

Law & Policy Group

# Global Legislative Update

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# 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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### United States

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## Asia Pacific

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## Europe, Middle East and Africa (EMEA)




### European Union


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EMEA (continued)	
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## Section 2

# Global

Artificial Intelligence	
Status	 Ongoing initiatives
Development	<b>Career</b> <b>Roundup: Global employer resources on artificial intelligence</b> Artificial Intelligence (AI) has become more of a permanent feature of the workplace for many employees and employers around the world and poses numerous challenges and considerations as it reshapes work. To help employers consider the issues associated with AI, the roundup cited below provides links to general information about ongoing legislative and governance initiatives and trends. Sources include Marsh McLennan, organizations, government websites, third-party analysis, news articles and viewpoints.
Resources	<a href="#">Roundup</a> , regularly updated
Minimum wage	
Status	 Ongoing initiatives
Development	<b>Career</b> <b>Roundup: Global employer resources on minimum wage increases</b> To help multinational employers address the different minimum wage rates around the world, the roundup cited below provides links to resources from organizations, government websites, third-party resources, and news articles.
Resources	<a href="#">Roundup</a> , regularly updated
Remote working	
Status	 Ongoing initiatives
Development	<b>Career — Health — Wealth</b> <b>Roundup: Countries address remote-working issues</b> 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 consider the issues associated with remote working, the roundup cited below provides links to resources from Marsh McLennan, organizations, government websites, third-party analysis, news articles and viewpoints.
Resources	<a href="#">Roundup</a> , regularly updated


Reproductive rights	
Status	 Ongoing initiatives
Development	<p><b>Health</b></p> <p><b>Roundup: Global employer resources on reproductive rights post <i>Dobbs</i> ruling</b></p> <p>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 analysis, news articles and viewpoints.</p>
Resources	<a href="#">Roundup</a> , regularly updated



## Section 3

# Americas

Argentina (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>Employer's contribution to occupational disease fund increased</b></p> <p>From June 1, 2024, the employers' fixed sum contributions to the occupational disease fund (FFEP) for each employee increased (Spanish) to AR\$702, up from AR\$615.</p>
Resources	<a href="#">Disposition 5/2024 (Spanish)</a> (Government, May 20, 2024)
Canada (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Retirement changes included in spring budget that received royal assent</b></p> <p>Bill C-59, which encompasses the changes announced in the 2023 federal budget regarding retirement compensation arrangements holding letters of credit or surety bonds, received royal assent on June 20, 2024.</p> <p>Two changes affect these types of retirement compensation arrangements.</p> <p>First, premiums to obtain or renew a letter of credit or surety bond to secure supplemental retirement plans are no longer subject to the 50% refundable tax provided the supplemental retirement plan meets the specified arrangement definition. This change is deemed effective on March 28, 2023. At this point, it is not known how the refundable tax remitted after March 28, 2023, in relation to premiums to obtain or renew a letter of credit or surety bond, can be recovered. The Canada Revenue Agency will likely issue guidelines to this effect in the coming weeks or months.</p> <p>Second, the changes provide for a refund mechanism of the refundable tax paid with respect to premiums to obtain or renew a letter of credit or surety bond made prior to March 28, 2023 (referred to as "excluded contributions" under the new rules). Under the new rules, the minister may now refund to the eligible employer, or to the custodian of the arrangement, up to 50% of all retirement benefits paid in the taxation year directly by the eligible employer for the benefit of beneficiaries whose retirement benefits were secured under the specified arrangement with a letter of credit or surety bond issued by a financial institution. This change is retroactively effective to Jan. 1, 2024, meaning that benefits paid directly by an employer for the benefit of beneficiaries whose retirement benefits were secured under a specified arrangement since Jan. 1, 2024, will entitle the employer or the custodian to a refund upon filing the 2024 T3-RCA return. Consequently, the T3-RCA return will likely be adjusted to take into account this change. Current year CRA forms, including the T3-RCA return, are generally updated and published by the CRA towards the end of the taxation year. The CRA will likely issue further guidelines on this in the coming weeks or months.</p>
Resources	<p><a href="mailto:marie-helene.gagne@mercerc.com">marie-helene.gagne@mercerc.com</a> and <a href="mailto:vincent.rioux@mercerc.com">vincent.rioux@mercerc.com</a></p> <p><a href="#">Bill C-59</a> (Legislature, May 28, 2024)</p>

