



Law & Policy Group

Global Legislative Update

By Stephanie Rosseau and Fiona Webster
January 2024



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

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Costa Rica	Pension reforms now effective Minimum wage increased
Mexico	Minimum wage increased New safety and health standard for teleworkers now effective
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Americas (continued)

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[Prepaid Health Care Act Form HC-5 for 2024 now posted in Hawaii](#)
[Paid leave law now effective in Illinois](#)
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[Paid leave required for organ donations in Illinois](#)
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[Health care cost comparison website expanded to include ambulance services in Maine](#)
[Fully insured plans prohibited from applying cost sharing to abortion services in Maine](#)
[Minimum wage increased in Maryland](#)
[Law increases restrictions on pharmacy benefit managers in Maryland](#)
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[New fertility coverage mandate applies to fully insured plans in Montana](#)
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Americas (continued)

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[Ancillary plan exception finalized in New Mexico](#)
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[Diabetes insurance coverage and protections expanded in New Mexico](#)
[Drug price gouging prohibited in New York](#)
[2024 health care reform act covered-lives assessment rates now effective in New York](#)
[2024 paid leave rates now effective in New York](#)
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[Comprehensive pharmacy benefit manager reforms enacted in South Carolina](#)
[Voluntary paid family leave law now effective in Tennessee](#)
[Tennessee employers providing paid family medical leave eligible for state tax credits in 2024 and 2025](#)
[Independent dispute resolution regulations for self-funded plans issued in Texas](#)
[Multiple benefit laws now effective in Texas](#)
[New law facilitates multiple-employer welfare arrangements, adds participant protections in Texas](#)
[Law applies balance billing restrictions to ground ambulance providers in Texas](#)
[Voluntary family medical leave program now effective for private employers in Vermont](#)
[Hearing aid coverage mandated in Vermont](#)
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[Minimum wage rates increased in Washington](#)
[Paid family and medical leave developments for 2024 in Washington](#)
[App-based workers entitled to accrue sick and safe time in Seattle, Washington](#)
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Asia Pacific	
Australia	Superannuation fund performance test results and insights provided APRA governance standard SPS 510 updated Government responds to Quality of Advice review Regulator issues guidance on registration of financial advisors Consultation on retirement phase of superannuation issued Additional earnings tax may be levied on superannuation balances over \$3 million Consultation issued on data reporting standards Digital statutory declarations made permanent New remuneration disclosure requirements Superannuation measures in Protecting Worker Entitlements Bill now effective Some final prudential standards guides now effective Some provisions to strengthen work incentives for pensioners now effective
China	Social medical insurance improved in Beijing Work injury allowances increased in Beijing and Shanghai
Indonesia	Minimum wage increased
Singapore	Infant care and paternity leave increased 2023 budget increases CPF contribution rates for workers aged 50 to 55 years
South Korea	Minimum wage increased
Taiwan	Minimum wage increased Tax-exempt limit for meal allowances increased
Thailand	Minimum wage increased
Europe, Middle East and Africa (EMEA)	
Belarus	Minimum wage increased
Belgium	Certain employers must appoint 'person of trust' to address workplace psychosocial issues
Czech Republic	Changes to tax exemption of employee noncash benefits now effective Labor code amended
Denmark	Changes to deductions from government pensions Additional employment deduction to be implemented
Finland	Personal identity codes reformed


EMEA (continued)	
France	Protections expanded for women who experience a miscarriage Collective bargaining agreement for metallurgy sector now effective
Germany	Eligibility for parental allowance reduced Tax treatment of benefit-in-kind employee meals in 2024 announced Social security contribution base agreed on
Greece	Reforms of group pension plans finalized
Hungary	Medical suitability assessments for employees no longer required
Ireland	Consultation on taxation of share-based remuneration issued Gender gap regulations effective for employers with more than 50 employees
Luxembourg	Meal voucher scheme adjusted
Malta	Minimum wage increased
Moldova	Minimum wage increased
Monaco	Social security contribution rates set for 2024
Netherlands	30% tax-free ruling for foreign employees reduced from 2024 Social security contribution rates published Hourly rate introduced
Oman	Social protection for nationals and foreign employees expanded
Poland	Meal allowance, social security exemption increased Two-phase minimum wage increase announced
Portugal	Minimum wage increased
Romania	Pension reforms now effective Tax exemption for employees in various industry sectors reduced
Russia	2024 cap for combined social, pension contribution effective
Saudi Arabia	Contracting with companies with regional headquarters outside of the kingdom ceases
Serbia	Minimum wage rate increased
Spain	Changes to public pension system enacted
Sweden	Employer contribution deductions adjusted
Switzerland	First-pillar pension scheme reforms approved

EMEA (continued)	
Trinidad and Tobago	<u>Minimum wage increased</u>
Ukraine	<u>Minimum wage increased</u>
United Arab Emirates	<u>Revised pension scheme for first-time employees introduced</u>
United Kingdom	<u>Changes to annual leave entitlement, pay and employee consultation rights to move forward in 2024</u> <u>National insurance contributions reduced</u>
Uzbekistan	<u>Minimum wages increased</u>

Section 2



Global


Reproductive rights	
Status	 Ongoing initiatives
Development	Health Global employer resources on reproductive rights post <i>Dobbs</i> ruling In June 2022, the US Supreme Court's <i>Dobbs v. Jackson Women's Health Organization</i> decision overturned <i>Roe v. Wade</i> , finding no federal constitutional right to abortion and allowing states to regulate and ban abortions at all stages of pregnancy. To provide multinational employers 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	<p>Career — Health — Wealth</p> <p>Countries address remote-working issues</p> <p>Remote working has become a more of permanent feature for many employees and employers after various countries introduced COVID-19 measures. Remote working poses challenges and considerations for employers devising or adjusting policies. Issues to consider include the definition of remote work, eligibility criteria, hybrid working arrangements, employee engagement and performance, cybersecurity, health and safety, the right to disconnect, the impact 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.</p>
Resources	Roundup , regularly updated

Section 3

Americas

Argentina (new)	
Status	 Currently effective
Development	<p>Health</p> <p>Cost of prepaid medicine increased</p> <p>The cost of prepaid medicine increased by 6.26% on Jan. 1, 2024, following a 11.51% increase on Dec. 1, 2023.</p>
Resources	<p>gabriella.magonza@mercer.com</p> <p>Resolution 2577/2022 (Spanish) (Government, Nov. 10, 2022)</p>
Brazil (new)	
Status	 Proposal
Development	<p>Career — Health — Wealth</p> <p>President proposes withdrawal of social security exemption</p> <p>Proposals that would gradually withdraw the social security exemption from April 1, 2024, for 17 labor-intensive industry sectors are included in Provisional Measures No. 1.202 issued by Brazil's president on Dec. 28, 2023.</p> <p>The proposals would apply a payroll tax of between 10% and 18.5% on the contribution salary up to the value of one minimum wage and would require companies that apply the reduced rates to agree to maintain an employee headcount equal to, or greater than, the number verified every January 1.</p> <p>The social security exemption was set to continue until Dec. 31, 2027, following the parliament's rejection on Dec. 14, 2023, of the president's proposed veto of the exemption. The current exemption allows employers in the 17 sectors — which represent Brazil's largest employers — to pay an amount (between 1.4% and 5%), calculated on their gross revenues. The affected sectors include manufacturing (leather, footwear, clothing, textiles, machinery and equipment); services (information technology and call centers); transportation (road freight, urban road passenger transport and metro rail); and construction (civil and heavy construction).</p>
Resources	<p>Provisional Measures No. 1.202 (Portuguese) (Presidency of the Republic, Dec. 28, 2023) and Press release (Portuguese) (Parliament, Dec. 15, 2023)</p>

Canada (new)	
Status	 Currently effective
Development	Wealth Pension plan contribution rates unchanged, 2024 contributions increased The 2024 employee and employer contribution rate to the Canada Pension Plan is unchanged from 2023 and remains at 5.95%. The maximum annual employee and employer contribution for 2024 has increased to CA\$3,867.50, up from CA\$3,754.45.
Resources	patrick.hatzis@mercer.com CPP contribution rates, maximums and exemptions (Government, Nov. 27, 2023)

Canada (previously covered, now effective)

Status



Currently effective

Development

Career



Measures to combat forced and child labor now effective

Measures to combat forced labor and child labor — including a requirement for certain companies to issue annual statements — took effect on Jan. 1, 2024. Eligible companies must issue their first report on forced labor and child labor in their supply chains by May 31, 2024. The measures are included in the Fighting Against Forced Labour and Child Labour in Supply Chains Act (“act”); Canada is one of the first jurisdictions in the world to require reporting on child labor in supply chains. Highlights of the act:

- Applies to organizations listed on the stock exchange in Canada, or that have a place of business, do business, or have assets in Canada and meet two or more of the following conditions in one of their two most recent financial years: (i) at least \$20 million in assets; (ii) revenues of CAD\$40 million or more; and (iii) employ an average of at least 250 employees.
- Organizations that produce goods in Canada or elsewhere, or import goods produced outside Canada, or control an entity producing or importing goods, have to publish reports on the steps taken during the previous financial year to prevent and reduce the risk of forced or child labor with regard to goods produced in Canada, and goods imported into Canada. Government institutions that produce, purchase or distribute goods in Canada or elsewhere are also covered by the act. The government also could issue regulations that include other types of organizations.
- The reports must be issued annually by May 31, and posted prominently on the company’s website. They also will be included in a government registry. The reports must be approved and signed by the organization’s board, and must include certain information, such as the organization’s structure, activities and supply chains; set out due diligence policies and processes that address forced and child labor; identify areas of the business that risk the use of forced or child labor, and the steps taken to assess and manage that risk; list the remediation measures taken, including loss of income compensation to the most vulnerable families arising from measures to eliminate the use of forced or child labor; provision of training to employees on forced and child labor; and include an assessment of the organization’s effectiveness in ensuring that forced and child labour are not used in its business and supply chains.
- Penalties for noncompliance — including the issuance of false or misleading statements — include fines up to CA\$250,000.

Resources

[Fighting Against Forced Labour and Child Labour in Supply Chains Act](#) (Legislature, Nov. 27, 2023) and [Forced Labour in Canadian Supply Chains](#) (Government, Dec. 20, 2023)

Canada — Alberta (new)	
Status	 Currently effective
Development	Wealth Referendum required on Alberta pension plan The Bill 2 Alberta pension protection (APP) Act, in force on Dec. 7, 2023, requires a referendum to determine if the province will adopt its own pension plan, replacing the Canada Pension Plan (CPP). The bill promises that an APP would provide benefits to eligible persons that are the same as, or better than, the benefits provided under the CPP and that contribution rates would be the same as, or lower than, the CPP's contribution rates.
Resources	kristin.smith@mercer.com Protecting Albertan's pensions (Government, Nov. 2, 2023)
Canada — Nova Scotia (new)	
Status	 Effective April 1, 2024
Development	Career Minimum wage increased The minimum wage will increase to CA\$15.20/hour effective April 1, 2024, up from CA\$15/hour.
Resources	Minimum wage increasing on April 1 (Government, Jan. 3, 2024)

Canada — Quebec (new)

Status



Currently effective

Development

Wealth

Quebec Pension Plan 2024 rates

For the base Quebec Pension plan, employees and employers must each contribute 5.4% for the portion of earnings between CA\$3,500 and CA\$68,500 — which is the 2024 maximum pensionable earnings (MPE). The additional plan requires more to be paid by employees and employers according to a rate that gradually increased from 2019 to 2023. As of Jan. 1, 2024, new contributions are added to the portion of earnings between the MPE and the new eligible earnings cap on which contributions are made — which is CA\$73,200 in 2024. The indexation rate for benefits as of Jan. 1, 2024 is 4.4%.

Resources

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[2024 benefit amounts and key data \(Government\)](#)

Canada — Quebec (previously covered, updated)

Status  **Currently effective**

Development

Wealth

Pension plan changes now effective

On March 21, 2023, Québec’s Minister of Finance released the 2023-2024 Quebec budget: *A Committed Quebec*. The budget came at a time of economic uncertainty, risk of recession and high inflation. It included several measures related to the Quebec Pension Plan (QPP), whose main objective is to encourage experienced workers to stay in the workforce longer and ensure the financial security of Quebecers in retirement. The bill, which implemented certain measures of the budget changes, was assented to on Dec. 7, 2023. The changes took effect on Jan. 1, 2024 and include:

- The maximum age to start receiving QPP benefits is raised to 72 — up from 70, to help workers improve their financial security. This measure allows people who can delay the start of their pension to receive an enhanced QPP pension.
- QPP contributions became optional as of age 65 for workers who collect QPP benefits while continuing to work (as is the case with the Canada Pension Plan (CPP)). Workers who continue to contribute will keep accumulating pension credits; their employer must also contribute to the QPP. However, workers who stop contributing will cease to accumulate pension credits, and their employers may stop their contributions. Employers should have adopted processes to manage the choices of their employees over the age of 65.
- The reduced working time after age 65 no longer affects the average earnings used to calculate the QPP pension (as with the CPP). This measure allows more experienced workers to remain employed, often on a part-time basis, and to defer their QPP pension during a transition period to retirement, without negatively impacting their QPP pension.
- QPP contributions for employees and employers cease at the end of the year in which the employee turns age 72.

Resources

[2023-2024 Quebec budget: Changes to the Quebec Pension Plan \(QPP\)](#) (Mercer, March 22, 2023); [Changes made to the Quebec pension plan](#) (Government) and [Budget 2023-2024](#) (Government, March 21, 2024)

Canada (previously covered, with upcoming effective date)

Development

Wealth

- [Pension super priority federal legislation enacted](#) — key date: April 27, 2027

Chile (previously covered, partially effective)

Status



Partially effective

Development

Career — Health

Weekly working time reduced

There will be a phased-in reduction to Chile's weekly working time to 40 hours by 2028, down from 45 hours. Working time decreased to 44 hours in 2024 and will decrease to 42 hours in 2026 and 40 hours in 2028. These changes took effect with the official publication of the law on April 26, 2023:

- The weekly working schedule can be worked over a minimum of four days to a maximum of five days — previously, the minimum period was five days.
- Weekly working time (40 hours) can be averaged over a maximum four-week period but is capped at 45 hours in one week. Employees cannot work 45 hours in any two consecutive weeks.
- Employers must provide a minimum of one week's notice to employees when changing their working schedule.
- Weekly working time can be increased to 52 hours for unionized employees, subject to the union's agreement.

These changes will take effect one year after the law's publication:



- Employees can consent to receive additional vacation time (capped at five days) in lieu of overtime payment.
- Employers must also implement an electronic system for recording employees' working time. The labor bureau resolution will provide more details about the required measures.
- More categories of employees will be allowed to work overtime.
- Employees who care for children younger than 12 years are entitled to a flexible one-hour period at the start and end of each working day. If both parents are eligible, the mother can choose which parent takes the time off.

Effective five years after the law's publication, weekly working time can be increased in exceptional circumstances — but must not exceed 42 hours on average — and must be authorized by the labor bureau. Employees can be compensated for the additional working time or receive additional vacation entitlement.

Resources

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[Law 21561 \(Spanish\) \(Library of the National Congress, April 26, 2023\)](#) and [President Boric enacts 40 hour law \(Government, April 14, 2023\)](#)

Costa Rica (new)	
Status	 Currently effective
Development	<p>Wealth</p> <p>Pension reforms now effective</p> <p>Reforms to Costa Rica’s disability, old age and death regime (IVM) were agreed to in 2022 and took effect on Jan. 11, 2024.</p> <p>The reforms aim to improve the IVM’s solvency level and alleviate extreme poverty. The IVM regime is applicable to private and public sector employees and self-employed individuals. Other elements of the IVM regime include a mandatory individual account program for certain public- and private-sector employees, and a social assistance program for individuals who do not qualify for contributory pensions. Highlights of the reforms include:</p> <ul style="list-style-type: none"> • Men will no longer be able to take early retirement — currently, they can take early retirement from age 61 and 11 months, subject to having a minimum of 462 monthly contributions. • Increased early retirement age for women to 63, subject to having a minimum 405 monthly contributions. Currently, they can take early retirement at age 59 and 11 months, with 450 monthly contributions. • The revised salary base for calculating basic pension benefits will be 300 monthly contributions (25 years) — up from 240 months. • Additional pension benefits will be payable to individuals with more than 300 monthly contributions — up from 240 monthly contributions. The additional pension benefit will be calculated on 0.083 percent of an individual’s average monthly reference earnings for each month of contributions that exceeds 300 months.
Resources	Legislation (Spanish) (Official Diary, Jan. 11, 2022)
Costa Rica (previously covered, now effective)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage increased</p> <p>The minimum wage increased by 1.83% on Jan. 1, 2024, for all categories of workers in the private sector. Additional increases also apply for certain job types: domestic service, 2.33962%/month; semiskilled worker, 0.3986390%/month; skilled worker, 0.3955514%/day; and specialized worker, 0.5562880%/month.</p>
Resources	Announcement (Spanish) (Ministry of Labor, Oct. 30, 2023)
Dominican Republic (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • 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 (new)

Status



Currently effective

Development

Career

Minimum wage increased

The minimum wage increased by 20% on Jan. 1, 2024, to 249 pesos MXN/day, and to 7,508 pesos MXN/month. In the Free Zone of the Northern Border, the minimum wage is 375 pesos (MXN)/day, and 11,403 pesos MXN/month.

Resources

[Announcement](#) (Spanish) (Government, Dec. 1, 2023)

Mexico (previously covered, now effective)

Status



Currently effective

Development

Career — Health

New safety and health standard for teleworkers now effective

The new Official Mexican Standard NOM-037-STPS-2023 Telework-Safety and Health Conditions at Work became effective Dec. 5, 2023 — 180 days after publication. Highlights of the standard include:

- Employers must maintain a current list of employees who are teleworking.
- Employers must establish a written telework policy that includes specified content.
- Teleworkers must receive occupational risk training, including ergonomic and psychological risks and safety and health conditions.
- Employers must conduct initial and periodic safety and health checks for teleworking to ensure that workplaces are compliant. Verification can be done via employer visits or by requiring the employee to complete a checklist (video or photos could be required).
- The Safety and Health Commission will validate the checklist provided by the employer.
- Employers must document the process for implementing their teleworkers' policies.
- Employers must provide teleworkers with ergonomic chairs and other equipment required to perform their jobs.
- Employers must establish and document maintenance programs for the equipment provided to teleworkers and the management of Information and Communication Technologies they use.
- Employers must provide safety and health training to teleworkers at least once per year.
- Employers must establish procedures that would allow teleworkers to request a return to on-site work, either because it is in the employee's interest, or because safety and health conditions have changed. The procedures should include situations arising from domestic violence.
- Employees must complete the health examination established in NOM-030-STPS 2009, and employers must follow up on work-related accidents concerning teleworkers and their family members if they are connected through their employment.

