takes effect in 2024** The planned increased immigration health surcharge in the UK is expected to take effect on Jan. 16, 2024. The government has put the Immigration (Health Charge) (Amendment) Order 2023 (the Order) before parliament, and it states that the increase will take effect Jan. 16, 2024, or 21 days after parliament has approved the Order, should this occur later. The surcharge must be paid in full when an applicant submits an application to enter or remain in the UK. The main rate will be £1,035 per year, up from £624, and the discounted rate for students and individuals younger than 18 will increase to £776 per year, up from £470.
Resources	The Immigration (Health Charge) Amendment Order 2023 (Legislature)

UK — US (new)	
Status	⚠ **Currently effective**
Development	**Career — Health — Wealth** **UK employers can now transfer personal data to certified organizations in US** From Oct. 12, 2023, organizations in the UK can transfer personal data to US organizations that are certified to the UK Extension to the European Union (EU)-US Data Privacy Framework (DPF) list maintained by the US Department of Commerce's International Trade Administration (see this earlier post about the EU-US DPF that took effect July 11, 2023). However, some privacy campaigning organizations have already indicated they are considering a legal challenge to the EU-US DPF and, possibly, the UK Extension. US Executive Order 14086, published on Oct. 7, 2023, designated the UK as a "qualifying state," meaning that UK individuals will have rights in relation to their personal data, provided that US organizations are certified. Under the UK Extension, data transfers from the UK to the US will be considered to provide data protection equivalent to the UK's General Data Protection Regulation, and do not require a transfer risk assessment or other measures. UK individuals can also rely on the DPF's newly established redress mechanism if they believe that the US authorities have unlawfully accessed their personal data for national security purposes. However, other personal data transfer mechanisms remain valid options for organizations to use, depending on their circumstances. The UK's Information Commissioner's Office advised that the UK Extension provides an "adequate level of data protection" but identified four areas that the UK secretary of state should monitor to ensure that data subjects' rights are not undermined. The areas of concern are the definition of sensitive information does not include all the categories included in the UK's General Data Protection Regulation; the specific protections that will be given to criminal offence data; the lack of protection for individuals from decisions that are based solely on automated processing; and the absence of a right to be forgotten or an unconditional right for an individual to withdraw their consent.
Resources	UK and US reach commitment in principle over 'data bridge' (Government, June 8, 2023); Data privacy framework list (Data Privacy Framework Program); Enhancing safeguards for United States signals intelligence activities (Federal Register, Oct. 7, 2022) and The UK Government's assessment of adequacy for the UK Extension to the EU-US Data Privacy Framework for the general processing of personal data (Information Commissioner's Office)

UK (previously covered, with upcoming effective date)	
Development	**Career** • Certain workers to have more rights to request more predictable hours — key date: autumn 2024 **Career — Health** • Employees to be allowed neonatal care leave — key date: expected April 2024 • Employees will be able to annually take carers' leave — key date: expected April 2024 • Stronger job protection from redundancy given to employees on maternity leave — key date: expected April 2024 • Law makes it easier to request flexible working requests — key date: mid-2024 **Wealth** • Pension auto-enrolment to expand, reducing eligible age and abolishing earnings threshold — key date: Unknown • Pension dashboard, connection deadlines change — key date: Oct. 31, 2026

Mercer LLC
1166 Avenue of the Americas
New York, NY 10036
www.mercer.com

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