Canada — British Columbia (new)	
Status	 Effective Sept. 3, 2024
Development	<p><b>Health</b></p> <p><b>Some employment standards extended to gig workers</b></p> <p>App-based delivery and ride-hailing workers — or gig workers — in British Columbia (B.C.) will be entitled to certain minimum employment standards from Sept. 3, 2024, under measures included in the Online Platform Workers Regulation and amendments to the Employment Standards Regulations.</p> <p>Online platform workers are workers who collect and deliver online orders through an online delivery platform, or who transport online passengers through an online ride-hailing platform. The government estimates there are currently about 11,000 ride-hailing drivers and 27,000 food-delivery workers in B.C. Highlights include:</p> <ul style="list-style-type: none"> <li>• The minimum hourly wage for a delivery services worker or ride-hail services worker is C\$20.88, payable to online platform workers when they are fulfilling an assignment for a platform operator (“operator”). Tips must not be included in the earnings calculation but must be paid in full to workers.</li> <li>• The operator must provide detailed wage statements to platform workers that include certain information covering each pay period.</li> <li>• Distance expense allowances must be paid to platform workers who use their own vehicle (including e-bikes and scooters).</li> <li>• The operator must give the platform worker information about each assignment, such as collection and delivery locations, and estimated earnings (including distance expense allowances).</li> <li>• Platform workers are entitled to some, but not all, employment standards applicable to other workers — for example, they are not eligible for overtime and statutory holiday provisions of the Employment Standards Act.</li> <li>• Operators must give platform workers at least 72 hours of written notice of their temporary suspension, including the reasons and how the worker could respond or request reconsideration. Platform workers have the right to reinstatement after 14 days in certain circumstances.</li> </ul> <p>Operators must provide written reasons for a worker’s permanent removal from the platform, or they must provide them with pay in lieu of notice, calculated on the individual’s service period.</p>
Resources	<a href="#">Online Platform Workers Regulation</a> (Government, June 17, 2024) and <a href="#">Employment Standards Regulations</a> (Government)
Canada (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Employers face required disclosures regarding pay in Ontario</a> — key date: Effective upon proclamation</li> <li>• <a href="#">Minimum wage to increase in Ontario</a> — key date: Oct. 1, 2024</li> </ul> <p><b>Career — Health</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Law enhances protection against workplace psychological harassment and sexual violence in Quebec</a> — key date: Sept. 27, 2024</li> <li>• <a href="#">Paid sick leave expanded in Prince Edward Island</a> — key date: Oct. 1, 2024</li> </ul> <p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Pension super priority federal legislation enacted</a> — key date: April 27, 2027</li> </ul>