Resources

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[Official Mexican Standard NOM-037-STPS-2023 Telework-Safety and Health Conditions at Work and Official Mexican Standard NOM-037-STPS-2023 Telework-Safety and Health Conditions at Work \(Spanish\) \(Official Diary, June 8, 2023\)](#)

Peru (previously covered, with upcoming effective date)

Development

Career

- [New national holiday honors air force heroes](#) — key date: July 23, 2024

US (new)	
Status	 Currently effective
Development	<p>Health — Wealth</p> <p>Summary of 2024 benefit-related cost-of-living adjustments</p> <p>The IRS, Pension Benefit Guaranty Corp., Social Security Administration, and Centers for Medicare & Medicaid Services have issued 2024 cost-of-living adjustments for retirement, health and fringe benefit plans; Medicare; and Social Security and Supplemental Security income.</p>
Resources	<p>margaret.berger@mercer.com, james.chaken@mercer.com and dorian.z.smith@mercer.com</p> <p>GRIST, Dec. 6, 2023</p>
US (new)	
Status	 Currently effective
Development	<p>Career</p> <p>New SEC disclosure requirements should prompt companies to review insider trading and equity grant policies</p> <p>New SEC Rule 10b5-1 disclosure requirements and accounting guidance on spring-loaded awards should prompt public companies to refresh their equity grant timing and insider trading policies or adopt formal policies if they don't have them. A refresh is warranted because the disclosures will spotlight when companies grant stock awards in close proximity to the release of material nonpublic information (MNPI). The disclosures are designed to address concerns that executives and directors are benefiting from MNPI and are mandated whether or not executives or directors enter into 10b5-1 trading plans. Note: On Dec. 19, 2023, the Fifth Circuit Court of Appeals vacated the share buyback rule discussed in the resource noted below.</p>
Resources	<p>carol.silverman@mercer.com and amy.knieriem@mercer.com</p> <p>Time to refresh insider trading and equity grant policies (Mercer, Nov. 10, 2023)</p>

US (new)

Status



Currently effective

Development

Wealth

Amendment deadlines extended for new retirement laws

For the second year in a row, the IRS Required Amendments (RA) List (Notice 2023-79) identifies no statutory or regulatory changes for individually designed qualified and Section 403(b) retirement plans. When items appear on the annual RA List, sponsors have until the end of the second calendar year after the year the list was issued to adopt conforming plan amendments, if necessary. This means most employers won't have a 2025 year-end required amendment deadline. Released after issuance of the 2023 RA List, IRS Notice 2024-2 extends the deadline to at least Dec. 31, 2026, for required and discretionary amendments related to recent legislation, including the SECURE 2.0 Act of 2022 (Div. T of Pub. L. No. 117-328). However, employers making unrelated discretionary changes in 2025 generally will still need to amend their plans by the end of the 2025 plan year (Dec. 31, 2025, for calendar-year plans), in accordance with the normal discretionary amendment timing rules.

Resources

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[GRIST](#), Dec. 21, 2023

US (new)

Status



Currently effective

Development

Wealth

SECURE 2.0 guidance issued

IRS issued Notice 2024-02 to provide guidance on a slew of different SECURE 2.0 provisions, including:

- Roth employer match and nonelective contributions
- Terminal illness distributions
- Small financial incentives for plan participation
- Cash balance backloading testing
- Mandated autoenrollment for certain DC plans
- Safe harbor correction for employee deferral failures.

The notice also extends the amendment deadlines for the SECURE Act, SECURE 2.0 and other recent legislation (see above entry).

Resources

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[IRS Notice 2024-02](#) (IRS)

US (new)

Status



Consultation open until Feb. 20, 2024

Development

Health

Rescission of Association Health Plan rule proposed

The US Department of Labor (DOL) recently issued guidance that proposes rescinding the entire Association Health Plan (AHP) rule issued under the Trump administration in 2018 and asks for comments on several AHP issues. Comments on these issues are due on Feb. 20, 2024.

A 2019 decision by the US District Court for the District of Columbia set aside portions of that rule that allowed the "Pathway 2 AHP" for employers in different industries but in the same geography and/or working owners. Subsequent guidance from the DOL confirmed that Pathway 2 AHPs were not allowed and needed to cease operations. Traditional Pathway 1 AHPs for employers in the same industry that meet certain requirements were not affected by the litigation.


While it seems likely that the entire 2018 rule will be rescinded as proposed, it is not clear whether regulators will propose a replacement AHP rule or simply go back to the pre-rule guidance that first gave us Pathway 1 AHP standards. The pre-rule guidance is more informal than a regulation but does provide the same or similar standards for Pathway 1 AHPs as are generally followed today.

Resources

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[Proposed rules](#) (Federal Register, Dec. 20, 2023)

US (previously covered, now effective)

Status  **Currently effective**

Development **Career**
Minimum wage for federal contractors increased
 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 increased to \$17.20/hour — up from \$16.20/hour in 2023. This minimum wage rate applies to nontipped and tipped employees; 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 \$12.90 for 2024. As a reminder, the executive order minimum wage increase has been blocked in Louisiana, Mississippi and Texas by a federal court order.



Resources [Minimum Wage for federal contracts covered by executive order 14026, notice of rate change in effect as of January 1, 2024](#) (Department of Labor, Sept. 28, 2023); [Minimum wage for federal contractors covered by Executive Order 13658, notice of rate change in effect as of January 1, 2024](#) (Department of Labor, Sept. 28, 2023) and [Executive order on increasing the minimum wage for federal contractors](#) (The White House, April 27, 2021)


US (previously covered, now effective)


Status  **Currently effective**

Development **Career**
Guidance on pay-versus-performance rule issued
 Since the pay-versus- performance rule became final, the Securities Exchange Commission (SEC) staff issued comment letters to individual companies and three rounds of Compliance and Disclosure Interpretations in February 2023, September 2023 and November 2023

Resources [SEC staff issues more guidance and updates prior guidance on pay-versus-performance rule](#) (Mercer, Dec. 12, 2023); [SEC staff issues guidance on pay-versus-performance rule](#) (Mercer, October 2023); [Pay-versus-performance disclosure](#) (Mercer) and [New SEC pay-versus-performance guidance addresses some questions raise by the complex rule](#) (Mercer, Feb. 13, 2023)



US	
Status	 Effective dates vary.
Development	<p>Career — Health</p> <p>Top 10 health, leave benefit compliance and policy issues in 2024</p> <p>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.</p>
Resources	<p>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</p> <p>GRIST, Oct. 12, 2023</p>
US	
Status	 Proposal
Development	<p>Career</p> <p>Employer resources on Department of Labor’s proposed expansion of overtime protections</p> <p>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). The comment period closed on 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.</p>
Resources	Roundup (Mercer, regularly updated)


US	
Status	 Effective dates vary.
Development	<p>Wealth</p> <p>User’s guide to SECURE 2.0</p> <p>A dizzying array of legislation affecting defined contribution (DC) and defined benefit (DB) plans became law on Dec. 29, 2022, as part of a fiscal 2023 government spending package. Capping several years of congressional effort, the SECURE 2.0 Act of 2022 (Div. T of Pub. L. No. 117-328) is intended to build on changes made by the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019 (Div. O of Pub. L. No. 116-94). Navigating SECURE 2.0 is a formidable challenge. The statute consists of 120 pages of text and 90 individual sections — with no table of contents. To help employers and plan sponsors understand the legislation’s implications, this guide provides a high-level summary of SECURE 2.0 provisions grouped topically — as outlined in the preceding table of contents — including separate treatment of provisions specific to DC and DB plans. The six tables in this guide describe statutory changes and their effective dates, identify whether the changes are mandatory or optional for employers, and provide initial observations, including implementation challenges for which agency guidance would be helpful. The act also includes several apparent drafting errors for which Congress intends to introduce technical corrections legislation. Those errors are noted in the relevant sections of the guide. This guide doesn’t address SECURE 2.0’s employee stock ownership plan (ESOP) provisions and a handful of other nonbenefit-related provisions. When referring to the original SECURE Act, this guide uses the term “SECURE 1.0” to avoid any confusion between the laws. This guide will be updated periodically to reflect additional information and guidance.</p>
Resources	margaret.berger@mercer.com ; matthew.calloway@mercer.com and brian.kearney@mercer.com User’s guide to SECURE 2.0 (periodically updated)

US	
Status	 Effective dates vary.
Development	<p>Career — Health</p> <p>Transportation plans offer valued benefits, but pose compliance issues</p> <p>Since 1998, employees have been able to pay for qualified transportation fringes through pretax salary reductions under Internal Revenue Code (IRC) § 132(f), and these benefits have become quite popular. (Employers could provide this benefit on a tax-advantaged basis as early as 1992.) The tax exemption extends to commuting expenses for transit passes, qualified parking, van pools, and in certain years, bicycles. While these benefits are not subject to cafeteria plan or ERISA rules, compliance difficulties exist, and a 2018 tax law that will expire at the end of 2025 added complexities. The federal monthly limits are adjusted every year, most recently for 2024. Some state and local jurisdictions have imposed employer mandates — including one that applies to Chicago-area employers starting in 2024 — leveraging the tax advantage of commuter benefits; other jurisdictions provide tax-related incentives.</p>
Resources	rich.glass@mercer.com and cheryl.hughes@mercer.com GRIST , regularly updated

US	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Employer resources on noncompete restrictions</p> <p>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.</p>
Resources	Roundup , regularly updated
US	
Status	 Currently effective
Development	<p>Career</p> <p>Employer DEI resources after SCOTUS’ ruling on affirmative action</p> <p>On June 29, 2023, the US Supreme Court, in <i>Students for Fair Admissions, Inc. v. President and Fellows of Harvard College</i>, ruled colleges' use of race as a factor in student admissions is unconstitutional under the Fourteenth Amendment's Equal Protection Clause.</p> <p>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.</p> <p>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.</p>
Resources	Roundup , regularly updated

US — States	
Status	 Effective dates vary.
Development	<p>Wealth</p> <p>Resources for tracking state and local retirement initiatives</p> <p>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.</p>
Resources	margaret.berger@mercer.com and brian.kearney@mercer.com GRIST , regularly updated
US — States	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Roundup: Employer resources on states' recent equal pay laws</p> <p>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.</p> <p>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 acted, but they are generally beyond the scope of this roundup.</p>
Resources	Roundup , regularly updated

US — States	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Roundup: Employer resources on states’ recreational marijuana laws</p> <p>Numerous 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.</p>
Resources	Roundup , regularly updated
US — States	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Roundup: Employer resources on minimum wage increases</p> <p>Beginning Jan. 1, 2024, the Executive Order 14026 minimum wage rate for federal contracts will increase to 17.20/hour — up from \$16.20/hour in 2023. This minimum wage rate will apply to nontipped and tipped employees alike, as this executive order eliminated the lower cash wage that contractors may pay tipped employees. Several states have also acted 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.</p>
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 during the last session of Congress — but was not enacted. Many 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



Effective July 1, 2024

Development

Career — Health

Employers need to develop workplace violence prevention plans

Beginning July 1, 2024, most California employers face new requirements to prevent workplace harassment under recently enacted Bill 553. Employers will be required to:

- Establish, implement, and maintain, at all times in all work areas, an effective workplace violence prevention plan containing specified information. Employers must include the plan as part of their effective injury prevention program, a violation of which is a misdemeanor in specified circumstances.
- Record information in a violent incident log for every workplace violence incident, as specified.
- Provide effective training to employees on the workplace violence prevention plan, among other things, and provide additional training when a new or previously unrecognized workplace violence hazard has been identified and when changes are made to the plan.
- Maintain records of workplace violence hazard identification, evaluation, and correction and training records to be created and maintained, and violent incident logs and workplace incident investigation records.
- Make available certain records to the Division of Occupational Safety and Health (Division), employees, and employee representatives, as specified.

Certain employers, such as healthcare facilities, are exempt from these requirements.

The Division will be required to enforce the workplace violence prevention plan and related requirements by issuance of a citation and a notice of civil penalty. The Division must also no later than Dec. 1, 2025, and the standards board no later than Dec. 31, 2026, adopt standards regarding the plan.

Resources

[Bill 552](#) (Legislature, Sept. 30, 2023)

US — California (previously covered, now effective)

Status  **Currently effective**

Development **Career**
Minimum wage increased
 The minimum wage increased by 3.5% to \$16/hour for all employees on Jan. 1, 2024 (up from \$15.50). Other cities and counties in California have higher hourly minimum wages. Also, in November 2024, voters will consider a measure that, if approved, would establish a statewide minimum wage of \$18/hour by Jan. 1, 2025, for employers with more than 25 employees — and for all employers by Jan. 1, 2026.

Resources [Minimum wage increase, Director of Finance determination and certification \(Department of Finance, July 31, 2023\)](#)

US — California (previously covered, now effective)


Status  **Currently effective**

Development **Career**
Equal pay and antiretaliation protections expanded
 From Jan. 1, 2024, changes to California’s labor code 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 must 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 are \$10,000 per employee for each violation, awarded to the employee.
- Employers face a rebuttable presumption against an employees’ equal pay claim. The law already prohibits retaliation against employees who disclose or discuss their wages with coworkers, or who inquire about another coworker’s wage, and requires equal pay for substantially similar work regardless of gender or race/ethnicity.

Resources [SB 497 \(Legislature. Oct. 10, 2023\)](#)

US — California (previously covered, now effective)

Status  **Currently effective**

Development **Career**
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 gives the courts discretion to decide if a case can proceed in the trial court while an appeal is heard. Previously, employers could halt proceedings by filing an appeal when a court refused a defendant’s petition to compel a case to private arbitration. In some cases, this resulted in long delays before cases were heard. Various business organizations opposed the measure.
 SB 365 applies if employers’ arbitration policies are governed by the California Arbitration Act; however, arbitration policies that are explicitly governed by the Federal Arbitration Act (FAA) 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, Oct. 12, 2023)

US — California (previously covered, now effective)

Status  **Currently effective**

Resources [Governor signs bills to expand the legal cannabis market, address impacts from past prohibition of cannabis](#) (Governor’s office, Sept. 18, 2022) and [AB 2188](#) (Legislature, Sept, 20, 2022)

US — California (previously covered, now effective)

Status  **Currently effective**

Development **Career — Health**
State disability insurance and paid family leave rates for 2024 now effective
 The State Disability Insurance (SDI) and Paid Family Leave (PFL) rates for 2024 are now effective. The employee contribution rate, which includes both SDI and PFL, increased to 1.1% from 0.9% in 2024. The 2024 maximum weekly benefit remains at \$1,620 for 2024. 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 is 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) and [Benefits and premium amounts — Disability insurance elective coverage](#) (Employment Development Department)

US — California (previously covered, now effective)

Status  **Effective for plan years starting in 2024**

Development **Health**
Ground ambulance law now effective
 California enacted a law, effective for plan years starting in 2024, 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 Health Maintenance Organizations (HMOs) need to pay no more than the in-network (INN) cost-sharing rate for OON ground ambulance providers. In addition, these providers are not 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 is 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.
 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, Oct. 10, 2023)

US — California (previously covered, now effective)

Status  **Currently effective**

Development **Health**
Telehealth services expanded
 California enacted 2023 Ch. 837 (AB 1369), effective Jan. 1, 2024. It allows licensed 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, Oct. 16, 2023)

US — California (previously covered, now effective)

Status  **Currently effective**

Development **Health**
Autism coverage mandate expanded
 California 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. Effective Jan. 1, 2024, the 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, Oct. 10, 2023)

US — California (previously covered, now effective)

Status  **Currently effective**

Development **Career — Health**
Paid sick leave entitlement expanded, preempting some aspects of local laws
 SB 616 expanded mandatory paid sick leave from three days (or 24 hours) to five days (or 40 hours). The increase took effect on Jan. 1, 2024. The final version of the bill was 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 if 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 increased to 40 hours, and the total accrual cap (with carryover from year to the next) increases 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.

Resources katharine.marshall@mercer.com
[SB 616](#) (Legislature, Oct. 4, 2023) and California paid sick leave: [Frequently asked questions](#) (Department of Industrial Relations, updated December 2023)

US — California (previously covered, now effective)

Status  **Currently effective**

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. The law took effect on Jan. 1, 2024.

Resources rich.glass@mercer.com
[AB 848 \(Legislature\)](#)

US — California — Bloomington (previously covered, now effective)

Status  **Currently effective**

Development **Career — Health**
Bloomington aligns sick leave with state law
Bloomington's city council has amended its original earned sick and safe time (ESST) ordinance, which took effect on July 1, 2023. The "family member" definition was expanded to match the state's definition that includes one designated individual. The 90-day waiting period has been eliminated. ESST frontloading is now permitted. Employers frontloading 48 hours at the start of the year must pay out unused time at year end; employers frontloading 80 hours do not. These and other changes took effect on Jan. 1, 2024.

Resources rich.glass@mercer.com
[Ordinance No. 2023-24 \(Government, Oct. 12, 2023\)](#)

US — Colorado (new)

Status



Currently effective

Development

Health

First insurance regulations on artificial intelligence issued

In what may be a sign of things to come, Colorado's Division of Insurance (DOI) published what could be the first state insurance rules addressing artificial intelligence. The regulations impose these requirements on life insurers regulated in the state:

- Establish a risk-based governance and risk management framework (with specified content), addressing an insurer's use of an external consumer data and information source, no later than Dec. 1, 2024
- Provide a preliminary progress report to DOI by June 1, 2024
- Submit an annual narrative report to DOI, starting on Dec. 1, 2024

DOI issued the regulations (effective Nov. 14, 2023) under its general and unfair discrimination rulemaking authority.

Resources

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[Regulations](#) (DOI, Nov. 14, 2023)

US — Colorado (previously covered, updated and effective)

Status



Currently effective

Development

Career

Equal pay disclosure requirements amended

The Ensure Equal Pay for Equal Work law, signed on June 5, 2023, builds on the Equal Pay for Equal Work Act that took effect in 2021 — clarifying employers’ existing disclosure obligations and adding new requirements. Highlights include:

- Employers must make reasonable efforts to announce, post or otherwise make known each job opportunity to all employees on the same calendar day and prior to the date on which the employer makes a selection decision. In each job opportunity notification, the employer must provide the hourly or salaried compensation or range; a general description of the benefits and other compensation applicable to the job opportunity; and the date the application window is anticipated to close.
- If an employer is only physically located outside of Colorado and has fewer than fifteen employees working in Colorado, all of whom work only remotely, the employer is only required to provide notice of remote job opportunities until July 1, 2029.
- Employers must disclose certain information about hired candidates to, at a minimum, those employees with whom the hired candidate is expected to regularly work. Employers must disclose and make available to all eligible employees the requirements for career progression, in addition to each position’s terms of compensation, benefits, full-time or part-time status, duties and access to further advancement.