Chile (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> <p>The minimum monthly wage increased on July 1, 2024, to 500,000 thousand CLP, up from 460,000 CLP. The increase follows a negotiation between the government and the Central Unitaria de Trabajadores. A subsidy will be paid to small and medium-sized enterprises to help them comply with the increase; the subsidy amount will vary by company size and will be paid until April 2025.</p>
Resources	<a href="#">Announcement</a> (Spanish) (Government, May 29, 2023)
Mexico (new)	
Status	 <b>Currently effective</b>
Development	<b>Career — Health</b> <b>Exploitative work definition expanded to include long work hours and penalties</b> <p>From June 8, 2024, employers in Mexico that require their employees to work longer than the maximum daily and overtime hours face increased criminal penalties and fines under measures included in a decree published on June 7, 2024, that amends federal law (The General Law to Prevent Punish and Eradicate Crimes related to Human Trafficking and for the Protection and Assistance to the Victims of these Crimes).</p> <p>The 2012 law stipulates that the maximum working week is 48 hours, or eight hours per day; different maximum hours apply to employees working mixed and night shifts. Longer working hours are permitted in exceptional circumstances, and employees must be paid overtime pay. It includes a definition of labor exploitation that is now expanded to include excessive working hours on the grounds that such working practices could impact employees' dignity and health, and perpetuate economic and social inequality.</p> <p>Employers that breach the law could face imprisonment of three to 10 years and significant financial penalties. Increased penalties will apply where the employees concerned are from the indigenous and Afro-Mexican communities.</p>
Resources	<a href="#">Decree 07/06/2024</a> (Spanish) (Official Diary, June 7, 2024)
Peru (new)	
Status	 <b>Option is open until Dec. 31, 2024.</b>
Development	<b>Career</b> <b>Temporary early withdrawal of length-of-service compensation fund allowed</b> <p>Employees in Peru have the option, until Dec. 31, 2024, to withdraw up to 100% of their compensation for length of service (CTS) under measures included in Law No. 32027 and Supreme Decree No. 003-2024. The funds can either be directly withdrawn or transferred to employees' savings accounts.</p> <p>The CTS is a social benefit comprising a twice-yearly deposit by the employer into a special bank account that provides an income to employees when they transition between jobs. Normally, employees cannot use this benefit until the employment relationship ends, but the government authorized employees to access the deposit to provide financial support during the cost-of-living crisis.</p>
Resources	<a href="#">Law No. 32027</a> (Spanish) (Government, May 17, 2024) and <a href="#">Supreme Decree 003-2024-TR</a> (Spanish) (Official Diary, May 26, 2024)

**Peru (new)****Status****Currently effective****Development****Career — Wealth****Exceptional partial private pension withdrawal allowed**

From May 20, 2024, members of Peru's Private Pension Fund Management System (AFP) are exceptionally allowed to withdraw some of their pension benefits. The measures are included in Law No. 32002 and SBS Resolution No. 01623-2024.

**Resources**

[Law No. 32002](#) (Spanish) (Government, April 18, 2024) and [SBS Resolution No. 01623-2024](#) (Spanish) (Government, May 3, 2024)

**Peru (previously covered, soon to be effective)****Status****Begins July 23, 2024****Development****Career****New national holiday honors air force heroes**

A new national holiday on July 23 is designated as the day of the Peruvian Air Force and commemorates a national hero of the air force. Employees have the right to paid time off if the national holiday falls on a working day (Monday through Friday). Employees who work on the national holiday will be paid a 100% premium.

**Resources**

[Law No. 31822](#) (Spanish) (Official Diary, July 8, 2023)

**United States (US) (new)****Status****Currently effective****Development****Health****Supreme court ruling on the abortion pill issued**

In a ruling, the Supreme Court preserved the Food and Drug Administration (FDA) approval and current regimen for mifepristone, otherwise known as the abortion pill. In a unanimous decision, the Court dismissed a challenge to the FDA's protocol for prescribing and dispensing the drug on procedural grounds. The Court held that the parties challenging the FDA lacked standing, meaning they didn't have a "personal stake" in the dispute. However, the Justices left the door open to future challenges. Headlines about this case may prompt plan sponsors concerned with providing access to the full range of reproductive health services to review benefits coverage, documentation and communication. The ruling in *FDA v. Alliance for Hippocratic Medicine* is significant, as medication abortion — typically a two-drug regimen of mifepristone and misoprostol — accounts for nearly two-thirds of all abortions in the United States, which have risen 11% since 2020, despite the Supreme Court upending the federal right to abortion in 2022. Given the prevalence of medication abortions, a different outcome from the Supreme Court could have significantly restricted abortion access, impacted miscarriage management nationwide, and weakened the FDA's authority to regulate a wide range of drugs.

**Resources**

[katharine.marshall@mercerc.com](mailto:katharine.marshall@mercerc.com) and [corina.khalessi@mercerc.com](mailto:corina.khalessi@mercerc.com)  
[FDA v. Alliance for Hippocratic Medicine](#) (Supreme Court, June 13, 2024)

**US (new)****Status****Scheduled to take effect Sept. 23, 2024, but several court challenges seek to invalidate it.****Development****Health — Wealth****DOL's final fiduciary rule issued**

A new Department of Labor (DOL) regulation expands the scope of fiduciary investment advice under ERISA. The rule primarily targets financial services firms, such as financial advisers, insurance agents and brokers, asset managers, and defined contribution plan recordkeepers. Under the new rule, all of these companies could act as fiduciaries when providing some services that previously weren't considered fiduciary acts. While the direct effect on plan sponsors appears modest, plan vendors may decide to modify their service models — including associated fees — and sales practices. Amendments to seven prohibited transaction exemptions (PTEs) accompany the final rule.