Colorado’s director of the division of labor standards issued the implementing enforcement rule in November 2023

Resources

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[GRIST](#), updated Dec. 13, 2023

US — Colorado (previously covered, now effective)

Status



Currently effective

Development

Career — Health

Paid family medical leave regulations finalized

Colorado’s Family and Medical Leave Insurance Division (Division) adopted three sets of regulations on paid family and medical leave (PFML) and revised a fourth set in advance of the Jan. 1, 2024, PFML benefits start date. Highlights include:


- Program integrity. These rules address benefit overpayments and premium underpayments. The Division and a private plan may seek recovery, the latter “by any legal means available.” Notice and appeal procedures apply. The Division and a private plan may — at their discretion — waive recovery if it would be “against equity and good conscience.”
- Investigations, determinations, appeals. These rules set forth complaint, investigation, determinations, and appeals processes in detail. Employees, family members and others with a “workplace relationship” are considered aggrieved parties who can file complaints. When investigated, employers must take steps to preserve relevant records, in accordance with federal law.
- Job protection, antiretaliation and anti-interference. These rules include many examples of retaliation and interference, including use of a person’s immigration status to negatively impact PFML rights. Job restoration — available 180 days after hire — requires reinstatement to the same or equivalent position. Exceptions exist for downsizing, reorganization, or an employee’s fraudulent PFML certification, among others.
- Coordination of benefits, reimbursement of advance payments. The updated rules confirm that receipt of workers’ compensation or unemployment benefits disqualifies an individual from PFML benefits. Employer-paid leave benefits may be used to top off PFML benefits if an employer and employee mutually agree. Mutual agreement is not required for an employee to use paid sick leave before PFML benefits start. If an employee receives more than his or her normal wages, the excess is considered an overpayment, subject to recoupment by an employer.
- Benefit continuation while on leave is required only for benefits-related health, dental and vision plans, as well as mental health, counseling, and addiction services (presumably, through an employee assistance program). An employer may collect employee contributions through payroll deductions (if applicable), upon return from leave, via a repayment plan or by any other legal means. An employer may run PFML time concurrently with short- or long-term disability or a time-off bank if employees are properly notified. These rules also describe how an employer may seek reimbursement of advance payments to employees while a PFML determination is pending.

Resources


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[Regulations concerning program integrity](#); [Regulations concerning investigations, determinations and appeals](#); [Regulations concerning job protection, antiretaliation and anti-interference](#) and [Regulations concerning coordination of benefits and reimbursement of advance payments](#) (Division of Family and Medical Leave Insurance)


US — Colorado (previously covered, now effective)

Status	 Currently effective
Development	<p>Career — Health</p> <p>Family and medical leave insurance wages includes pretax amounts</p> <p>Colorado’s Division of Family and Medical Leave Insurance (FAMLI) announced that the definition of wages — for the purposes of premium and benefit calculations — includes pre-tax amounts (i.e., gross wages); a departure from prior guidance.</p>
Resources	<p>rich.glass@mercer.com</p> <p>Information on FAMLI program (Department of Labor and Employment) and GRIST, Feb. 1, 2023</p>

US — Colorado — Denver (previously covered, now effective)

Status	 Currently effective
Development	<p>Career</p> <p>Hourly minimum wage increased to \$18.29/hour</p> <p>The City and County of Denver’s local minimum wage increased to \$18.29/hour (up from \$17.29) on Jan. 1, 2024. The minimum wage for tipped food and beverage workers is \$15.27/hour provided they earn at least \$3.02/hour in actual tips. Colorado’s hourly minimum wage was \$13.65 for 2023.</p>
Resources	Minimum wage information (Denver Labor)

US — Connecticut (previously covered, now effective)

Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage increased to \$15.69/hour</p> <p>Connecticut’s minimum wage increased to \$15.69/hour on Jan 1, 2024, up from \$15/hour. For the first time, the adjustment was 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.</p>
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, May 28, 2019)

US — Delaware (previously covered, now effective)

Status  **Currently effective**

Development **Health**

Insurance law requires third-party payments to apply toward cost sharing

Delaware enacted law 2022 Ch. 522, SB 267 that requires fully insured plans, health service corporations and health maintenance organizations subject to state law to apply any covered prescription drug cost-sharing assistance toward the deductible and out-of-pocket maximum. The law contains an exception for health savings account-disqualifying high-deductible health plans (HDHPs). The law applies to insurers and PBMs and is effective for plan years starting in 2024.

Resources rich.glass@mercer.com
[2022 Ch. 522, SB 267](#) (Legislature, Oct. 26, 2022)

US — Delaware (previously covered, now effective)

Status  **Currently effective**

Development **Health**



New law requires annual behavioral health well check for insured plans


New Delaware law HB 303, effective Jan. 1, 2024, requires fully insured individual and group plans to provide a predeductible annual behavioral health well check with a clinician who has at least a masters-level degree. State Medicaid and governmental plans must also comply. Well checks must include:

- Review of medical history
- Evaluation of adverse childhood experiences
- Use of appropriate screening tools
- Anticipatory behavioral health guidance

Plans may impose cost sharing (coinsurance, copayments), allowable charge limitations and licensing and similar restrictions. HB 303 lists 14 available CPT codes, all of which are in the code range of preventive medicine services. The law creates a 12-person advisory committee, tasked with creating a developmentally appropriate design for well checks. HB 303 applies to insured health plans issued in Delaware and certificates of coverage issued to state residents, but not to self-funded ERISA plans.

Resources rich.glass@mercer.com
[HB 303](#) (Legislature, August 3, 2022)

US — Hawaii (new)	
Status	 Currently effective
Development	Health 2024 disability benefits rates now effective The temporary disability insurance rates for 2024 are now effective: <ul style="list-style-type: none">• Maximum weekly wage base: \$1,374.78, up from \$1,318.48• Maximum weekly employee contributions (0.5% of wages): \$6.87, up from \$6.59• Maximum weekly benefit: \$798, up from \$765 Hawaii does not currently have a paid family leave law.
Resources	2024 maximum weekly wage base and maximum weekly benefit amount (Department of Labor and Industrial Relations, Dec. 1, 2023)
US — Hawaii (previously covered, now effective)	
Status	 Currently effective
Development	Career Pay disclosure required in job listings, equal pay law expanded On July 3, 2023, the governor signed legislation SB 1057 requiring employers with 50 or more employees to include pay or salary as part of a job listing — to increase pay transparency and equal pay for all employees. The law, effective Jan. 1, 2024, also expands equal pay discrimination protections and will only apply prospectively. Hawaii is part of a trend as several states have enacted legislation requiring the disclosure of salary ranges and pay data in recent years.
Resources	tauseef.rahman@mercer.com GRIST , July 18, 2023

US — Hawaii (previously covered, now effective)	
Status	 Currently effective
Development	Health Prepaid Health Care Act Form HC-5 for 2024 now posted The Hawaii Prepaid Health Care Act (HPHCA) requires employers to offer health coverage to all eligible employees in the state. An employee may waive coverage under the employer’s health plan if certain conditions apply, including having other health coverage. To claim an exemption, the employee must complete and provide Form HC-5 — “Employee Notification to Employer” to the employer. This notice is binding for only one year, so exempt employees must annually complete a new form by Dec. 31, using the current calendar year’s form. The employer must keep this form on file.
Resources	dorian.z.smith@mercer.com Prepaid health care links (Disability Compensation Division); GRIST , Dec. 11, 2023 and GRIST , Feb. 18, 2022

US — Illinois (previously covered, now effective)

Status



Currently effective

Development

Career — Health

Paid leave law now effective

The Paid Leave for All Workers (PFLAW) Act (SB 208) became effective on Jan. 1, 2024, and provides at least 40 hours of paid leave (or one hour for every 40 hours worked) for any reason to all Illinois employees (with some exceptions). Exempt employees are deemed to work 40 hours per workweek. Leave must be available after 90 days of employment.

Employers may apply these rules:

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

Employers must follow these rules: Prohibition against requesting the reason for leave; posting of a workplace notice, subject to penalties; no retaliation; and payment of at least the prevailing minimum wage (relevant for workers who earn gratuities or commissions).

The PFLAW Act excludes these workers:

- Employees who work for an employer subject to any type of local paid leave ordinance (like Chicago and Cook County) in effect on Jan. 1, 2024
- Construction workers, national delivery workers and state employees subject to a collective bargaining agreement
- School district and park district employees
- Railroad employees
- Temporary, part-time student employees employed by a college or university

Short-term employees of a higher education institution for less than two calendar quarters in a row and lacking a reasonable expectation of rehire for the same service in a later calendar year

Resources

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[Public Act 102-1143](#) (Legislature, March 13, 2023); [Paid leave for all workers act](#) (Department of Labor) and [GRIST](#), April 29, 2022

US — Illinois (previously covered, now effective)	
Status	 Currently effective
Development	<p>Career</p> <p>Employers must notify remote workers electronically</p> <p>From Jan. 1, 2024, employees who do not regularly report to a workplace, such as those who work remotely or travel for work, must receive all work-related notices electronically under HB 3733 signed by the governor on June 30, 2022. Employers must post the notices conspicuously on their website or send them by email. Examples include summaries of the minimum wage, equal pay, child labor and wage payment laws. The law also allows employees to request their personnel records by email and caps the employer’s fee for providing them to the actual cost.</p>
Resources	Public Act 103-1201 (Legislature)
US — Illinois (previously covered, now effective)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Paid leave required for organ donations</p> <p>The Employee Blood Donation Leave Act was amended to include organ donations, requiring up to 10 days of paid leave per 12-month period to donate blood or an organ. This law applies to governmental employers and employers with 51 or more employees. HB 3516 took effect on Jan. 1, 2024.</p>
Resources	<p>rich.glass@mercer.com</p> <p>2023 Pub. Act 103-0450 (HB 3516) (Legislature)</p>
US — Illinois (previously covered, now effective)	
Status	 Currently effective
Development	<p>Health</p> <p>Prescription drug law enacted</p> <p>Illinois enacted the Pharmaceutical and Health Affordability: Restrictions on Manufacturers' Amoral Behavior through Reasonable Oversight Act. Under the Act, a drug manufacturer or wholesale drug distributor may not engage in price gouging in the sale of an essential off-patent or generic drug. The state attorney general has enforcement authority. The law took effect on Jan. 1, 2024.</p>
Resources	<p>rich.glass@mercer.com</p> <p>2023 Pub. Act 103-0357 (HB 3957) (Legislature, July 28, 2023)</p>

US — Illinois (previously covered, now effective)

Status  **Currently effective**

Development

Health

Transportation benefits law now effective

The Transportation Benefits Program Act (2023 Pub. Act 103-0291, HB 2068) requires covered employers in the Chicago area to offer a § 132(f) transportation plan or participate in program offered by the Chicago Transit Authority or Regional Transit Authority. Covered employers must have at least 50 full-time (35+ hours per week) employees working in Cook County or many townships (like Aurora, Joliet, and Naperville) at a location with one mile of a fixed-route transit service. Employers may have a 120-day waiting period for new hires. The requirements may be waived through a collective bargaining agreement. The law took effect on Jan. 1, 2024.

Resources

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[Transportation Benefits Program Act](#) (2023 Pub. Act 103-0291, HB 2068) (Legislature, July 28, 2023)

US — Illinois (previously covered, now effective)

Status  **Currently effective**

Development

Health

Abortifacient, hormonal therapy and HIV coverage mandated

An amendment to the Illinois Insurance Code expands an existing fully insured plan coverage mandate to include off-label use of abortifacients, hormonal therapy, HIV pre-exposure prophylaxis (PrEP) and post-exposure prophylaxis (PEP) when appropriated prescribed or ordered by a healthcare provider. The law took effect starting with 2024 plan years. Illinois does not apply its insurance laws to fully insured plans issued in other states. The law does not apply to self-funded ERISA plans.

Resources

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[2023 Pub. Act 103-0462](#) (SB 1344) (Legislature, Aug. 4, 2023)

US — Illinois (previously covered, now effective)

Status  **Currently effective**

Development

Health

More health insurance mandates now effective

These new coverage requirements for fully insured plans situated in the state are now effective:

- Pub. Act No. 102-0979 — genetic testing for breast and ovarian cancer susceptibility (effective for plan years starting on or after Jan. 1, 2024)
- Pub. Act No. 102-1038 — no copayment for naloxone hydrochloride, used to treat opioid overdoses, with an exception for health savings account (HSA)-eligible HDHPs (effective for plan years starting after Jan. 1, 2024)
- Pub. Act No. 102-1073 — broader coverage of prostate cancer screening to include “medically viable methods” (effective for plan years starting after Jan. 1, 2024)

Pub. Act No. 102-1093 — medically necessary continuous glucose monitors (effective for plan years starting on or after Jan. 1, 2024)

Resources

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[Pub. Act No. 102-0979](#) (Legislature, May 27, 2022); [Pub. Act No. 102-1038](#) (Legislature, June 2, 2022); [Pub. Act No. 102-1073](#) (Legislature, June 10, 2022) and [Pub. Act No. 102-1093](#) (Legislature, June 15, 2022)

US — Illinois — Chicago (new)

Status  **Effective date delayed until July 1, 2024.**

Development **Career — Health**
Effective date of paid sick and safe leave law delayed
 On Dec. 13, the Chicago City Council unanimously approved a delay of the paid leave and paid sick and safe leave (PSSL) ordinance passed last month — from Dec. 31, 2023 to July 1, 2024.

Resources rich.glass@mercer.com
[Ordinance](#) (City council)

US — Illinois — Chicago (new)

Status  **Proposal**

Development **Career — Health**
Paid leave and sick and safe leave rules proposed
 Chicago's Department of Business Affairs and Consumer Protection issued a draft of proposed rules related to its recent paid leave (PL) and paid sick and safe leave (PSSL) ordinance that created separate annual allotments of up to 40 hours each for PL and PSSL. Highlights include:

- Covered employees. Immigration status does not affect eligibility. Day laborers are covered employees.
- Accrual. Only hours worked in Chicago count toward PL accrual. Commissioned employees whose hours are not tracked accrue PL similar to salaried covered employees. The rules do not address whether these provisions also apply to PSSL accrual.
- Carryover. Any carryover of PL or PSSL increases the usage cap for the following year. For example, if an employee carries over 32 hours of PSSL, up to 72 hours of PSSL are available. The rules clarify that frontloading of PSSL eliminates the obligation to carry over PSSL (the ordinance already made this clear for PL frontloading).
- Employer disclosure. Employers must use a department-issued notice (not yet provided) via their usual methods of communication. The paycheck notice may be provided electronically for employees on direct deposit.
- Union populations. Collective bargaining agreements (CBA) are subject to these requirements unless the CBA contains a clear and unambiguous waiver.
- Exception. An employer need not grant PL or PSSL if an employee is suspended or on disciplinary leave.
- Recordkeeping. The rules contain 15 different items that employers must maintain for at least five years.

It is unclear when these rules take effect and whether employers can rely upon them in the interim. As a reminder, the ordinance's effective date was delayed until July 1, 2024 — from Dec. 31, 2023.

Resources rich.glass@mercer.com
[Chicago paid leave and paid sick leave rules](#) (Department of Business Affairs and Consumer Protection)

US — Illinois — Cook County

Status  **Currently effective, but enforcement does not begin until Feb. 1, 2024**

Development

Career — Health

Paid leave law amended

On Dec. 14, 2023, the Cook County Board of Commissioners adopted an ordinance that transforms its prior mandate limited to paid sick leave into one requiring paid leave for any reason. Duration is up to five days per year. The changes will take effect on Dec. 31, but enforcement will be delayed until Feb. 1, 2024. The ordinance largely aligns with the PLAW Act, effective Jan. 1. One key difference is that the ordinance allows a private right of action (with the potential for treble damages); the PLAW Act is enforced by the state Department of Labor.

Under the “home rule” doctrine, cities within Cook County have the right to opt out of the County ordinance; for example, Chicago has done that and recently made changes to its paid leave law, effective July 1, 2024.

Resources [Ordinance](#) (Cook County, Dec. 14, 2023)

US — Louisiana (previously covered, partially effective)

Status  **Effective dates vary.**

Development

Health

Two telehealth laws enacted

Louisiana has enacted two telehealth laws. Under 2023 Act No. 336, HB 41, telehealth services must be reimbursed at the same rate as in-person services, unless the parties contractually agree otherwise. Telehealth services must be at the same cost sharing as in-person services. An in-person patient-provider relationship is not required. This law applies to the 2024 plan year and beyond for new health plans; otherwise, it takes effect starting with the 2025 plan year.

Other related improvements are contained in 2023 Act No. 322, SB 66, making use of telehealth technology easier for fully insured plans. This law took effect starting with the 2024 plan year.

Louisiana applies its insurance laws on an extraterritorial basis to fully insured plans issued in another state, to the extent state residents are covered. This law does not apply to self-funded ERISA plans.

Resources

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[2023 Act No. 336, HB 41](#) (Legislature, June 12, 2023) and [2023 Act No. 322, SB 66](#) (Legislature, June 12, 2023)

US — Louisiana (previously covered, partially effective)

Status  **Effective for new plans on and after Jan. 1, 2024, and for existing plans the earlier of the renewal date or Jan. 1, 2025.**

Development **Health**
Medically necessary fertility preservation law enacted
 With the enactment of 2023 Act No. 299, HB 186, plans must cover fertility preservation services when cancer treatment or any other medically necessary treatment could cause infertility. Plans may not impose preauthorization. Whether this law applies to self-funded ERISA plans is unclear. HB 186 applies to a “health coverage plan,” which includes fully insured plans, HMOs, the state’s governmental plan and any “employee welfare benefit plan.” HB 186 does not apply to excepted benefits or short-term, limited-duration insurance.
 This law took effect for new plans on and after Jan. 1, 2024. For existing plans, the effective date is on the earlier of the renewal date or Jan. 1, 2025. Louisiana applies its insurance laws on an extraterritorial basis to fully insured plans issued in another state, to the extent they cover state residents.

Resources rich.glass@mercer.com
[2023 Act No. 299, HB 186 \(Legislature, June 13, 2023\)](#)

US — Maine (previously covered, now effective)



Status  **Currently effective**

Development **Health**
Healthcare cost comparison website expanded to include ambulance services
 As a result of Act 2023, Ch. 468 (LD 1602), fully insured plan reimbursement rates will change starting in 2024:

- After Dec. 31: 200% of Medicare for basic life support services, 100% of Medicare for advanced life support services
- After Dec. 31: 180% of Medicare for basic life support services, 100% of Medicare for advanced life support services

Insurers must adopt Centers for Medicare & Medicaid Services and Health & Human Services standards for medical necessity and reasonableness of covered services. In addition, Maine residents will soon be able to compare costs for ambulance services in the CompareMaine database, which has been in place for more than a decade. Maine generally does not apply its insurance laws to fully insured plans issued in other states. The law does not apply to self-funded ERISA plans.