**Resources**

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GRIST, June 20, 2024

**US (previously covered, now effective and updated)****Status****Currently effective****Development****Career****Final rule to expand overtime protections now effective**



The rule expanded overtime protections beginning July 1, 2024 — guaranteeing overtime pay for most salaried workers earning less than \$844/week or \$43,888/year (up from \$684/week or \$35,568 per year). Highlights of the final rule include:



- Restore and extend overtime protections to low-paid salaried workers. The final rule increased the salary threshold to \$844/week or \$43,888/year on July 1, 2024 (up from \$684/week or \$35,568/year) and then to \$1,128/week or \$58,656/year on Jan. 1, 2025. The 2025 amount uses a new salary methodology, setting the standard level at the 35th percentile of full-time salaried workers in the lowest-wage census region (currently the South).
- Increase the minimum salary level for an employee to qualify as exempt under the “highly compensated employee” exemption to \$132,964/year as of July 1, 2024 (up from \$107,432/year) and then to \$151,164/year on Jan. 1, 2025. The 2025 amount uses a new methodology, which is equivalent to the annualized weekly earnings of the 85th percentile of full-time salaried workers nationally.
- Beginning July 1, 2027, and every three years thereafter, updates will be automatically made to the above amounts to reflect current earnings. The rule does include a provision allowing the DOL to temporarily delay a scheduled update where unforeseen economic or other conditions warrant.
- Clarify which executive, administrative or professional employees should be overtime exempt. By doing so, DOL says the rule will better ensure that those who are not exempt will gain more time with their families or receive additional compensation when working more than 40 hours a week.

The rule has been challenged in multiple lawsuits, and a Texas District Court on June 24, 2024, granted a preliminary injunction request for the State of Texas as employer. The judge was the first to apply a recent Supreme Court decision that overturned the “Chevron doctrine” of deference to federal agencies and held that courts “must exercise their independent judgment in deciding whether an agency has acted within its statutory authority.” Other lawsuits will use the decision to challenge the rule.

**Resources**

[GRIST](#), June 3, 2024



US	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Health</b></p> <p><b>Roundup: Employer resources on DOL's final independent contractor rule</b></p> <p>On Jan. 9, 2024, the DOL announced a final rule that revises how to determine if an individual is an independent contractor or an employee entitled to minimum wage, overtime and other protections under the federal Fair Labor Standards Act. The controversial rule took effect on March 11, 2024.</p> <p>To provide employers with some information about the rule and the varying aspects and issues to consider, 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	<a href="#">Roundup: Employer resources on DOL's final independent contractor rule</a> (Mercer, regularly updated)
US	
Status	 <b>Effective dates vary.</b>
Development	<p><b>Wealth</b></p> <p><b>User's guide to SECURE 2.0</b></p> <p>A dizzying array of legislation affecting 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 efforts, 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).</p> <p>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, including separate treatment of provisions specific to DC and DB plans.</p> <p>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.</p> <p>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.</p> <p>This guide will be updated periodically to reflect additional information and guidance.</p>
Resources	<a href="mailto:margaret.berger@mercer.com">margaret.berger@mercer.com</a> ; <a href="mailto:matthew.calloway@mercer.com">matthew.calloway@mercer.com</a> and <a href="mailto:brian.kearney@mercer.com">brian.kearney@mercer.com</a> <a href="#">User's guide to SECURE 2.0</a> (periodically updated)