Resources rich.glass@mercer.com
[2023 Ch. 468 \(LD 1602\) \(Legislature, July 27, 2023\)](#)

US — Maine (previously covered, now effective)	
Status	 Currently effective
Development	<p>Health</p> <p>Fully insured plans prohibited from applying cost sharing to abortion services</p> <p>Fully insured plans need to provide abortion services without cost sharing because of legislation 2023 Ch. 347, LD 935. This includes deductibles, copayments, and coinsurance. A health savings account-related exception exists. This law took effect for plan years starting in 2024. Maine generally does not apply its insurance laws on an extraterritorial basis. This law does not apply to self-funded plans.</p>
Resources	2023 Ch. 347, LD 935 (Legislature, June 28, 2023)
US — Maryland (previously covered, now effective)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage rate increased</p> <p>Effective Jan. 1, 2024, Maryland's minimum wage increased to \$15/hour for all employers, under legislation 2023 Ch. 2, SB 555. The prior minimum wage rate for employers with 15 or more employees was \$13.25/hour.</p>
Resources	Ch. 2, SB 555 (Legislature, April 11, 2023)
US — Maryland (previously covered, now effective)	
Status	 Currently effective
Development	<p>Health</p> <p>Law increases restrictions on PBMs</p> <p>Effective Jan. 1, 2024, a new law will limit a PBM's ability to audit pharmacies, perform reconciliations and recoup funds from a pharmacy. The Maryland Insurance Administration's position is that ERISA does not preempt application of the state's PBM laws to self-funded plans.</p>
Resources	<p>rich.glass@mercer.com</p> <p>Ch. 355, HB 374 (Legislature, May 3, 2023)</p>

US — Massachusetts (previously covered, now effective)

Status  **Currently effective**

Development **Career — Health**

2024 paid family leave contribution rates now effective

Starting on Jan. 1, 2024, the contribution rate significantly increased — from 0.63% to 0.88% of wages up to the Social Security maximum wage base — \$168,600 for 2024. Employers with 25 or more Massachusetts employees contribute 0.42% (up from 0.312% in 2023) while their employees 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 is \$1,149.90.

Resources rich.glass@mercer.com
[2024 rates](#) (Government, Sept, 29, 2023)

US — Massachusetts (previously covered, now effective)

Status  **Currently effective**

Development **Health**

2024 individual-mandate coverage dollar limits now effective

The 2024 dollar limits on deductibles and other cost sharing for minimum creditable coverage (MCC), as required by regulations (956 Mass. Code Regs. 5) are now effective. The Massachusetts individual mandate, in effect since 2007, requires state residents to maintain MCC or face a potential state tax penalty. Providing MCC is not an employer mandate, but many employees use employment-based health coverage to satisfy the individual mandate. In addition, health plan reporting requirements compel plan sponsors (or their vendors) to determine whether their coverage meets MCC standards. Deductibles and out-of-pocket maximums (OOPMs) are adjusted annually. Regulations also clarify MCC criteria for health arrangements provided by religious organizations.

Resources rich.glass@mercer.com and patricia.farrell@mercer.com
[GRIST](#), Sept. 18, 2023

US — Massachusetts (previously covered, now effective)

Status  **Currently effective**

Development **Health**

Voter- approved medical loss ratio requirement for insured dental plans now effective

In November 2022, voters approved Question 2 that applies an 83% medical loss ratio requirement for insured dental plans issued in the state, with refunds of excess premiums going to covered individuals and group health plans. It became effective on Jan. 1, 2024

Resources rich.glass@mercer.com
[Question 2: Law proposed by initiative petition](#) (Secretary of State)

US — Michigan (new)

Status  **Effective Feb. 13, 2023**

Development **Health**
Abortion law repeals four statutes
 Effective Feb. 13, 2023, Pub. Act 286 (HB 4949) specifically removes the 2013 law requiring fully insured plans to provide elective abortion only by an optional rider. These laws will also be repealed:

- Parts of the state’s Penal Code
- The Legal Birth Definition Act
- A Health Code family planning services funding provision

Michigan generally does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state.

Resources rich.glass@mercer.com
[2023 Pub. Act 286 \(HB 4949\)](#) (Legislature, Nov. 14, 2023)


US — Michigan (previously covered, now effective)

Status  **Currently effective**

Development **Health**
PBM law now effective
 Michigan lawmakers enacted PBM legislation HB 4348 imposing new PBM licensure and other requirements on PBMs that provide services to Michigan residents. The law took effect on Jan 1, 2024.
 The network adequacy standards require “convenient enrollee access to pharmacies within a reasonable distance,” and the existence of mail-order and specialty pharmacies cannot be considered in determining adequacy. The measure imposes a ban on spread pricing, limits on access to medication, including quantity or refill frequency limits that differ based on PBM affiliation, and disparate reimbursements for certain pharmacies based on affiliation. The law calls for a PBM standard of “good faith and fair dealing,” including disclosure of conflict of interest, advance notice of certain cost increases, and a ban on retroactive network pharmacy fees, charges, or other amounts. In addition, beginning April 1, 2025, a PBM will have to file with regulators an annual transparency report detailing from the previous calendar year various costs, rebates, and fees. Because the law applies directly to PBMs, it is unclear how state regulators would apply the far-reaching restrictions to PBMs that work on self-funded ERISA plans. One provision appears to exempt claims activities that are “entirely preempted by federal law, including [ERISA].”

Resources rich.glass@mercer.com
[Press release](#) (Governor’s website, Feb. 23, 2022); [HB 4348](#) (Legislature, Feb. 23, 2022)

US — Minnesota (previously covered, now effective)

Status  **Currently effective**

Development **Career — Health**
Paid sick and safe leave requirements now effective
 Starting Jan. 1, 2024, 2023 Ch. 53 (SF 3035, see Article 12) requires all employers in the state to provide up to 48 hours of earned sick and safe time (ESST) — accrued at one hour for every 30 hours worked — to eligible employees working in Minnesota. The law replaces the current statute that applies to an employer’s voluntary sick leave program. The Department of Labor and Industry has issued implementation guidance.

Employers already providing at least 48 hours of discretionary paid leave, vacation or paid time off do not have to provide additional paid leave to comply with the law if their policies adhere to ESST requirements. Employers should evaluate existing leave policies to determine any necessary changes, including employment termination, carryover and frontloading provisions.

Resources rich.glass@mercer.com and katharine.marshall@mercer.com
[GRIST](#), Sept. 27, 2023; [Earned sick and safe time](#) (Department of Labor and Industry) and [Earned sick and safe time outreach toolkit](#) (Department of Labor and Industry)


US — Montana (previously covered, now effective)

Status  **Currently effective**

Development **Health**
New fertility coverage mandate applies to fully insured plans
 Fully insured individual and group plans must cover medically necessary fertility services when a participant is diagnosed with cancer and treatment may cause infertility, per 2023 Ch. 782, SB 516. This law took effect for plan years starting in 2024. Montana generally does not apply its insurance laws on an extraterritorial basis. This law does not apply to self-funded plans

Resources rich.glass@mercer.com
[2023 Ch. 782, SB 516](#) (Legislature, June 29, 2023)

US — Montana (previously covered, now effective)

Status  **Currently effective**

Development **Health**
Diabetes self-management training and education services coverage required
 Instead of addressing insulin copay caps like other states, 2023 Ch. 520, HB 612 mandates coverage of diabetes self-management training and education services for fully insured plans. Specifically, plans must cover up to 20 visits (in an individual or group setting) for the initial year and up to 12 visits in later years, if the 20-visit limit is exhausted. Montana does not apply its laws on an extraterritorial basis to fully insured plans located in another state. HB 612 does not apply to self-funded ERISA plans.

Resources rich.glass@mercer.com
[2023 Ch. 520, HB 612](#) (Legislature, May 18, 2023)


US — Nebraska (previously covered, now effective)

Status  **Currently effective**

Development **Health**
Insulin cost-sharing law enacted
 Among the provisions in a tax, insurance, and housing law (LB 92) is a \$35 insulin copay cap for a 30-day supply. This provision (effective for plan years starting on or after Jan. 1, 2024) applies to fully insured plans and self-funded plans not preempted by federal law (e.g., church plans, nonfederal governmental plans).

Resources rich.glass@mercer.com
[LB 92](#) (Legislature)

US — Nevada (previously covered, now effective)

Status  **Currently effective**

Development **Health**
Step therapy restricted
 With the passage of 2023 Ch. 151, SB 194, fully insured plans must establish and communicate an exemption and appeals process for step-therapy protocols. Applicable guidelines must be based on medical or scientific evidence, where available. This law applies to plans in the individual and group markets (including small group), as well as nonprofit hospital, medical and dental service corporations, HMOs and managed care plans subject to state law.
 Medicaid managed care organizations and certain state governmental plans are exempt from these requirements. Self-funded group health plans also are not subject to SB 194, which took effect on Jan. 1, 2024. Nevada does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in other states.

Resources rich.glass@mercer.com
[2023 Ch. 151, SB 194](#) (Legislature, June 1, 2023)

US — Nevada (previously covered, now effective)

Status  **Currently effective**

Development **Career — Health**
Unpaid domestic violence leave law amended to include incidents of sexual assault
 Nevada amended its unpaid domestic violence leave law to include incidents of sexual assault. As a result of 2023 Ch. 207, AB 163, sexual assault situations are now a qualifying reason for state-protected leave (paid or unpaid). Maximum duration for this leave — previously available only for incidents of domestic violence — is 160 hours per 12-month period. The definition of sexual assault is broadly defined in the criminal statute. Similar amendments were made to Nevada’s laws related to an employer’s reasonable accommodation duty and prohibition against retaliation and discrimination, as well as unemployment compensation. This law took effect on Jan. 1, 2024.

Resources rich.glass@mercer.com
[2023 Ch. 207, AB 163](#) (Legislature, June 5, 2023)

US — New Jersey (new)

Status  **Expiration date extended to Dec. 31, 2024**

Development

Health

Telehealth parity requirement extended

New Jersey’s telehealth parity mandate — requiring reimbursement parity between in-person and telehealth providers — was due to expire on Dec. 31, 2023. As a result of 2023 Ch. 199 (HB 5757), the expiration date was extended to Dec. 31, 2024.

This requirement applies to fully insured plans. New Jersey generally does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state. The law does not affect self-funded plans.

Resources

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[2023 Ch. 199 \(HB 5757\)](#) (Legislature, Dec. 21, 2023)

US — New Jersey (previously covered, now effective)

Status  **Currently effective**

Development

Career

Hourly minimum wage now generally exceeds \$15.13/hour

The hourly minimum wage rate is generally \$15.13/hour as of Jan. 1, 2024 — up from \$14.13/hour. Seasonal and small employers have until 2026 to reach \$15/hour — the minimum wage for these employees is \$12.93/hour and it will increase to \$13.73/hour on Jan. 1, 2024. Agricultural workers are guided by a separate minimum wage timetable and have until 2027 to reach the \$15/hour minimum wage. For employees who work on a farm for an hourly or piece-rate wage, the minimum wage increased to \$12.81 on 1 Jan. 2024. Additionally, long-term care facility direct care staff’s minimum wage is \$18.13/hour as of Jan. 1, 2024 — up from \$17.13/hour.

Resources

[New Jersey’s minimum wage to surpass \\$15 per hour target set by Gov. Murphy](#) (Department of Labor & Workforce Development, Sept. 26, 2023)

US — New Jersey (previously covered, now effective)

Status



Currently effective

Development

Career — Health

Temporary disability insurance and family leave insurance rates for 2024 now effective

The 2024 temporary disability insurance (TDI) and family leave insurance (FLI), which together constitute the state's paid family medical leave, are now effective. Employee contributions are not required in 2024 for TDI, just like in 2023. Employee FLI contributions increased 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

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[Rate information, contributions and due dates](#) (Department of Labor and Workforce Development)

US — New Mexico (new)

Status  **Plans issued on or after Jan. 1, 2025**

Development

Wealth

Ancillary plan exception finalized

Currently, New Mexico’s insurance regulations impose coverage and other standards on insured excepted benefit plans like accident-only, hospital indemnity, other fixed indemnity and specified disease coverage. The state’s Office of Superintendent of Insurance (OSI) has finalized an ancillary plan exception.

Group plans are considered ancillary plans — not subject to the existing regulations — if they meet all of these requirements:

- Obtaining a participant’s proof of medical coverage before the plan can be issued
- Including an initial disclosure statement with plan-specific content on the application or enrollment form
- Providing an annual disclosure statement with standard content to all participants.

Industry commenters pointed out that the first two requirements present administrative challenges. As a result, OSI delayed the effective date of this exception by one year, applying it to plans issued on or after Jan. 1, 2025.

Resources

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[Regulations](#) (Superintendent of Insurance, July 1, 2023) and [Amendment](#) (Superintendent of Insurance)

US — New Mexico (previously covered, now effective)

Status  **Currently effective**

Development

Health

Prescription benefit law enacted

A new law (Ch. 206, SB 51), effective Jan. 1, 2024, requires all discounts received by fully insured individual or group plans (including HMOs and nonprofit health plans) to apply toward participant cost sharing. The law also prohibits lower cost sharing for a PBM-affiliated pharmacy. Rebates must count toward a participant’s out-of-pocket maximum. At the point of sale, a participant’s cost must be the lowest of these amounts:

- Applicable cost-sharing amount
- Amount payable for an uninsured individual
- Sum of what the insurer will pay the pharmacy, plus the cost-sharing amount
- The value of the manufacturer’s rebate to the insurer or PBM

New Mexico does not apply its insurance laws on an extraterritorial basis to fully insured plans located elsewhere.

Resources

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[Ch. 206, SB 51](#) (Legislature, April 7, 2023)

US — New Mexico (previously covered, now effective)

Status  **Currently effective**

Development

Health

Diabetes insurance coverage and protections expanded

State insurance law already has a \$25 cap on the cost for a 30-day supply of insulin and mandates diabetes coverage for fully insured plans and self-funded governmental plans. A new law (2023 Pub. L. No. 50, HR 53) adds more requirements, including for network adequacy and coverage of diabetes medical equipment, and sets penalties if reimbursements are delayed beyond 30 days. The law is effective for plan years starting on or after Jan. 1, 2024.

Resources

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[Pub. L. No. 50, HR 53](#) (Legislature, March 30, 2023)

US — New York (new)

Status  **Currently effective**

Development

Health

Drug price gouging prohibited

Under 2023 Ch. 725 (SB 608), a general business law was modified to include drug shortages in the definition of “abnormal disruption of the market.” As a result, all entities in the drug supply chain are barred from selling goods or services at an unconscionably excessive price during a drug shortage, based on a federal Food and Drug Administration list. This law took effect on Dec. 13, 2023.

Resources

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[2023 Ch. 725 \(SB 608\)](#) (Legislature, Dec. 13, 2023)

US — New York (new)

Status  **Currently effective**

Development

Health

2024 healthcare reform act covered-lives assessment rates now effective

New York posted its 2024 regional covered-lives assessment (CLA) rates and percentage surcharges for graduate medical education (GME) under the state’s Health Care Reform Act (HCRA). This annual GME/CLA surcharge and indigent care surcharge are two distinct payments applicable to health claim payors, including self-funded plans.

Resources

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[GRIST](#), Jan. 3, 2024

US — New York (previously covered, now effective)

Status  **Currently effective**

Development **Career — Health**
2024 paid family leave rates now effective
 The 2024 paid family leave (PFL) rates are now effective:

- Employee contributions. For the second year in a row, the rate decreases, this time from 0.455% to 0.373% of an employee’s wages each period. The annual maximum also drops from \$399.43 to \$333.25.
- Employee benefits. The benefit maximum for qualified leaves starting on or after Jan. 1, 2024, will increase from \$1,131.08 to \$1,151.16 per week. Meanwhile, the benefit percentage (67% of average weekly wages) and benefit maximum (67% of the state average weekly wage) remain the same.

The maximum duration also did not change, staying at 12 weeks in a 52-week period. As a reminder, employers are not obligated to make PFL contributions. A separate disability benefits law (DBL) applies to paid leaves for nonwork-related disabilities.

Resources [Decision on premium rate for PFL benefits and maximum employee contribution for coverage beginning Jan. 1, 2024](#) (Department of Financial Services, Aug. 30, 2023)

US — New York — New York City (previously covered, updated)

Status  **Currently effective**

Development **Career**
Food delivery minimum pay rule upheld
 A New York state appeals court has upheld the minimum hourly pay rate for app-based food delivery workers. The rate will be \$17.96/hour until March 31, 2024 and is scheduled to increase to \$18.96/hour as of April 1, 2024 and to \$19.96 on April 1, 2025.

Resources [Order denying leave](#) (Supreme Court of New York Appellate Division, Nov. 22, 2023) and [Notice of adoption of final rule](#) (New York City Department of Consumer and Worker Protection)

US — Oregon (new)

Status



Currently effective

Development

Career — Health

2024 paid family medical leave rates

The Oregon Employment Department posted 2024 rates for paid family and medical leave (PFML). The overall contribution rate remains at the statutory maximum of 1% of wages, with employees paying 0.6% and employers with 25 or more employees (including out-of-state workers) paying 0.4%. Employers with fewer than 25 employees are not required to contribute; employees do not make up the difference in that event. In 2024, the taxable wage base (\$132,900 in 2023) will align with the Social Security maximum taxable wage base of \$168,600.

Resources

[Oregon Employment Department announces 2024 rates for Paid Leave Oregon and unemployment insurance](#) (Employment Department, Nov. 15, 2023)

US — Rhode Island (new)

Status



Currently effective

Development

Career — Health

Paid family medical leave rates updated

Rhode Island's Department of Labor and Training published the 2024 rates under its temporary disability insurance (TDI) program. The specific changes are:

- The taxable wage base increased from \$84,000 (2023) to \$87,000 (2024).
- The contribution rate increased from 1.1% (2023) to 1.2% (2024), which means the maximum annual contribution amount increased from \$924 (2023) to \$1,044 (2024).


The maximum weekly benefit is currently \$1,043 through June 30, 2024.

Resources

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[2024 tax rates for unemployment insurance and temporary disability insurance](#) (Department of Labor and Training, Dec. 14, 2023)

US — South Carolina (previously covered, now effective)

Status  **Currently effective**

Development **Health**
Comprehensive PBM reforms enacted
 SB 520 requires PBM disclosure of alternatives when participants are steered to an affiliated pharmacy. This law imposes an “any willing pharmacy” requirement (with exceptions for specialty and high-cost drugs) and a good faith and fair-feeling standard on PBMs. SB 520 also bans retroactive adjudication of Rx claims, except in limited situations. This law does not appear to apply to self-funded ERISA plans. All provisions of SB 520 took on Jan. 1, 2024, except for a provision related to examinations by the South Carolina Department of Insurance, which takes effect one year later.

Resources rich.glass@mercer.com
[SB 520 \(Legislature\)](#)

US — Tennessee (previously covered, now effective)

Status  **Currently effective**

Development **Career — Health**
Voluntary paid family leave law now effective
 Tennessee enacted the Paid Family Leave Insurance Act SB 454 which authorizes family leave insurance as either a rider to a group disability/life insurance policy or a separate group policy. Coverage includes:

- Birth, adoption and foster care
- Care for a family member with a serious health condition
- A family member’s impending call or order to active military duty

The law took effect for policy years starting on or after Jan. 1, 2024.

Resources rich.glass@mercer.com
[SB 454 \(Legislature\)](#) and [GRIST](#), Feb. 1, 2023

US — Tennessee (previously covered, now effective)

Status  **Currently effective**

Development

Career — Health

Employers providing paid family medical leave eligible for state tax credits in 2024 and 2025

The Tennessee Works Tax Act (HB 323) implements a large tax cut for state residents, including a PFML tax credit. For the 2024 and 2025 tax years, employers can receive a combined franchise and excise tax credit if they provide PFML that complies with §45S of the federal Internal Revenue Code. Details are available in a Tennessee Department of Revenue notice.

Resources

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[HB 323](#) (Legislature) and [Tennessee Department of Revenue Notice](#) (Department of Revenue, May 2023)

US — Texas (new)

Status  **Currently effective**

Development

Health

Independent dispute resolution regulations for self-funded plans issued

Effective Jan. 3, 2024, the final regulations implement HB 1592, which was enacted on June 12, 2023, and took effect on Sept. 1. These rules describe a specific submission procedure for self-funded ERISA plans and required explanation of benefits and ID card content informing participants of balance billing and independent dispute resolution protections in state law.

Resources

[Final regulations](#) (Department of Insurance, Dec. 14, 2023) and [HB 1592](#) (Legislature, June 12, 2023)

US — Texas (previously covered, now effective)

Status



Currently effective

Development

Health

Multiple benefit laws now effective

Texas has enacted laws on a variety of issues, particularly related to prescription drugs. Texas applies its insurance laws on an extraterritorial basis to fully insured plans issued in another state, as applied to Texas residents. These laws do not apply to self-funded ERISA plans and take effect for the 2024 plan year.

- HB 999 compels fully insured plans, HMOs and multiple-employer welfare arrangements (MEWAs) to apply third-party Rx payments to a plan’s cost sharing, including deductibles. This requirement applies only if a generic equivalent or interchangeable biologic does not exist, or if those types of drugs exist and a participant already went through prior authorization, step therapy or an exceptions/appeals process.
- HB 1647 targets clinician-administered prescriptions Rx (so-called “white bagging”) covered under fully insured plans, HMOs and MEWAs. These plans may not require white bagging where a participant has a chronic, complex, rare or life-threatening medical condition. Other limitations also apply.
- HB 1337 bars fully insured plans, HMOs and MEWAs from imposing step therapy protocols on prescriptions for serious mental illnesses in adults, except in limited situations.
- HB 755 prohibits fully insured plans, HMOs and MEWAs from requiring more than one prior authorization for drugs treating an autoimmune disease, hemophilia, or Von Willebrand disease per plan year.
- HB 2002 allows any participant’s out-of-pocket cash payments to apply to a fully insured plan’s deductible and out-of-pocket maximum. This typically occurs when a provider’s cash price is less than a plan’s negotiated rate.
- HB 1649 mandates some coverage of fertility preservation services by fully insured plans, HMOs and MEWAs, where a participant’s receipt of medically necessary cancer treatment may cause impaired fertility.
- HB 711 prohibits four contractual provisions between a general contracting entity (i.e., an insurer) and a provider, related to networks: anti-steering, anti-tiering, gag, and most-favored-nation pricing. HB 711 took immediate effect, except for anti-steering and anti-tiering bans, which takes effect on the earlier of Dec. 31 or a contractual amendment eliminating one or both provisions.
- HB 1996 establishes optional employer-sponsored insurance coverage for paid family leave, either through a separate policy or amendment/rider to a disability policy.

HB 25 creates a wholesale prescription importation program from Canada, authorizing the state Health and Human Services Commission to obtain needed approvals from the federal Food and Drug Administration (FDA). For several years, the FDA has been working on a pathway for importation.

Resources

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[HB 999](#) (Legislature, June 10, 2023); [HB 1647](#) (Legislature, June 9, 2023); [HB 1337](#) (Legislature, June 12, 2023); [HB 755](#) (Legislature, June 12, 2023); [HB 2002](#) (Legislature, June 9, 2023); [HB 1649](#) (Legislature, June 13, 203); [HB 711](#) (Legislature, June 12, 2023); [HB 1996](#) (Legislature, June 12, 2023) and [HB 25](#) (Legislature, June 12, 2023)

US — Texas (previously covered, now effective)

Status  **Currently effective**

Development

Health

New law facilitates multiple-employer welfare arrangements, adds participant protections

A new law (HB 290) makes it easier for employers to form association health plans (AHPs), which are a type of multiple-employer welfare arrangement (MEWA). Highlights include:

- Employer-related changes. Previously, a MEWA required five or more businesses in the same trade or industry. Now, commonality can be established if each employer has a principal place of business in the same region, which does not exceed Texas boundaries or a metropolitan statistical area (e.g., El Paso, Texarkana). For MEWA purposes, working owners can qualify as both an employer and an employee. The two-year seasoning requirement is waived if a MEWA meets the requirements in HB 290.
- Participant-related changes. MEWAs are subject to major insurance law provisions, including required levels of reserves, asset protections, network adequacy, utilization review and out-of-network claim dispute resolution.

This law applies to MEWAs obtaining an initial certificate of authority on or after Jan. 1, 2024.

Resources

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[HB 290](#) (Legislature, May 23, 2023)

US — Texas (previously covered, now effective)

Status  **Currently effective but expires Sept. 1, 2025.**

Development

Health

Law applies balance billing restrictions to ground ambulance providers

SB 2476 applies to HMOs, administrators of a health benefit plan offered by a nonprofit agricultural organization, preferred provider benefit plan administrators, and administrators of certain state governmental plans. These plans must pay for services by a nonnetwork emergency medical services provider or out-of-network emergency medical services provider at either a rate approved by the Texas Department of Insurance, the lesser of the provider's charge, or 325% of Medicare rates. An "emergency medical services provider" includes ground (but not air) ambulance. This law does not apply to self-funded ERISA plans.

This law applies to services provided on or after Jan. 1, 2024, and expires Sept. 1, 2025. Texas applies its laws on an extraterritorial basis to fully insured plans issued in another state, when applicable to Texas residents.

Resources

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[SB 2476](#) (Legislature, June 18, 2023)

US — Vermont (previously covered, partially effective)

Status  **Currently effective**

Development

Career — Health

Voluntary family medical leave program now effective for private employers

Vermont selected The Hartford to design and administer its voluntary paid family and medical leave insurance (VT-FMLI) program, which became effective for state employees on July 1, 2023, and on Jan. 1, 2024, for private and other governmental employers with two or more employees. This program is a result of a request for proposal process that ended in August.

VT-FMLI provides covered employees 60% wage replacement for six weeks in a 12-month period, capped at the Social Security maximum taxable wage base. Qualifying events are:

- Birth/adoption/foster care placement of a child and care for a child within one year of birth
- Caring for a family member, including a spouse, civil union partner (under applicable state law), parent, foster child, or a ward living with an employee.
- Employee’s serious health condition
- Qualifying exigency related to active military duty

Resources

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[Governor Phil Scott launches voluntary paid family and medical leave program](#) (Governor, Dec. 6, 2022)

US — Vermont (previously covered, now effective)

Status  **Currently effective**

Development

Health

Hearing aid coverage mandated

New Vermont law HB 266 requires fully insured large group plans situated in the state to cover medically necessary hearing aids and related services. The mandate also applies to the state’s Medicaid plan and the self-funded State Employees Health Plan. Most states with similar mandates are typically limited to children, but this is not the case in Vermont. The law is effective for policy years starting in 2024.

Vermont insurance law generally does not apply to fully insured plans situated elsewhere, unless more than 25 Vermont residents are covered under the plan, or Vermont residents covered under the plan work outside the state.

Resources

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[HB 266](#) (Legislature, May 11, 2022)

US — Washington (previously covered, updated)

Status  **Currently effective**

Development

Health

Regulations clarify abortion coverage mandate

The Washington Insurance Commission published regulations clarifying abortion law — 2023 Ch. 194, SB 5242 — that took effect on Jan. 1, 2024. The law requires fully insured plans subject to the state’s insurance laws, student health plan and the state’s governmental health plan to cover abortion services without participant cost sharing if the plan covers maternity care. The law carves out an exception for HDHPs if compliance would jeopardize an enrollee’s HSA eligibility. Final regulations provide an exception for health savings account (HSA)-qualified HDHPs “at the minimum level necessary.” Fully insured plans that do not provide maternity care benefits are also exempt.

The law is effective for plan years starting in 2024 and does not apply to self-funded ERISA plans. that requires abortion coverage without cost sharing if the plan covers maternity care.

Washington applies its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state. The law does not affect self-funded plans.

Resources

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[SB 5242](#) (Legislature, April 27, 2023) and [Final regulations](#) (Insurance Commission, Nov. 30, 2023)

US — Washington (previously covered, now effective)

Status  **Currently effective**

Development

Career

Minimum wage rates increased

Washington increased 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 were 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 minimum wage is \$19.97/hour for employers with 501 or more employees (up from \$18.69/hour in 2023). Smaller employers 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).

The city of SeaTac’s the minimum wage for hospitality and transportation workers increased 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 (previously covered, now effective)

Status



Currently effective

Development

Career — Health

Paid family and medical leave developments for 2024

2023 Ch. 116 (SB 5286) altered how contribution rates for paid family and medical leave (PFML) is calculated, starting in 2024. In the past, this calculation was based on the state's PFML balance as of Sept. 30 of the prior year. The revised formula uses historical data, with the aim of limiting rate fluctuations and setting rates higher than needed. The PFML contributions dropped 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).

PFML benefits are calculated at 90% of an employee's average weekly wage (AWW) up to 50% of the state AWW (updated to \$1,618 for 2024), and 50% for AWW over 50% of the state's AWW. As a result, the maximum weekly benefit amount for 2024 is \$1,456, up from \$1,427; the minimum weekly benefit amount stays at \$100 for 2024.

Resources

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[2024 paid family & medical leave premiums](#) (Employee Security Department); [Washington's average wage increased to \\$84,167 in 2022](#) (Employment Security Department, June 28, 2023) and [Ch. 116, SB 5286](#) (Legislature, April 20, 2023)

US — Washington — Seattle (previously covered, soon to be completely effective)

Status



Completely effective on Jan. 13, 2024.

Development

Career — Health

App-based workers entitled to accrue sick and safe time

App-based workers for network companies in Seattle with 250 or more app-based workers worldwide have the right to accrue and use paid sick and safe time (PSST) under Ordinance 126788. The measures took effect for food delivery workers on May 1, 2023, and apply to all other app-based workers from Jan. 13, 2024. Network companies are organizations that use an online application or platform to connect customers with app-based workers. Highlights include:

- Eligible workers must have worked in Seattle at least once during the preceding 90-day period. Workers will be entitled to accrued PSST if they stop using the application or software but return to work for the company within 12 months of their departure.
- PSST can be used by workers to care for themselves or a family member in various circumstances. For example, if the network company discontinues operations due to a safety and health concern, the closure of a school or place of care, mental or physical health condition, domestic violence, sexual assault or stalking.
- A minimum of one-day's PSST is accrued for every 30-days of work, but employers can choose to frontload workers' PSST entitlement. Workers can carry forward a minimum of nine days to the following year.
- PSST must be available for workers to use within one week of its accrual and must be taken in 24-hour increments. Employers can require verification if the worker takes more than three days of PSST.

The payment of PSST must be the worker's average daily compensation for each calendar day worked whole or in part in Seattle during the preceding 12-month period, and it includes earnings for services performed in and outside Seattle for each covered calendar day. Workers must be paid for PSST within 14-days or on the next scheduled pay-day, whichever is sooner.

Resources

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[App-Based Worker Paid Sick and Safe Time \(PSST\) Ordinance](#) (Government, March 29, 2023) and [Final rules](#) (Seattle Office of Labor Standards, Dec. 6, 2023)

US — Washington, DC (new)

Status  **Effective date is expected to be Jan. 17, 2024.**

Development

Health

Prior authorization law enacted

The mayor signed the Prior Authorization Reform Amendment Act (2023 Act A25-0301, B25-0124), limiting situations where fully insured plans may require prior authorization for some medications, procedures and other medical care.

Under the law, prior authorization will be authorized only if determined to be medically necessary or the proposed care is experimental or investigational in nature. Prior authorization is strictly prohibited in these circumstances:

- Solely based on cost
- For medication assisted treatment
- Pre-hospitalization transportation or emergency healthcare services

The law also imposes notice, time frame, appeals, data transparency and continuity of care requirements. The law is subject to a mandatory 30-day Congressional review before taking effect — which is expected to be Jan. 17, 2024.

Washington, DC applies its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state. The law does not affect self-funded plans.

Resources

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[Prior Authorization Reform Amendment Act \(2023 Act A25-0301, B25-0124\)](#)

US — West Virginia (previously covered, now effective)

Status  **Currently effective**

Development

Health

Prescription drug law enacted

SB 577 reduces the copay cap on insulin from \$100 to \$35 and implements a copay cap on covered devices of \$100, both for a 30-day supply. Testing equipment may be purchased without a prescription. The law is effective Jan. 1, 2024.

Resources

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[SB 577](#) (Legislature, Nov. 13, 2023)

US — Wisconsin (new)

Status  **Currently effective**

Development

Health

Telehealth law enacted

Wisconsin enacted a law that creates an interstate compact for audiology and speech-language pathology services, including those provided via telehealth. Under 2023 Act 56 (SB 197), these specified providers can provide services in Wisconsin, even though licensed in another state, subject to some restrictions. The law took effect on Dec. 8, 2023.

Resources

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[2023 Act 56 \(SB 197\)](#) (Legislature)

US — Wyoming (previously covered, now effective)

Status  **Currently effective**

Development

Health

Prescription drug law enacted

Act No. 90 was signed after some changes by the Governor, using a line-item veto. The law imposes significant restrictions on PBMs, including pricing, limitations on mail order and affiliated pharmacy steerage. It is unclear whether it applies self-funded plans. The law took effect on Jan. 1, 2024.

Resources

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[Act No. 90](#) (Legislature, March 17, 2023)

US (previously covered, with upcoming effective dates)

Development

Career

- [National Labor Relations Board delays joint employer rule](#) — key date: Feb. 26, 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
- [Fast food workers to earn \\$20/hour minimum wage in California](#) — key date: April 2024
- [Minimum hourly wage for healthcare workers will gradually increase to \\$25/hour in California](#) — key date: June 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
- [Law requiring pay transparency in job postings enacted in Illinois](#) — key date: Jan. 1, 2025
- [Hourly minimum wage to increase to \\$18 in Hawaii](#) — key date: Jan. 1, 2026

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

Development

Career — Health

- [Temporary workers' equal pay law delayed in Illinois](#) — key date: April 1, 2024
- [New unpaid child bereavement leave law enacted in Illinois](#) — key date: June 1, 2024
- [Paid family medical leave contribution rate announced in Maryland](#) — key date: October 2024
- [Paid family and medical leave mandated in Minnesota](#) — key date: Jan. 1, 2026

Development

Health

- [Paid family and medical leave revised in Maryland](#) — key date: Oct. 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
- [Health insurance restrictions enacted in Connecticut](#) — July 1, 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 preeductible flexibility ends](#) — key date: Jan 1, 2025
- [Maternal and infant health equity program required in California](#) — key date: Jan. 1, 2025
- [Paid family medical leave program legislation enacted in Delaware](#) — key date: 2025
- [Law requires a unified healthcare financing system study in California](#) — 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
- [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
- [Insulin cost-sharing law enacted in Illinois](#) — key date: July 1, 2025
- [Data protection law enacted in Tennessee](#) — key date: July 1, 2025
- [Telehealth law to expire in Hawaii](#) — key date: Dec. 31, 2025
- [Paid family and medical leave law enacted in Minnesota](#) — key date: Jan. 1, 2026
- [State-based exchange delivery to change in Oregon](#) — key date: Nov. 1, 2026

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

Development

Wealth

- [Eagerly awaited DB mortality tables issued](#) — key date: 2025
- [IRS delays SECURE 2.0's Roth catch-up mandate](#) — key date: 2026
- [IRS delays SECURE 2.0's Roth catch-up mandate](#) — key date: 2026

Section 4

Asia Pacific

Australia (new)

Status



Currently effective

Development

Wealth

Superannuation fund performance test results and insights provided

The Australian Prudential Regulation Authority (APRA) has released each product's numerical results for the 2023 annual superannuation performance test, along with an Insights Paper that provides more detailed analysis of the performance of MySuper and Trustee-Directed Products. These two publications replace this year's heatmaps, as APRA transitions to a more aligned approach to scrutinize superannuation fund performance. From 2024, a "comprehensive transparency package" covering investment returns, fees and performance test metrics will be published soon after the annual performance test. Highlights include:


- Performance test scores. APRA published the pass/fail outcomes of the 2023 annual performance test for each MySuper and Trustee-Directed Product on Aug. 31, 2023. Only one out of 64 MySuper products failed in 2023. However, 96 out of 805 Trustee-Directed Products failed, with 2023 being the first year the test was applied to Trustee-Directed Products. Broadly, Trustee-Directed Products are multi-asset products for which the trustee controls the design of the product's investment strategy. Trustees of failed products were required to notify invested members using prescribed form and content by Sept. 28, 2023.
- Insights paper. APRA findings include:
 - More than half of all platform Trustee-Directed Products failed to meet the benchmark.
 - Administration fees paid by fund members within each of the product segments vary significantly — this suggests there will be scope for fee reductions, particularly for Trustee-Directed Products.
 - Trustee-Directed Products offered through platforms generally have the highest fees. Trustees should assess if the additional services provided justify the higher fees.
 - Larger funds tend to charge lower administration fees, reinforcing the efficiency and cost-savings benefits of scale that exist in superannuation.

The government recently announced that it will conduct a review of the performance test and will consult on options to ensure that trustees would be held accountable for member outcomes, without reducing investment in economic priorities, such as the "net zero" transformation and housing.

Resources

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[APRA release new insights on superannuation performance](#) (APRA, Nov. 29, 2023) and [Annual superannuation performance test](#) (APRA)

Australia (new)	
Status	 Currently effective
Development	<p>Wealth</p> <p>APRA governance standard SPS 510 updated</p> <p>APRA has issued a legislative instrument (Superannuation (prudential standard) determination No. 2 of 2023) to formally determine an updated version of Prudential Standard SPS 510 Governance (SPS 510) that will be take effect on Jan. 1, 2024.</p> <p>Updated SPS 510 incorporates consequential amendments resulting from the staggered commencement of cross-industry Prudential Standard CPS 511 Remuneration (CPS 511):</p> <ul style="list-style-type: none">• CPS 511 sets out requirements to ensure that APRA-regulated entities maintain remuneration arrangements that provide appropriate incentives to individuals to prudently manage the risks they are responsible for, and that there are appropriate consequences for poor risk outcomes.• While CPS 511 commenced on Jan. 1, 2023, for some APRA-regulated entities, and to super trustees with assets of more than \$30 billion (large trustees) from July 1, 2023, it will apply to smaller trustees from Jan. 1, 2024.• For smaller super trustees, several existing SPS 510 requirements relating to remuneration (including those concerning Board Remuneration Committees and Remuneration policies) will become redundant as these matters will be covered by the updated CPS 511.
Resources	<p>paul.shallue@mercercor.com</p> <p>Superannuation (prudential standard) determination No. 2 of 2023 (Legislature, Nov. 20, 2023)</p>

Australia (new)

Status



Currently effective

Development

Wealth

Government responds to Quality of Advice review

The Government's final response to the Quality of Advice Review has accepted most of the remaining recommendations, including changes to expand the advice that super funds can provide to members. The minister said that legislation will be developed in 2024.