US	
Status	 Effective dates vary.
Development	<p><b>Career — Health</b></p> <p><b>Transportation plans offer valued benefits, but pose compliance issues</b></p> <p>Since 1998, employees have been able to pay for qualified transportation fringe benefits 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.</p> <p>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	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> and <a href="mailto:cheryl.hughes@mercer.com">cheryl.hughes@mercer.com</a></p> <p><a href="#">GRIST</a>, regularly updated</p>
US	
Status	 Effective dates vary.
Development	<p><b>Career</b></p> <p><b>Roundup: Employer resources on noncompete restrictions</b></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	<p><a href="#">Roundup</a>, regularly updated</p>



US	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Roundup: Employer DEI resources after SCOTUS' ruling on affirmative action</b></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' 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	<a href="#">Roundup</a> , regularly updated
US	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Roundup: Employer resources on DOL's expansion of overtime protections</b></p> <p>On April 23, 2024, the Department of Labor (DOL) issued a final rule for determining if certain salaried employees are exempt from minimum wage and overtime requirements under the Fair Labor Standards Act. The rule will expand overtime protections beginning July 1, 2024 — guaranteeing overtime pay for most salaried workers earning less than \$844/week or \$43,888/year (up from \$684/week or \$35,568 per year). This amount is down from the proposed rule, announced on Aug. 30, 2023, which would have guaranteed overtime pay for most salaried workers earning less than \$1,059/week, or about \$55,000/year. 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. 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	<a href="#">Roundup</a> (Mercer, regularly updated)



US — States	
Status	 Effective dates vary.
Development	<b>Wealth</b> <b>Resources for tracking state and local retirement initiatives</b> This article summarizes state and local retirement initiatives for private-sector workers and rounds up relevant Mercer and third-party resources. This listing is updated periodically and may not always reflect the latest development in every locality.
Resources	<a href="mailto:margaret.berger@mercer.com">margaret.berger@mercer.com</a> and <a href="mailto:brian.kearney@mercer.com">brian.kearney@mercer.com</a> <a href="#">GRIST</a> , regularly updated
US — States	
Status	 Effective dates vary.
Development	<b>Career</b> <b>Roundup: Employer resources on states' recent equal pay laws</b> 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 not passed after numerous attempts — most recently in June 2021. On March 15, 2022, the Biden administration also announced commitments to advance pay equity. This roundup primarily focuses on recent state legislative initiatives pertaining to salary history bans and salary range disclosure requirements that affect private sector employers, and provides links to state resources from organizations, government websites, third-party resources and news articles. Certain cities have also acted, but they are generally beyond the scope of this roundup.
Resources	<a href="#">Roundup</a> , regularly updated

US — States	
Status	 Effective dates vary.
Development	<b>Career</b> <b>Roundup: Employer resources on states' recreational marijuana laws</b> <p>Twenty-four 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	<a href="#">Roundup</a> , regularly updated
US — States	
Status	 Effective dates vary.
Development	<b>Career</b> <b>Roundup: Employer resources on minimum wage increases</b> <p>On Jan. 1, 2024, the minimum wage rate for federal contracts increased to \$17.20/hour — up from \$16.20/hour in 2023. This minimum wage rate applies 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 analysis, news articles and viewpoints.</p>
Resources	<a href="#">Roundup</a> , regularly updated
US — States	
Status	 Effective dates vary.
Development	<b>Career</b> <b>Roundup: Employer resources on hairstyle nondiscrimination laws</b> <p>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, third-party analysis, news articles and viewpoints.</p>
Resources	<a href="#">Roundup</a> , regularly updated

## US — California (updated)

**Status**  **Effective date is delayed until at least Oct. 15, 2024.**

### Development **Career — Health**

#### **Minimum hourly wage increase for healthcare workers delayed**

On Oct. 13, 2023, the governor signed legislation (SB 525) that will progressively increase the minimum wage for many healthcare workers to \$25/hour by 2026. Under this law, workers at large healthcare facilities were to earn \$23/hour in June 2024, \$24/hour in June 2025 and \$25/hour in June 2026. SB 159, signed by the governor on June 29, 2024, delays the start until at least Oct. 15, 2024, and will be tied to the state's finances. For the remaining healthcare workers, the minimum wage will more gradually increase to \$25/hour.

California's state-wide minimum wage is \$16/hour in 2024, but some cities have higher hourly minimum wage rates.