A new model will ensure that consumers will be able to access simple, high quality and safe advice. Highlights of the new model include:

- The “best interests duty” will be updated to ensure customers receive appropriate advice, including on single issue or limited scope issues.
- Statements of advice will be replaced with a record that is in plain English and that helps consumers to make an informed decision
- A new class of financial advisers — to be called “qualified advisers” — will be subject to the “best interests duty” and will be allowed to provide advice on simple topics.
- “Qualified advisers” must meet the required education standards and will not be allowed to charge a fee or commission. It is expected that they will generally be employees of licensed financial institutions, including superannuation funds, life and general insurers, and banks. The licensee will be wholly responsible for the advice provided.



The new model will also meet “the unique obligations on superannuation funds and the need to drive engagement with members,” including:

- Clarification of the topics for which superannuation funds can charge for advice, and the circumstances they are permitted to consider
- Allowing super funds to provide helpful “nudges” to members to drive greater engagement with superannuation at key life stages.

Resources

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[Final government response to the Quality of Advice review \(Treasury, Dec. 7, 2023\)](#)

Australia (new)	
Status	 Currently effective
Development	<p>Wealth</p> <p>Regulator issues guidance on registration of financial advisors</p> <p>The Australian Securities and Investments Commission (ASIC) issued guidance to financial advisers and Australian financial services (AFS) licensees about the new requirement for financial advisers to be registered. This is a new requirement, separate to the preexisting ASIC Financial Advisers Register, and relates to the new single disciplinary body for financial advisers that will be established following the Hayne Royal Commission. AFS licensees can apply to register their Relevant Providers using ASIC Connect — Relevant Providers must be registered with ASIC by Feb. 1, 2024. Release of the guidance follows the passage of Treasury Laws Amendment (2023 Measures No. 1) Bill 2023. Highlights include:</p> <ul style="list-style-type: none"> Information Sheet 276 FAQs: Registration of Relevant Providers provides guidance to AFS licensees and Relevant Providers about registration requirement and process, registrations ceasing and multiple registrations. <p>Information Sheet 277 Registration of Relevant Providers: Guidance on Making Declarations provides guidance to AFS licensees about the declarations they must make when applying to register their Relevant Providers.</p>
Resources	<p>paul.shallue@mercero.com</p> <p>ASIC releases guidance on the registration of financial advisors (ASIC, Nov. 28, 2023); ASIC Connect (ASIC) and Treasury laws amendment (2023 measures No. 1) Bill 2023 (Legislature, Nov. 27, 2023)</p>
Australia (new)	
Status	 Consultation is open until Feb. 9, 2024.
Development	<p>Wealth</p> <p>Consultation on retirement phase of superannuation issued</p> <p>The Government released a discussion paper seeking community and industry views on how the superannuation system can best provide security and income for retirees. An estimated 2.5 million Australians will retire over the next decade, more than doubling the number of retirees with a super account. Comments are invited through Feb. 9, 2024. The discussion paper focuses on the retirement phase of superannuation by examining three key areas:</p> <ul style="list-style-type: none"> Help members navigate the retirement income system Delivery of better retirement income products and services by funds Increase accessibility of lifetime income products.
Resources	<p>paul.shallue@mercero.com</p> <p>Superannuation in retirement (Treasury, Dec. 4, 2023)</p>

Australia (new)

Status



Proposal

Development

Wealth

Additional earnings tax may be levied on superannuation balances over \$3 million

Two bills introduced to parliament would levy a new tax on individuals with a total superannuation balance exceeding \$3 million at the end of a financial year. The tax would be levied at a rate of 15% on earnings related to the portion of their balance over \$3 million (without indexation).

If passed, the Treasury Laws Amendment (Better Targeted Superannuation Concessions and Other Measures) Bill 2023 and the Superannuation (Better Targeted Superannuation Concessions) Imposition Bill 2023 would together impose the new tax on eligible individuals who meet the abovementioned superannuation threshold, starting July 1, 2025.

The tax is referred to as “Division 296 tax,” reflecting the new Division of the Income Tax Assessment Act 1997 that would legislate for the tax. The tax would be levied on individuals, not superannuation funds, although the individuals could elect for amounts to be released from their super fund(s) to pay the tax.

The key elements of the bills are similar to the October 2023 Exposure Drafts. In particular, they do not include any automatic indexation of the \$3 million threshold, and unrealized capital gains would be included in the earnings subject to the tax.

Details of how the tax would be determined for defined benefits would be covered in regulations — these are expected to be the subject of further consultation.

Resources

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[Treasury Laws Amendment \(Better Targeted Superannuation Concessions and Other Measures\) Bill 2023](#) (Legislature, Nov. 30, 2023) and [Superannuation \(Better Targeted Superannuation Concessions\) Imposition Bill 2023](#) (Legislature, Nov. 30, 2023)

Australia (new)

Status



Consultation is open until March 31, 2024.

Development

Wealth

Consultation on data reporting standards

The Australian Prudential Regulation Authority (APRA) has released a consultation on draft new and updated reporting standards to expand its superannuation data collection in areas including trustee board governance, investment liquidity and valuations. Comments are invited through March 31, 2024, and subject to the feedback, APRA intends to issue a response to consultation in the September 2024 quarter and proposes that the first reporting reference period would be in late 2025. Highlights include:

- The consultation concerns the first tranche of new data collections proposed under Phase 2 of APRA's multiyear Superannuation Data Transformation (SDT) project. The SDT project was launched in November 2019 to upgrade the breadth (Phase 1), depth (Phase 2) and quality (Phase 3) of APRA's superannuation data collection. APRA proposes to amend five existing reporting standards, introduce six new reporting standards and replace eight pre-SDT reporting standards. APRA is also proposing to discontinue (not replace) one redundant reporting standard.
- The consultation material includes a discussion paper, draft reporting standards and a document mapping the proposed reporting tables to current collections. The proposed new data to be collected includes trustee profile, superannuation fund profile, investments, indirect investment costs, and financial statements.
- APRA will hold industry workshops in February 2024 to refine the collection design prior to finalization, and will invite a sample of trustees to participate in a pilot study.
- On July 31, 2023, APRA published a letter outlining plans to commence the first annual review of its data directions roadmap. The timing and content of the remainder of Phase 2 of the SDT project is included in that review.

Resources

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[APRA seeks greater industry transparency in latest phase of the superannuation data transformation](#) (APRA, Nov. 30, 2023) and [Consultation on data collections to strengthen transparency in latest phase of superannuation data transformation](#) (APRA, November 2023)

Australia (previously covered, now effective)

Status  **Currently effective**

Development

Career — Health — Wealth

Digital statutory declarations made permanent

The Statutory Declaration Amendment Bill 2023 received Royal Assent on Nov. 17, 2023, and amends the Statutory Declarations Act 1959. The bill makes permanent the permitted use of digital execution, electronic signatures and video-link witnessing for statutory declarations required under federal laws. The amendments took effect on Jan. 1, 2024, immediately following the expiration on Dec. 31, 2023, of temporary measures introduced during the COVID-19 pandemic.

Statutory declarations will also be executed online using the myGov platform and myGov digital ID. An online execution platform will be required to demonstrate compliance with privacy laws and appropriate fraud and security measures, and they will not be allowed to retain a copy of the statutory declarations.

Resources

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[Statutory Declaration Amendment Bill 2023](#) (Legislature, Nov. 17, 2023)

Australia (previously covered, partially effective)

Status  **Effective dates vary.**

Development

Career — Wealth

New remuneration disclosure requirements


The final updates to Prudential Standard CPS 511 “Remuneration” concerning new remuneration disclosure requirements, together with a Consultation Response Paper, were issued in August 2023. Under the CPS 511 updates, super funds and other APRA-regulated entities must annually publish information on their remuneration frameworks, design, governance and outcomes. Larger and more complex entities (generally these include trustees responsible for total super fund assets exceeding AU\$30 billion) must disclose additional quantitative information, including payments to top executives and the material weight applied to nonfinancial measures, such as risk management. Following feedback on the consultation in mid-2022, changes include:

- The new disclosure requirements will commence for all entities from their first full financial year following Jan. 1, 2024 (the current CPS 511 requirements began on July 1, 2023).
- Annual remuneration disclosures will be required within six months of an entity’s financial year end and “as soon as possible” after filing annual financial statements with the Australian Securities and Investments Commission (this is within three months for 2023/24 and later income years, under recently passed legislative changes to super fund financial reporting requirements).
- Removal of quantitative disclosure requirements for financial control personnel (RFCP) from the final CPS 511. Regulated entities will have to provide summary qualitative information on RFCP remuneration outcomes. However, if a senior manager has an RFCP role (for example, chief risk officer), the regulated entity must also provide quantitative data regarding that senior manager within the senior manager cohort.

Resources

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[Remuneration requirements for all APRA-regulated entities](#) (APRA, Aug. 1, 2023)

Australia (previously covered, now effective)	
Status	 Currently effective
Development	<p>Wealth</p> <p>Superannuation measures in Protecting Worker Entitlements Bill now effective</p> <p>The Fair Work Legislation Amendment (Protecting Worker Entitlements) Bill 2023 received Royal Assent on June 30, 2023, and the superannuation measures became effective on Jan. 1, 2024. The changes enable more workers to take legal action against an employer to recover unpaid Superannuation Guarantee (SG) contributions.</p> <p>Schedule 3 of the Bill includes amendments to the Fair Work Act 2009 to provide a new entitlement to SG contributions in the National Employment Standards (NES), in line with a government pre-election commitment that was confirmed following the September 2022 Jobs and Skills Summit.</p> <p>The Minister for Workplace Relations said the change will allow workers to take direct legal action for the recovery of unpaid superannuation contributions if they are not already covered by a modern award or enterprise agreement that includes a right to superannuation.</p> <p>The amendments will complement (but not replace) the Australia Taxation Office's broad regulatory powers to recover SG shortfalls.</p>
Resources	<p>paul.shallue@mercer.com</p> <p>Fair Work Legislation Amendment (Protecting Worker Entitlements) Bill 2023 (Legislature, June 30, 2023)</p>

Australia (previously covered, partially effective)

Status



Effective dates vary.

Development

Wealth

Some final prudential standards guides now effective

The Australian Prudential Regulation Authority (APRA) issued final versions of new prudential standards and guides that aim to ensure all APRA-regulated entities have recovery and exit plans for responding to severe financial stress. The standards and guides are:

- Cross-industry Prudential Standard CPS 900 Resolution Planning and accompanying Prudential Practice Guide CPG 900 Resolution Planning. These guides define the steps that banks, insurers and superannuation funds must take to prepare for crisis responses. CPS 900 took effect on Jan. 1, 2024, but APRA will inform individual entities when they must apply the standard (implementation is not required unless notified by APRA). APRA is currently running a pilot program on customized resolution planning covering a small number of entities from all industry sectors. APRA plans to release periodic updates; the first is due in the next 12 months.
- Prudential Practice Guide CPG 190 Recovery and Exit Planning to accompany new cross-industry Prudential Standard CPS 190 Recovery and Exit Planning. Finalized in December 2022, CPS 190 will take effect on Jan. 1, 2025, for super trustees. Regulated entities — including superannuation trustees — will have to develop and maintain credible plans for stress management, including actions needed to stabilize and restore financial resilience and enable an orderly and solvent exit from regulated activity. APRA will engage with entities on their implementation approach before Jan. 1, 2025, and will continue to consult on related superannuation industry reforms concerning the transfer of members into, and out of, their fund.

Resources

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[Strengthening crisis preparedness](#) (APRA, May 18, 2023)

Australia (previously covered, partially effective)

Status



Schedule 1 began on Jan. 1, 2024 and Schedule 2 begins on July 1, 2024.

Development

Wealth

Some provisions to strengthen work incentives for pensioners now effective

Measures that provide more choice and flexibility for older Australians and eligible veterans feature in the Social Security and Other Legislation Amendment (Supporting the Transition to Work) Bill 2023 (Act No. 106) and will pay an increased pension Work Bonus, doubling the employment income nil-rate period and expanding access to the nil rate period for recipients who enter full-time work. Schedule 1 of the Bill (dealing with the pensioner work bonus) began on Jan. 1, 2024, and Schedule 2 (dealing with extending the employment income nil rate period) began on July 1, 2024.

The act enables eligible social security pensioners older than the pension age, and certain recipients of the veterans' entitlement who are older than the qualifying age, to earn up to AUD\$4,000 before the income test is applied. The Work Bonus unused concession balance has increased by AUD\$4,000 for all newly commencing eligible recipients. Furthermore, the current temporary AUD\$4,000 increased to the maximum unused concession balance (from AUD\$7,800 to AUD\$11,800) is available to all eligible pensioners going forwards.

The act will also enable eligible social security recipients — including recipients who take up full-time work — to benefit from an extended employment income nil rate period of 24 weeks under the Social Security Act 1991. This allows more recipients continued access to supplementary benefits, such as concession cards and an additional child care subsidy, if their own and/or their partner's income (including some employment income) exceeds the relevant income limit for a longer period. Recipients will also have a longer period to have their benefits restored if they lose their job or report an income reduction.

Resources

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[Social Security and Other Legislation Amendment \(Supporting the Transition to Work\) Bill 2023 \(Legislature, Nov. 28, 2023\)](#)

Australia (previously covered, with upcoming effective dates)

Development

Career

- [Employer gender pay, equality reporting requirements expanded](#) — key date: April 1, 2024


Career — Wealth

- [Financial Accountability Regime begins for super trustees and insurers](#) — key date: March 15, 2025

Wealth

- [New operational risk management standard to apply](#) — key date: July 1, 2025

China — Beijing (new)

Status  **Currently effective**

Development **Health**
Social medical insurance improved
 The outpatient reimbursement annual limit increased to 5,000 CNY, up from 4,500 CNY. The transfer treatment restriction is removed for employees who participate in social medical insurance and who have signed a family doctor service agreement. This change allows individuals to seek medical treatment in any designated healthcare facility, and their medical expenses will be covered by social medical insurance. However, individuals who have not signed a family doctor service agreement remain subject to the transfer treatment restriction.

Resources angela.li@mercer.com
[Announcement](#) (Chinese) (Beijing Municipal Medical Insurance Bureau, Dec. 18, 2023)

China — Beijing and Shanghai (new)

Status  **Currently effective**

Development **Health**
Work injury allowances increased
 The allowance for injured employees who need nursing care and disability subsidy increased in Beijing and Shanghai, effective on July 1, 2023.

Shanghai

- Employees that have a certified grade one disability (the most serious category) are entitled to 9,276 CNY per month (an increase of 452 CNY). Individuals with a grade two disability are entitled to 8,643 CNY per month (an increase of 417 CNY), and those who have a grade three disability are entitled to 8,124 CNY per month (an increase of 394 CNY)
- Increased allowances for injured employees who need nursing care are as follows: Injured employees who are unable to take care of themselves now receive an allowance of 6,092 CNY per month (an increase of 394 CNY); injured employees who are nearly unable to care for themselves receive an allowance of 4,874 CNY per month (an increase of 315 CNY); and injured employees who are partially unable to take care of themselves receive an allowance of 3,655 CNY per month (an increase of 236 CNY).

Beijing

- Injured employees who are unable to take care of themselves receive an allowance of 5,762.5 CNY per month. Injured employees who are nearly unable to care for themselves, receive an allowance of 4,610 CNY per month, and injured employees who are partially unable to care for themselves receive an allowance of 3,457.5 CNY per month.

Resources angela.li@mercer.com
[Law](#) (Chinese) (Shanghai Municipal Human Resources and Social Security Bureau, June 27, 2023) and [Law](#) (Chinese) (Beijing Municipal Human Resources and Social Security Bureau, July 1, 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

Indonesia (new)

Status



Currently effective

Development

Career

Minimum wage increased

The monthly minimum wage in 2024 increased to 5,067,381 IDR (3.6% increase on 2023). East Kalimantan's monthly minimum wage in 2024 increased to 3,360,858 IDR (4.98% increase on 2023).

Under the updated framework included in Regulation No 51, economic growth and the regional rate of inflation continue generally to be considered, but the average household consumption per capita is not included. However, the regional wage council also considers the regional level of workforce absorption and the average or median wage. These changes are expected to enhance the council's role in setting minimum wages and aims to ensure that the wage gap between regions does not increase.

Resources

[Announcement](#) (Indonesian) (Government, Nov. 10, 2024)

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 (previously covered, now effective)

Status  **Currently effective**

Development **Career — Health**

Infant care and paternity leave increased

From Jan. 1, 2024, unpaid infant care leave for parents who are Singapore citizens expanded to 12 days per year under measures included in the Child Development Co-Savings (Amendment) Bill of 2023. 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 include:

- 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. Unpaid infant care had been 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 \(Government, Aug. 2, 2023\)](#)

Singapore (previously covered, now effective)

Status  **Currently effective**

Development **Wealth**

2023 budget increased CPF contribution rates for workers aged 50 to 55 years

Singapore’s 2023 budget announced changes to the Central Provident Fund (CPF), with the aim of boosting retirement savings, especially for middle-income earners. From Jan. 1, 2024, total CPF contribution rates for workers aged 50 to 55 years increased by 1.5 percentage points.

Resources [Budget 2023 \(Ministry of Finance, Feb. 14, 2023\)](#)

Singapore (previously covered with upcoming effective dates)


Development **Career**

- [Legislation to combat discrimination will be issued](#) — key date: Second half of 2024

Wealth

- [Central Provident Fund monthly salary cap for calculating contributions increased](#) — December 2024

South Korea (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage increased</p> <p>The 2024 minimum hourly wage will be 9,860 KRW across all industry sectors, up from 9,620 KRW in 2023 (a 2.5% increase). The hourly wage amounts to a monthly equivalent of 2,060,740 KRW for employees working the standard 40-hour work week. The new wage will come into effect on Jan. 1, 2024, and will be applicable until Dec. 31, 2024.</p>
Resources	Minimum wage system (Minimum Wage Commission)
Taiwan (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage increased</p> <p>Effective Jan. 1, 2024, the monthly minimum wage increased to NT\$27,470 (up from NT\$26,400), and the hourly minimum wage to NT\$183 (up from NT\$176). The wage increase is expected to impact more than 2.39 million workers.</p>
Resources	Cabinet approves minimum wage hike starting January 2024 (Executive Yuan, Sept. 14, 2024)
Taiwan (new)	
Status	 Currently effective
Development	<p>Health</p> <p>Tax-exempt limit for meal allowances increased</p> <p>Effective Jan. 1, 2024, meal allowances are tax-exempt up to NT\$3,000, up from NT\$2,400 per month, per individual. The increased threshold is included in amendments to Article 88 of the Guidelines for Assessment of Profit-seeking Enterprise Income Tax.</p>
Resources	Announcement (Chinese) (Ministry of Finance, Nov. 23, 2023)
Taiwan (previously covered with upcoming effective dates)	
Development	<p>Career</p> <ul style="list-style-type: none"> Employee protections from sexual harassment expanded — key date: March 8, 2024

Thailand (new)	
Status	 Currently effective
Development	Career Minimum wage increased The minimum wage rate increased to between 330 THB and 370 THB, depending on the economic situation in each province.
Resources	Announcement (Thai) (Ministry of Labor, Dec. 8, 2023)

Europe, Middle East and Africa (EMEA)

European Union (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

Belarus (new)

Status

 **Currently effective**

Development


Career

Minimum wage increased

From Jan. 1, 2024, the monthly minimum wage increased to 626 BYN, up from 554 BYN.

Resources

[Law](#) (Russian) (Government, Dec. 5. 2023)

Belgium (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Certain employers must appoint ‘person of trust’ to address workplace psychosocial issues</p> <p>By Dec. 1, 2023, employers with 50 or more employees should have designated one or more “persons of trust” to help manage psychosocial issues in the workplace under measures included in a law published on Nov. 23, 2023. Previously, the appointment of a “person of trust” was voluntary or required only when requested by all employee representatives on the organization’s committee for prevention and protection at work. Employers that do not appoint a “person of trust” could be fined up to €4,000. Highlights include:</p> <ul style="list-style-type: none"> • The role of the “person of trust” is to provide initial information about the organization’s procedures regarding the internal procedures to address psychosocial risks. Employers must appoint a “person of trust” from within the organization (if more than one is appointed, at least one must be an employee). A formal appointment procedure must be followed, and the employer must organize, and pay for, five days of training within two years of the individual’s appointment. • Organizations with fewer than 50 employees must appoint a “person of trust” if requested to do so by all members of the trade union delegation, and employers with fewer than 20 employees must do so if they already have a “prevention adviser” who is from a third party workplace prevention and protection organization.
Resources	Information on Person of Trust (Employment, Work and Social Dialogue) and Law (French) (Government, Nov. 5, 2023)
Belgium (previously covered, with upcoming effective date)	
Development	<p>Wealth</p> <ul style="list-style-type: none"> • Blue- and white-collar pension harmonization postponed — key date: Jan. 1, 2027 • Federal government agrees on pension reforms — key date: Jan. 1, 2028
Channel Islands — Guernsey (previously covered, with upcoming effective date)	
Development	<p>Wealth</p> <ul style="list-style-type: none"> • Rollout of secondary pension scheme requirements in 2024 — key date: July 2024

Czech Republic (previously covered, now effective)

Status



Currently effective

Development

Health

Changes to tax exemption of employee noncash benefits now effective

The tax exemption of certain employee noncash benefits are now less favorable under a package of fiscal measures aimed at reducing the public deficit that was signed by the President on Nov. 22, 2023. They apply either from a benefit's entitlement date, or when it is provided. Highlights include:


- Noncash benefits provided to employees and their families (such as culture, books, recreation, education, sports facilities and the purchase of medical services and equipment) are tax-exempt up to an amount equivalent to one-half of the annual average salary. Amounts exceeding this threshold are now considered as taxable income, and are 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 are not tax deductible for employers, but amounts exceeding this threshold are.
- 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 noncash meals provided at the workplace are aligned with the current cash contribution for meals.

Resources

[Legislation](#) (Czech) (Parliament, Dec. 1, 2023)

Czech Republic (previously covered, now effective)

Status  **Currently effective**

Development **Career**


Labor code amended

Amendments to the labor code were published in the Collection of Laws on Sept. 19, 2023, with most measures taking effect on Oct. 1, 2023, and others from Jan. 1, 2024. Certain measures implement EU directives on transparency and predictable working conditions (EU 2019/1152), and on work-life balance for parents and carers (EU 2019/1158), and others expand the digitization of labor law documents. Highlights include:


- Employers must provide new employees with expanded information about their employment within seven days of starting their job, down from one month. Individuals who were employed prior to Oct. 1, 2023, are allowed to request notification of the expanded information concerning their employment.
- Individuals who are not in an employment relationship but have a contract to perform work or complete a task (“DPC” or “DPP” status), must be given three days’ written notice of their work schedule, and they could be eligible to accrue paid annual leave from Jan. 1, 2024. Individuals on a DPC or DPP contract will be entitled to a regular employment contract if they have worked for the same employer for more than six months.
- Employees can request an adjustment of their work schedule (such as reduced working hours) if they are pregnant, care for a child younger than 15 years or provide long-term care for a dependent individual. Employers can refuse such requests on operational grounds but must provide written reasons.
- Remote work arrangements must be set out in a written agreement and may allow for termination of the arrangement with 15 days’ notice. Employees who were working remotely before Oct. 1, 2023, should have concluded a remote work agreement by Nov. 1, 2023.
- Employees who are pregnant, have children younger than age nine years, or provide long-term care for another person, can request to work remotely — employers must provide written reasons for refusal.
- The rules on the reimbursement of costs to remote workers have changed, and employers can choose to pay a lump sum, instead of an itemized reimbursement. A decree will set out the reimbursement amount that will be tax-exempt (additional reimbursement amounts will be taxable).
- Other revisions concern the electronic signature of documents, and changes to the delivery method for certain employment-related documents.

Resources mpetr.boldis@mercer.com
[Law \(Czech\)](#) (Collection of Laws, Sept. 19, 2023)

Denmark (new)

Status	 Currently effective
Development	Wealth Changes to deductions from government pensions From Jan. 1, 2024, individuals who are already in receipt of their old age pension will no longer have benefits deducted if they, or their partner/spouse, also have an employment income, in addition to their retirement pension. However, deductions from the additional government pension are still possible, if the individual has significant pension income.
Resources	arne.larson@mercermarshbenefits.com Press release (Danish) (Ministry of Employment, Feb. 8, 2023)

Denmark (new)

Status	 Effective Jan. 1, 2025
Development	Career Additional employment deduction to be implemented The rate of the employment allowance, and the maximum deduction amount, will increase from Jan. 1, 2025, for almost all individuals who are employed — the increase will benefit almost all individuals in employment, and result in an annual tax reduction of nearly 3,000 DKK. In addition, a new additional employment allowance for seniors will be introduced from 2026, and will be applicable to individuals who are employed, and who have fewer than two years before they reach state pension age. The change will include an annual tax deduction of nearly 3,800 DKK from 2030, in addition to the increased ordinary employment allowance.
Resources	arne.larsen@mercermarshbenefits.com Information on the employment allowance (Danish) (Government, Dec. 14, 2023)

Finland (new)

Status  **Currently effective**

Development

Career

Personal identity codes reformed

Changes to personal identity codes (PICs) took effect on Jan. 1, 2024, and aim to increase the number of PICs available each day. PICs comprise a date of birth, an identification number and a control character — the identification number distinguishes persons with the same date of birth. The prior model generated a limited number of PICs every day and does not meet the demand. The new PIC model — comprising three numbers and an intermediate character — must be used, and employers should ensure that their payroll and other systems will accept the changes.

Resources

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[Reform of personal identity codes \(Digital and population data services agency\)](#)

France (previously covered, now effective)

Status  **Currently effective**

Development

Career — Health

Expanded protections for women who experience a miscarriage

From Jan. 1, 2024, workplace protections were expanded in France for women who suffer a miscarriage under measures included in Loi 2023-567 of July 7, 2023.

Women who take leave following a spontaneous termination before the 22nd week of gestation no longer must 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

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[Loi 2023-567 of July 7, 2023 \(French\) \(Government\)](#)

France (previously covered, now effective)

Status



Currently effective

Development

Career

Collective bargaining agreement for metallurgy sector now effective

The single national collective bargaining agreement (CBA) for the metallurgy sector started to phase in on Jan. 1, 2023, for the new social protections and all other provisions became effective on Jan. 1, 2024, including a new job classification system and minimum guaranteed salaries. The agreement was signed on Feb. 7, 2022, by four labor unions and the Union of Industries and Trades in Metallurgy (UIMM) on employers' behalf, and follows negotiations that started in 2016 aimed at modernizing the sector. The provisions that became effective in 2024 are as follows:

- Each job must be evaluated using six criteria, including complexity of the activity, required skills, autonomy, contribution, supervision-cooperation and communication. Each of the six criteria has its required level assessed on a scale of one to 10, resulting in the classification of each job into a new grid with 18 coefficients (from A1 to I18). Cadres will fall into grade F11 or higher.
- Minimum guaranteed salaries apply to each of the 18 coefficients and result in improved guaranteed income for more than 75% of employees. The system of guaranteed bonuses and allowances is streamlined to 10 categories.

To prepare for these changes, employers with 50 or more employees should have consulted with employee representatives about the CBA's job evaluation provisions and application to the organization. Employers should have evaluated job roles, communicated with employees and finalized their organization's revised classification structure.

Resources



charles-antoine.roger@mercer.com
[GRIST](#), March 18, 2022



France (previously covered, with upcoming effective date)



Development



Career

- [New gender quotas imposed for senior execs/management teams](#) — key date: March 1, 2026


Germany (new)	
Status	 Effective for babies born on or after April 1, 2024.
Development	<p>Career — Health</p> <p>Parental allowance eligibility reduced</p> <p>The taxable income threshold for parents' eligibility for the parental allowance (“Elterngeld”) will be reduced starting for babies born on or after April 1, 2024 — and again on April 1, 2025 — under cost-saving measures included in Germany's federal budget 2024.</p> <p>The parental allowance was introduced in 2007 as a replacement for the child care allowance and provides financial support to parents for 14 months following the birth of their child. The 14-month period can be shared by both parents, with a minimum of two months and a maximum of 12 months allowance taken by one parent. The minimum and maximum monthly parental allowance payments are €300 and €1,800 respectively — these amounts are unchanged. Highlights of the changes include:</p> <ul style="list-style-type: none"> • Parents with joint taxable income exceeding €200,000 will no longer be eligible for the parental allowance if their baby is born on or after April 1, 2024. For births on or after April 1, 2025, the amount will be reduced to €175,000. Previously, eligibility was capped at €300,000 of taxable income for births occurring on or after Sept. 1, 2021. • The taxable income threshold for single parents will be €150,000 if their baby is born on or after April 1, 2024. Previously, eligibility was capped at €250,000. • Parents will be allowed to claim the parental allowance at the same time for only one month until their baby is 12 months old. A longer simultaneous period will be allowed in cases of multiple and premature births, and if parents receive Parental Allowance Plus.
Resources	<p>ivan.badjev@mercer.com</p> <p>Information on the parental allowance (German) (Government, Dec. 29, 2023) and FAQs (German) (Government, Jan. 3, 2024)</p>
Germany (new)	
Status	 Currently effective
Development	<p>Health</p> <p>Tax treatment of benefit-in-kind employee meals in 2024 announced</p> <p>For 2024, meals provided to employees at a reduced cost by their employer are tax exempt each day up to €4.13 for lunch or dinner, €2.17 for breakfast, and €10.43 for breakfast, lunch and dinner. Meals that are discounted, or free of charge to employees during the working week, must be valued at the same benefit-in-kind amount.</p>
Resources	Announcement (German) (Government, Dec. 7, 2023)

Germany (new)	
Status	 Currently effective
Development	<p>Health — Wealth</p> <p>Social security contribution base agreed on</p> <p>The maximum annual income used to calculate social security contribution amounts for 2024 is €90,600 in Western Federal States, and €89,400 in Eastern Federal States. The income base for calculating health and nursing insurance, disability and old age is €62,100 in all states.</p>
Resources	Law (German) (Government, November 2023)
Greece (new)	
Status	 Currently effective
Development	<p>Wealth</p> <p>Reforms of group pension plans finalized</p> <p>Changes to group pension plans in Greece were finalized in the parliament on Dec. 18, 2023 and took effect on Jan. 1, 2024. Highlights include:</p> <ul style="list-style-type: none"> • Employees can contribute up to 20% of their total cash compensation to their group pension plan, down from 30% under the old law. The employer's contribution is 14% and the employee pays 6%. • Self-employed individuals and contractors can contribute up to €20,000 annually to a group pension plan. The contribution cap will be adjusted annually on Dec. 31, in line with the consumer price index. <p>All contributions from Jan 1, 2024, are calculated under the new law. Employees can continue to deduct pension contributions from their taxable earnings, and the employers' contributions continue to be excluded from the employee's taxable income.</p> <p>Pension benefits accumulated prior to these changes will be taxed according to the previous law, but the new law applies to contributions made on or after Jan. 1, 2024. The applicable taxation rate depends on the number of years an individual has contributed to the pension plan. However, the same rate applies to all employees, regardless of the reason for taking their pension benefits (for example, due to retirement, severance or termination).</p>
Resources	Law (Greek) (Government)

Hungary (new)	
Status	 Effective Sept. 1, 2024
Development	<p>Wealth</p> <p>Medical suitability assessments no longer required</p> <p>From Sept. 1, 2024, employers generally will no longer have to conduct compulsory medical suitability assessments before employees start work. However, some occupations/roles will still require a medical suitability assessment to determine an employee’s fitness for work, and employers could still choose to require a medical examination. The changes are included in the amended Act XCIII of 1993 on occupational safety and health.</p>
Resources	Amended Act XCIII of 1993 on occupational safety and health (Hungarian) (Legislature)
Ireland (new)	
Status	 Consultation is open until Jan. 22, 2024.
Development	<p>Career</p> <p>Consultation on taxation of share-based remuneration issued</p> <p>On Dec. 5, 2023, the Irish government issued a consultation on the taxation of share-based remuneration, with comments invited through Jan. 22, 2024. The government calls for input to reflect the “potential impacts of suggested change to the current regime and provide analysis of the Exchequer/cost/yield.”</p> <p>The consultation is one initiative aimed at fulfilling the government’s 2024 budget commitment to conduct “in the coming months” a comprehensive review of share-based remuneration and the share-scheme environment. The review will also examine the recommendations from the Commission on Taxation and Welfare in relation to share-based remuneration.</p>
Resources	Minister McGrath launches public consultation on share-based remuneration in Ireland (Government, Dec. 5, 2023)

Ireland (previously covered, mostly effective)	
Status	 Effective for employers with more than 50 employees.
Development	<p>Career</p> <p>Gender pay gap regulations effective for employers with more than 50 employees</p> <p>The Irish government issued gender pay gap regulations on June 3, 2022, to accompany guidance published on May 10. The regulations define certain terms, including ordinary pay, working hours, calculation of hourly remuneration, benefits in kind, allowances, and bonus remuneration. They also provide more detail about the calculation of the mean and median pay gaps. Under The Gender Pay Gap Information Act 2021, employers with more than 250 employees should have provided their first report within six months of a reference date chosen in June 2022, and thereafter annually. Employers with more than 150 employees must first report from 2024, and employers with 50 or more employees from 2025.</p>
Resources	<p>danny.mansergh@mercer.com</p> <p>S.I. No. 264/2022 — Employment Equality Act 1998 (Section 20A) (Gender pay gap information) regulations 2022 (Irish Statute Bill, June 3, 2022) and GRIST, May 17, 2022</p>
Luxembourg (previously covered, now effective)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Meal voucher scheme adjusted</p> <p>The maximum value of meal vouchers that is tax-exempt increased to €12.20 (up from €8) on Jan. 1, 2024, in Luxembourg. The employee's contribution of €2.80 is unchanged, and so the total value of a meal voucher is €15. The number of meal vouchers that can be used per day is five (€75 per day). The regulations also clarify the criteria for using meal vouchers. In response to changing eating habits, the definition of a meal is expanded to include food purchases from restaurateurs or retailers affiliated to companies that issue meal vouchers. The definition of a "working day" is abolished to allow employees to use meal vouchers at the end of the day, at weekends and during their vacations.</p>
Resources	<p>thierry.laloux@mercer.com</p> <p>Press release (French) (Government, June 9, 2023)</p>

Malta (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage increased</p> <p>Effective Jan. 1, 2024, the weekly minimum wage is €213.54 for employees aged 18 or older; €206.76 for employees aged 17; and €203.92 for employees younger than 17.</p>
Resources	Legislation (Maltese) (Government, Dec. 7, 2023)
Moldova (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage increased</p> <p>The minimum wage in Moldova increased 5,000 MDL/month, and to 29.58 MDL/hour, effective Jan. 1, 2024</p>
Resources	Announcement (National Trade Union Confederation, Dec. 6, 2023)
Monaco (new)	
Status	 Currently effective
Development	<p>Health — Wealth</p> <p>Social security contribution rates set for 2024</p> <p>From Jan. 1, 2024, contributions to the new supplementary pension fund in Monaco is divided between employers (60%) and employees (40%).</p> <p>The contribution amount is calculated on gross remuneration and is divided into two tranches, each of which has a different remuneration cap. Tranche A is calculated at a 2.15% rate on remuneration up to €3,864, and Tranche B is calculated at a 2.7% rate on remuneration exceeding Tranche A up to eight times the social security ceiling (currently €46,3680).</p>
Resources	Law No. 1544 of April 20, 2023 (French) (Official Journal) and Ministerial Order No. 2023-699 of Dec. 11, 2023 (French) (Official Journal)

Netherlands (new)	
Status	 Currently effective
Development	<p>Career</p> <p>30% tax-free ruling for foreign employees reduced from 2024</p> <p>Effective Jan. 1, 2024, further changes to the 30% tax-free ruling applicable to foreign employees who meet certain eligibility criteria took effect. The measures are included in Tax Plan 2024 that were finalized in parliament on Dec. 19, 2023, and will gradually reduce the amount of tax-free salary that can be paid to 10%. Previously, eligible foreign employees could receive a 30% tax-free allowance on a portion of their gross salary for a five-year period.</p> <p>During the parliamentary debate, the current minister of finance said that alternative approaches to reducing the 30% ruling would be presented in 2024, but a new coalition government must still be formed, which could impact the new measures and future proposals.</p> <p>Under changes to the 30% rule agreed to in 2022, employers had to choose in 2023 either to apply annually the 30% rule to expatriate employees' pay, or reimburse tax-free the actual expenses incurred by the employees during their stay in the Netherlands. From Jan. 1, 2024, the amount of income used to calculate the 30% is capped (this cap will apply from 2026 for employees who already benefit from the 30% rule). Highlights of the 2024 changes:</p> <ul style="list-style-type: none"> • The maximum tax-free reimbursement that will be paid during a five-year period will be gradually reduced from 30% to 10%, calculated on the employee's Dutch gross wages (capped at €233,000 for 2024). The full 30% amount will apply during the first 20 months of an employee's five-year term, but it will be reduced to 20% during the subsequent 20 months, and then to 10% during the final 20 months. The maximum amount of tax-free reimbursement for each time period respectively will be €69,900, €46,600 and €23,300. • Employees that currently benefit from the 30% rule will be allowed to continue until the end of their five-year term, provided their salary for the final period for 2023 was paid under the 30% ruling. This transitional arrangement will end on Dec. 31, 2026. • In addition, the current partial nonresident tax status for employees who qualify for the 30% rule will be abolished from Jan. 1, 2025. A transitional arrangement will apply until Dec. 31, 2026, for employees who already have this tax status as of the final salary period for 2023.
Resources	<p>charlotte.oudshorn@mercer.com</p> <p>Tax plan 2024 (Dutch) (Government)</p>

Netherlands (previously covered, now effective)	
Status	 Currently effective
Development	<p>Health — Wealth</p> <p>Social security contribution rates published</p> <p>Effective Jan. 1, 2024, the maximum contribution base for calculating employers' social security contributions are €71,628, up from €66,956.</p> <p>Employer contributions are 2.64% for general unemployment insurance; 0.68% for government unemployment insurance; 7.54% for occupational disability insurance; and 0.5% for the child care allowance contribution. The total state social security contribution remains unchanged at 27.65% and includes old-age, survival pension and long-term care. The health general contribution rate is 6.57%, down from 6.68%, calculated on a maximum contribution base of €71,628.</p>
Resources	Announcement (Dutch) (Government, Nov. 20, 2023)
Netherlands (updated)	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Hourly rate introduced</p> <p>From Jan. 1, 2024, a minimum hourly rate of €10.60 is introduced, calculated on a 36-hour workweek. However, benefits are still calculated on a monthly minimum wage (€1,653). Previously, the monthly minimum wage had been computed over a 36-hour workweek which means that the same monthly minimum wage was paid to full-time employees who work longer than 36 hours per week. From 2024, the pay of employees who work more than 36 hours per week will increase — the average minimum wage will increase by 4% and could particularly impact certain industry sectors (for example, construction and transportation).</p>
Resources	<p>charlotte.oudshoorn@mercer.com</p> <p>Announcement (Dutch) (Government, May 23, 2023) and Amount of the minimum wage (Government)</p>
Netherlands (previously covered, with upcoming effective date)	
Development	<p>Wealth</p> <ul style="list-style-type: none"> • Parliament agrees to significant occupational pension reforms — key date: Jan. 1, 2025
Nigeria (previously covered, with upcoming effective date)	
Development	<p>Health</p> <ul style="list-style-type: none"> • Health insurance coverage to significantly expand — key date: implementation date unknown

Oman (previously covered, partially effective)

Status



Effective dates vary.