**Resources** [SB 828](#) (Legislature, May 31, 2024) and [SB 525](#) (Legislature, Oct. 16, 2023)

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

**Status**  **Currently effective**

### Development **Career — Health**

#### **Employers should have developed workplace violence prevention plans**

Beginning July 1, 2024, most California employers face new requirements to prevent workplace harassment under recently enacted Bill 553. Employers are 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 is 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 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 553](#) (Legislature, Sept. 30, 2023)

**US — California — San Francisco (new)****Status**  **Currently effective****Development****Health****Health Care Accountability Ordinance (HCAO) rates change**

The HCAO requires most city contractors to provide health benefits meeting minimum standards. Alternatively, employers can make a payment to the San Francisco General Hospital based on an hourly rate for each covered employee. These rates change every July 1. The rates are now \$6.75 per hour, capped at \$270 per week — up from \$6.35 per hour, capped at \$254 per week.

**Resources**[rich.glass@mercer.com](mailto:rich.glass@mercer.com)[Health Care Accountability Ordinance](#) (Government)**US — Colorado (new)****Status**  **Currently effective****Development****Career — Health****State average weekly wage increases, affecting PFML benefits**

Effective July 1, Colorado's state average weekly wage (SAWW) increased from \$1,421.16 to \$1,471.34, which in turn affects benefit Family and Medical Leave Insurance (FAMLI) calculations under the state's paid family and medical leave (PFML) program.

The maximum weekly FAMLI benefit (currently set at \$1,100) remains the same through the end of 2024, increasing in 2025 to \$1,324.21 (90% of the new SAWW). FAMLI benefit calculations are based in part on SAWW. Specifically, benefits equal 90% of an employee's weekly wage (up to 50% of SAWW), plus 50% of amounts exceeding 50% of SAWW, up to the maximum weekly benefit.

As a result, many covered employees currently on PFML may have seen a slight increase as of July 1.

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



[Benefit schedule](#) (Government, June 10, 2024) and [Colorado's new average weekly wage, and how it affects FAMLI claims](#) (Department of Labor and Employment, June 14, 2024)

**US — Colorado (new)****Status**  **Currently effective****Development****Career — Health****Law protects living organ donors and has leave-related implications**

HB24-1132 prohibits employer adverse actions when an employee becomes an organ donor. While the law confirms that organ donation leave is not mandated, it requires an employer to provide accrued leave under existing policies applicable to similar situated employees. In addition, employment protection exists during the "prohibited period," which starts 30 days before an employee's organ donation and ends 90 days afterward. Specifically, a rebuttable presumption exists that any adverse action during the prohibited period is prohibited conduct, absent clear and convincing evidence that the action was for a lawful reason.

Current insurance law already mandates fully insured coverage for healthcare services related to organ donation. The law took effect June 3, 2024.

**Resources**[rich.glass@mercer.com](mailto:rich.glass@mercer.com)[HB 24-1132](#) (Legislature)

US — Colorado (new)	
Status	 <b>Effective Jan. 1, 2026</b>
Development	<b>Career — Health</b> <b>Telehealth law enacted</b> A new Colorado law (SB 24-141) will allow licensed out-of-state healthcare providers to offer services through telehealth, as long as they complete a registration process.
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">SB 24-141</a> (Legislature)
US — Colorado (new)	
Status	 <b>Generally effective Jan. 1, 2026</b>
Development	<b>Health</b> <b>New law focuses on prior authorization practices for fully insured plans</b> HB24-1149 applies to insurers, private utilization review organizations and pharmacy benefit managers for healthcare services and prescription drug (Rx) benefits covered by fully insured plans. The law imposes new website disclosure requirements and requires these entities to annually attest that they have reviewed of all services and Rx subject to prior authorization and eliminated those that neither promote quality and equity nor substantially reduce costs. By Jan. 1, 2027, an electronic transmission system is required for prior authorizations. Entities will be prohibited from imposing prior authorization requirements more than once every three years for an FDA-approved chronic maintenance drug, except under specified conditions. The duration of an approved prior authorization for a health-care service or other Rx benefit will increase from 180 days to a calendar year. Other than the electronic system, the law will take effect on Jan. 1, 2026. Colorado 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 ERISA plans.
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">HB24-1149</a> (Legislature)

**US — Colorado (previously covered, now effective)****Status****Currently effective****Development****Career****Law bans age-related inquiries during hiring process**

On June 2, 2023, Colorado's governor signed legislation (SB 23-058) that prohibits employers from inquiring about a job applicant's age during the hiring process on and after July 1, 2024. Highlights include:

- An employer cannot request or require an individual to include their age, date of birth, or dates of attendance at or date of graduation from an educational institution on an initial employment application.
- An employer may request or require an individual to provide additional application materials (copies of certifications, transcripts, and other materials created by third parties) at the time of an initial employment application, if the employer notifies the individual that the individual may redact age-related information.
- An employer may request that an individual verify age compliance with age requirements imposed by a bona fide occupational qualification pertaining to public or occupational safety; a federal law or regulation; or a state or local law or regulation based on a bona fide occupational qualification. However, verification requests on an initial employment application must not require disclosure of an individual's specific age, date of birth, or dates of attendance at or date of graduation from an educational institution.
- Applicants do not have a private cause of action, but they may file a complaint with the Colorado Department of Labor (CDOL) within 12 months of a violation. The CDOL shall investigate the complaint if it has merit.
- Noncompliant employers will first receive a warning but will face financial penalties if they continue to be noncompliant.
- Each distinct job posting is considered a separate violation.

Other states that prohibit age-related inquiries during the job application are California, Connecticut, Minnesota, and Pennsylvania.

**Resources**

[SB 23-058](#) (Legislature); [Gov. Polis signs bills into law](#) (Government, June 2, 2023) and [Interpretive notice & formal opinion \('INFO'\) #9B](#) (CDOL, May 29, 2024)

**US — Connecticut (new)****Status****Currently effective****Development****Health****Certain telehealth provisions made permanent**

Pub. Act No. 24-110 (HB 5198) makes permanent certain temporary expanded telehealth rules that were scheduled to sunset on June 30. These provisions include: (1) allowing telehealth providers to use audio-only telephone to provide services; (2) allowing telehealth services from any location to patients at any location; and (3) requiring reimbursement parity between telehealth and in-person providers. The law also repeals a provision in current law that permanently allows out-of-state mental or behavioral health services providers to practice telehealth in the state, instead applying a June 30, 2025, expiration date. Connecticut 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 ERISA plans.

**Resources**

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[Pub. Act No. 24-110](#) (HB 5198)

## US — Connecticut (previously covered, now effective)

**Status**  **Currently effective**

### Development

#### Health

##### Health insurance restrictions now effective

Pub. Act No. 23-171, HB 6669 prohibits four types of clauses in healthcare contracts between insurers and providers related to fully insured plans. They are:

- All-or-nothing (requiring a plan to include all provider members)
- Anti-steering (restricting a plan from encouraging participants to obtain care from a provider's competitor)
- Anti-tiering (restricting the use of tiered networks)
- Gag (restricting a provider's or insurer's ability to disclose cost or quality information)

This law also requires insurers to provide — upon a provider's request — information on the standards used for selecting and tiering providers. Both provisions took effect July 1, 2024.

### Resources

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

[Pub. Act No. 23-171, HB 6669](#) (Legislature)

## US — Delaware (new)

**Status**  **Currently effective**

### Development

#### Career — Health

##### Paid family medical leave law modified

Delaware clarified the scope of its paid family and medical leave (PFML) law, which starts contributions next year and benefits in 2026.

Specifically, SB 248 exempts employees covered by a collective bargaining agreement from PFML coverage; on the other hand, companies that use a professional employer organization are considered an employer for PFML purposes. The law took effect on June 30, 2024.