Development

Career

Social protection for nationals and foreign employees expanded

Omani employees




- A new unified social protection fund will replace 11 different social insurance funds and is expected to ease benefit and pension administration. It will be run by a Social Protection Benefits Entitlement Committee that includes representatives from government, employers and employees. Employer contributions are 10% of employee's gross salary.
- The fund introduces new social benefits for Omani nationals, including unemployment benefit for individuals who are made redundant; a government-funded monthly pension of 115 OMR per month paid to Omani nationals aged 60 or older; disability pension; pension paid to orphans aged 18 or older, and widows aged 60 or older; and a childhood benefit paid to children aged 17 and younger.
- Effective July 2023, the retirement age increased by one year every seven years until it reaches age 65 for men, and 60 for women — previously, it was 60 for men and 55 for women. Other measures have tightened the early retirement eligibility criteria and reduced pension benefits for early retirees. A decreased DB accrual formula now applies, and employer and employee contributions increased by 0.5% from Jan. 1, 2024.

Foreign employees. Under the new law, foreign employees will benefit from expanded social benefit coverage.

- Effective July 2024, foreign employees will be entitled to 98 calendar days of maternity leave, and seven calendar days of paternity leave paid for by Oman's social security fund. Employers must pay 1% social security contribution calculated on the employee's gross salary to cover the cost of this benefit.
- Effective July 2025, foreign employees can take paid sick leave and certain other paid leaves, such as leave for caregivers, marriage and bereavement. Employers will have to pay an additional 1% social security contribution calculated on the employee's gross salary.
- Effective July 2026, foreign employees will be entitled to work injury and illness benefits paid for by an additional 1% social security contribution, split equally between the employee and the employer.
- Effective July 2026, the end-of-service gratuity paid to foreign employees at the end of their employment will be replaced by a contributory savings fund.

Resources

[Royal Decree \(Arabic\) \(Government, July 19, 2023\)](#)

Poland (new)	
Status	 Currently effective
Development	<p>Health — Wealth</p> <p>Meal allowance, social security exemption increased</p> <p>From Sept. 1, 2023, the value of meals paid for by employers exempt from social security contributions increased to 450 PLN per month, up from 300 PLN. The exemption also includes vouchers and coupons to enable employees to purchase meals in catering or retail outlets.</p>
Resources	Law (Polish) (Government, Sept. 1, 2023)
Poland (previously covered, partially effective)	
Status	 Effective Jan. 1, 2024 and July 1, 2024.
Development	<p>Career</p> <p>Two-phase minimum wage increase announced</p> <p>The minimum wage will increase twice in 2024. The gross monthly minimum wage increased on Jan. 1, 2024, to 4,242 PLN and the hourly minimum wage to 27.70 PLN. A second increase is slated for July 1, 2024, to 4,300 PLN, and the hourly wage to 28.10 PLN.</p>
Resources	Announcement (Polish) (Journal of Laws, Sept. 15, 2023)
Portugal (previously covered, now effective)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage increased</p> <p>The monthly minimum wage increased to €820 on Jan. 1, 2024, up from €760.</p>
Resources	Decree Law No. 107/2023 (Portuguese) (Official diary, Nov. 17, 2023)

Romania (new)

Status



Currently effective

Development

Wealth


Pension reforms now effective

Pension measures that increase women's retirement age and change early retirement options generally took effect on Jan. 1, 2024 under Law 360 that passed parliament on Nov. 29, 2023. Highlights include:

- The retirement age for women will increase to age 65 by January 2035 (up from 62 years and one month). Previously, the retirement age for women was slated to increase to age 63 by 2030.
- The full contribution period for women will gradually increase from 32 years and four months to the same amount as men — 35 years — by January 2035 instead of January 2030. The minimum contribution period of 15 years for both men and women is unchanged.
- Women who have a full contribution period will be allowed to deduct six months from their retirement age for each child they raise to age 16 years. The deduction is capped at three years and six months.
- Insured individuals can take early retirement with full pension benefits up to five years before their normal retirement age, subject to having paid contributions for five years longer than required to receive a full pension. Previously, early retirement was restricted to those with eight years of seniority. Individuals with full contributions can still retire up to five years before their normal retirement age and claim partial pension benefits.
- A new formula will be used from September 2024 to calculate pension benefits and will multiply an individual's total pension points by the pension value. According to the government, the pension benefits of around three million pensioners will increase.
- From January 2025, the annual pension indexation will be calculated on 100% of the inflation rate plus 50% of the annual change in average real wages.


Resources

[Law 360](#) (Romanian) (Legislature, Dec. 4, 2023)

Romania (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Tax exemption for employees in various industry sectors reduced</p> <p>From Nov. 1, 2023, the income tax exemption for salaries of employees in IT software and development roles was reduced. Employees in such IT roles — and employees in the construction, agriculture and agri-food sectors — must also now pay pension fund, health and work insurance contributions. The measures are included in Law No. 296/2023 on fiscal and budgetary matters that aim to improve financial sustainability and will apply until Dec. 31, 2028. In addition, employer-provided meal vouchers (in all industry sectors) will be subject to health insurance contributions. Highlights include:</p> <ul style="list-style-type: none"> • Gross monthly salaries not exceeding gross 10,000 RON are tax-exempt for IT, construction, agriculture and agri-food sector employees, but salary exceeding this threshold is fully taxable. • Employees in these industry sectors must now pay 25% pension fund contributions (calculated on their gross salary), with a 3.75% deduction for the mandatory private pension fund contribution (this contribution will increase to 4.75% in January 2024). However, IT sector employees can request to continue paying the lower contribution rate. • Employees in the construction, agricultural and agri-food sectors must pay contributions to health insurance (10%) and work insurance (generally, 2.25%). Previously, employees from these sectors were exempt from paying health insurance contributions, and partially exempt from work insurance contributions. <p>From Jan. 1, 2024, meal vouchers and holiday vouchers given to all employees will be subject to 10% health insurance contributions.</p>
Resources	<p>alina.popescu@mercermarshbenefits.com</p> <p>Law No. 296/2023 (Romanian) (Government, Oct. 27, 2023)</p>
Russia (previously covered, now effective)	
Status	 Currently effective
Development	<p>Health — Wealth</p> <p>2024 cap for combined social, pension contribution effective</p> <p>The maximum contribution base for calculating the single social and pension insurance contribution is 2,225,000 RUB in 2024. The contribution rate is 30%, divided between social insurance (2.9%), medical insurance (5.1%) and pension (22%). An additional contribution of 15.1% is levied on salary exceeding 2,225,000 RUB, divided between pension (10.1%) and medical insurance (5.1%).</p>
Resources	Announcement (Russian) (Government, Nov. 10, 2023)

Saudi Arabia (previously covered, now effective)	
Status	 Currently effective
Development	<p>Career</p> <p>Contracting with companies with regional headquarter outside of the kingdom ceases</p> <p>Government entities in the Kingdom of Saudi Arabia has ceased contracting with companies or firms that have their regional headquarters outside of Saudi Arabia, with limited exceptions, starting in 2024. The Regional Headquarters Program aims to encourage foreign companies that do business with Saudi government agencies, institutions and funds to establish their regional offices in the kingdom to boost the local economy and employment.</p>
Resources	Set up your regional head quarter in Saudi Arabia (Invest Saudi)
Serbia (previously covered, now effective)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage rate increased</p> <p>Effective Jan. 1, 2024, the hourly minimum wage is 271 RSD, up from 230 RSD.</p>
Resources	Government passes decision on minimum wage for 2024 (Government, Sept. 14, 2023)

Spain (previously covered, partially effective)

Status  **Effective dates vary.**

Development

Wealth

Changes to public pension system enacted



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



- The maximum social security contribution base will increase annually in line with the consumer price index (CPI) for the twelve month-period prior to December of the previous year. From 2024 to 2050, an additional 1.2 percentage points differential will be added to the annual CPI rate. The maximum pension, from 2025 to 2050, will increase by the CPI and an additional 0.115 percentage points cumulative increase each year. From 2051 to 2065, pensions will continue to increase annually up to a maximum of 20 percentage points.
- Workers with salaries exceeding the maximum contribution base will have to make an additional solidarity contribution that will have no impact on their benefits. The contribution will be introduced gradually — it will be approximately 1% in 2025, increasing to approximately 6% in 2045. The solidarity contribution will be shared between the worker and employer, in line with the distribution formula used by the social security contributions for common contingencies (currently, 23.6% paid by the employer, and 4.7% paid by the employee).
- The intergenerational equity mechanism (MEI) will increase gradually to strengthen the Social Security Reserve Fund. The MEI will increase in 2029 to 1.2% (up from 0.6%), of which 1% will be paid for by the employer and 0.2% by the worker. The 1.2% rate will be maintained for the period 2030 to 2050 (no rebate, reduction, exemption or deduction can be applied).
- The period for calculating pension benefits will change, following a transitional arrangement that will allow individuals (depending on their retirement date) to choose between the current system (25 years), or the new formula (this will use an individual’s previous 29 years of contributions, and will exclude the two years in which the lowest contributions were paid). The new system will fully apply from 2044. Also, a transitional period will apply for the period 2026 to 2036 for determining the regulatory base provided for in article 209.1 of the General Social Security Law.

From 2024 to 2025, the gender gap supplement will increase by 10%, in addition to the CPI. Coverage of the integration of gaps will be improved, with a special focus on women. Contribution gaps of up to five years will be covered, up to 100% of the minimum base (currently, this is capped at four years). The sixth and seventh years without contributions will be covered up to 80% of the minimum base (currently, 50%).

Resources JuanLuis.Alonso@mercer.com

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

Spain (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Protections for LGBTQ employees enacted — key date: March 2, 2024
Sweden (new)	
Status	<p> Currently effective</p>
Development	<p>Career</p> <p>Employer contribution deductions adjusted</p> <p>Recent laws changed employer contribution deductions from Jan. 1, 2024. Employers that have employees in research and development roles receive a 20% deduction on their social security contributions calculated on monthly salaries — the employer deduction is capped at 3 million SEK per calendar month. A 7.5% deduction applies to personal and general wage contributions, capped at 15,000 SEK per year, calculated on taxable income exceeding 40,000 SEK. The deductions apply to compensation and income received after Dec. 31, 2023.</p>
Resources	<p>SFS 2023: 748 (Swedish) (Government, Dec. 5, 2023) and SFS 2023: 747 (Swedish) (Government, Dec. 5, 2023)</p>
Switzerland (previously covered, now effective)	
Status	<p> Currently effective</p>
Development	<p>Wealth</p> <p>First-pillar pension scheme reforms approved</p> <p>Reforms of Switzerland’s AHV first-pillar scheme providing old-age and survivors’ insurance were approved by public vote on Sept. 25, 2022 and took effect on Jan. 1, 2024. The changes include a harmonized pension age for men and women; an increased value-added tax (VAT) to fund the reforms; and an option for individuals ages 63 to 70 to retire flexibly. The parliament recently passed other reforms of the BVG second-pillar scheme (providing old-age, survivors’ and disability insurance), but a referendum is very likely in spring 2024.</p>
Resources	<p>jan.koller@mercer.com</p> <p>Information on first-pillar pension reforms (German) (Government)</p>

Switzerland (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> Hourly minimum wage to be introduced in Zurich and Winterthur — key date: effective date unknown <p>Career — Health</p> <ul style="list-style-type: none"> Employer compensation for high sick-pay costs to phase-out — During 2024 Paid leave introduced in Geneva — key date: effective date unknown <p>Wealth</p> <ul style="list-style-type: none"> Occupational pension reforms pass parliament — key date: effective date unknown
Trinidad and Tobago (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage increased</p> <p>The minimum wage rates increased from Jan. 1, 2024. The increased rates are TT\$20.50/hour, up from TT\$17.50/hour; TT\$164/day; TT\$820/week for a 40-hour working week; and TT\$3,553/month for an average of 173 working hours during the month.</p>
Resources	Minimum wages board (Ministry of Labour)
Ukraine (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage increased</p> <p>Ukraine's minimum wage increased to 7,100 UAH/month from Jan. 1, 2024, and will increase to 8,000 UAH/ month from April 1, 2024 — the minimum wage was 6,700 UAH/month (Ukraine) since Oct. 1, 2022.</p>
Resources	Law (Ukrainian) (Government, Nov. 9, 2023)



United Arab Emirates (new)**Status****Currently effective****Development****Wealth****Revised pension scheme for first-time Emirati employees introduced**

Revised pension arrangements for Emiratis entering the labor market for the first time took effect on Oct. 2, 2023, under measures included in UAE Federal Decree Law No. 57 of 2023. The pension arrangements for all other Emiratis registered with General Pensions and Social Security Authority (GPSSA) and who are currently, or who were previously employed in the UAE, generally remain unchanged. Highlights include:

- Employers must register all new Emirati employees with the GPSSA within one month of starting work and must notify the GPSSA within 15 days of the employee's termination. Employees who change jobs can consolidate different pension contribution periods.
- The minimum pensionable age is 55 years, subject to the individual having a minimum 30-year contribution period. Individuals are eligible to receive their pension benefit immediately on termination up until their death and they can combine their pension benefits with new employment. Working mothers with more than five children can request retirement and payment of their pension at an earlier age.
- The monthly pension contribution paid to the GPSSA is 28.5%, divided between the employer (15%), employee (11%) and government (2.5%). The pension is calculated on the employee's total salary, capped at 70,000 AED (up from 50,000 AED). Contributions must be paid by the first day of the following calendar month for which they are due.
- Pension contributions must now be paid during periods of employee leave, including unpaid extended sick leave. In certain circumstances, employees can request the continued payment of pension contributions during other periods of unpaid leave, such as, child care and study leave — in such cases, the employee must also pay their pension contribution.
- Employers will be fined for late notification of employee information and contribution payments, and for submitting incorrect information to the GPSSA. Criminal penalties could be imposed.
- Pension benefits are calculated at 2.67% of the pension account salary for each contribution year. The pension benefit will increase to 4% for contribution periods exceeding 30 years, and thereafter will increase by 4% per year, up to a maximum of 100% of salary.
- The minimum monthly pension payable is 10,000 AED. The GPSSA will pay the difference for individuals whose pension is less than 10,000 AED. For individuals with more than 35 years of contributions, the monthly benefit amount is three months for each year exceeding 35 years, calculated on the pension account salary.

Resources

[UAE Federal Decree Law No. 57 of 2023](#) (Government, Nov. 17, 2023)

United Kingdom (UK) (new)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Changes to annual leave entitlement, pay and employee consultation rights to move forward in 2024</p> <p>Changes to the calculation and payment of annual leave included in the Working Time Regulations (WTR), and the employee consultation requirements under Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) took effect on Jan. 1, 2024.</p> <p>Annual leave, entitlement and payment:</p> <ul style="list-style-type: none"> • The calculation of annual leave entitlement for workers working part of the year or irregular hours is calculated either as an average of a 52-week reference period, or accrual of 12.07% of hours worked over the preceding pay period (for example, weekly, bimonthly, monthly). • The Annual leave entitlement continues to be paid at two different rates — four weeks at normal pay, and 1.6 weeks at basic pay. • The definition of “normal pay” is clarified and includes payments linked to the performance of tasks that the employee must carry out; payments for professional or personal status relating to length of service, seniority or professional qualifications; and overtime and other regular payments to workers during the previous 52 weeks. • Rolled-up holiday pay is introduced for working irregular hours or for part of the year with a single rate of pay, based on a worker’s total earnings in a pay period. • The provision for the carry-over of annual leave restates EU Union case law. Workers will be allowed to carry over annual leave for up to 18 months due to having taken sick leave. • Employers must now only have to keep adequate working time records to show their compliance with the regulations. <p>TUPE:</p> <p>The consultation requirements for TUPE allow employees with fewer than 50 employees, or employers proposing to make fewer than 10 redundancies, to consult directly with employees if there are no current employee representatives.</p>
Resources	Retained EU Employment law (Department for Business & Trade, Nov. 8, 2023) and The Employment Rights (Amendment, revocation and transitional provision) Regulations 2023 (Legislature, Dec. 19, 2023)
UK (previously covered, now effective)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>National insurance contribution reduced</p> <p>Class 1 National Insurance (NI) contributions are reduced to 10% — down from 12% — from Jan. 6, 2024, for individuals earning more than £12,570 per year. The NI 2% contribution levied on earnings exceeding £50,270 is unchanged</p>
Resources	Changes to National Insurance contributions from 6 January 2024 (Government, Nov. 23, 2023)

UK (previously covered, with upcoming effective date)

Development

Career

- [Minimum wage rates for 2024 announced](#) — key date: April 2024
- [Certain workers to have more rights to request more predictable hours](#) — key date: autumn 2024
- [Employers have new duty to prevent workplace sexual harassment](#) — key date: autumn 2024

Career — Health

- [Increased immigration health surcharge takes effect in 2024](#) — key date: End January, or February 2024
- [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-enrollment to expand, reducing eligible age and abolishing earnings threshold](#) — key date: Unknown
- [Autumn statement includes pension measures](#) — key date: April 6, 2024
- [Pension dashboard, connection deadlines change](#) — key date: Oct. 31, 2026

Uzbekistan (new)

Status



Currently effective

Development

Career

Minimum wage increased

On Dec. 1, 2023, the minimum wage increased to 1,050,000 UZS, up from 980,000 UZS.

Resources

[Law \(Russian\) \(Government, Nov. 17, 2023\)](#)



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