### Resources

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

[SB 248](#) (Legislature, July 1, 2024)

**US — Illinois — Chicago (previously covered, now effective)**

**Status**  **Currently effective**

**Development**

**Career — Health**

**Final rules on Paid Leave and Paid Sick and Safe Leave Ordinance now effective**

Chicago's Department of Business Affairs and Consumer Protection (BACP) issued final rules on the city's Paid Leave and Paid Sick and Safe Leave Ordinance, that took effect on July 1 after an amendment was passed in December 2023. Under the law, Chicago employers must give employees up to 40 hours of paid sick and safe leave (PSSL) and up to 40 hours of paid leave for any reason (PLAR). Highlights include:

- **Preexisting policies.** Unlike PLAWA, Chicago's ordinance makes no provision for preexisting policies.
- **Benefit year.** Employers may now select a 12-month period.
- **Carryover.** Employees are entitled to carry over up to 80 hours of PSSL and up to 16 hours of PLAR from the prior benefit year in addition to the PSSL/PLAR benefits available in the next benefit year.
- **Frontloading.** As an alternative to accrual, employers may frontload 40 hours of each leave on the first day of the benefit year. PLAR frontloading eliminates the need for PLAR carryover but not for PSSL carryover.
- **Leave approvals and denials.** An employer's policy can include a reasonable pre-approval process before taking leave, based on maintaining continuity of business operations. The final rules include a nonexhaustive list of five relevant factors for denying leave, including significant impact on business operations and whether the job provides a need or service critical to the health, safety or welfare of Chicago residents. An employer could, for example, deny leave if that day is its busiest day of the year. Leave denials must be in writing and state a preestablished policy rationale.
- **Use of leave.** Employers may now restrict use of either type of leave to an employee's regular work week.
- **Employer notice.** In addition to the poster, new hire notice and annual notice, employers must also provide an annual frontloading notice, if applicable.



Employers with workforces in the affected areas should review their leave policies to determine what, if any, changes are needed.



**Resources**

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



[Final rules](#) (BACP, May 1, 2024) and [Paid leave and Paid Sick and Safe Leave Frequently Asked Questions](#) (Office of Labor Standards, Dec. 20, 2023)



US — Indiana (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>Prescription rebate law now effective</b></p> <p>Indiana passed HB 1332, which imposes prescription drug (Rx) rebate requirements on fully insured plans. The new law changes the state's insurance code, which previously allowed fully insured plans the option to reduce defined cost sharing at the point of sale (POS) by the amount of rebates received by the insurer. Now, under HB 1332, insured plans are restricted to two options:</p> <ul style="list-style-type: none"> <li>• 100% of rebates applied to reduce premiums for all participants equally</li> <li>• 85% of rebates applied to reduce participant cost sharing at the point of sale.</li> </ul> <p>The law took effect July 1, 2024. Indiana 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 ERISA plans.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">HB 1332</a> (Legislature, March 13, 2023)</p>
US — Louisiana (new)	
Status	 <b>Effective Aug. 1, 2024</b>
Development	<p><b>Career</b></p> <p><b>Nondisclosure agreements related to sexual harassment, hostile work environment banned</b></p> <p>Louisiana enacted Act 781 (HB 161) that will make unenforceable nondisclosure clauses required by an employer and agreed to prior to a hostile work environment or sexual harassment dispute. Individuals can still enter into a confidential settlement agreement relating to a hostile work environment or sexual harassment provided that the agreement is entered into after a report of hostility or harassment is filed, or a hostile work environment dispute or sexual harassment dispute occurs.</p>
Resources	<p>Act 781 (<a href="#">HB 161</a>) (Legislature, June 25, 2024)</p>

US — Louisiana (new)	
Status	 <b>Effective Jan. 1, 2025</b>
Development	<p><b>Health</b></p> <p><b>Pharmacy benefit manager law bans spread pricing</b></p> <p>Louisiana enacted a pharmacy benefit manager (PBM) law that effectively prohibits ban pricing in the state. Under 2024 Act No. 768 (SB 444), PBMs must reimburse a pharmacy at least an amount equal to the acquisition cost for the covered drug, device or service. An exception exists if they pharmacist or pharmacy does not own more than five shares or a 5% interest in a pharmaceutical wholesale group purchasing organization or vendor of any covered drug, device or service. The law also does not apply to the state governmental plan. The Office of Group Benefits, though, must report on the potential impact of this law on the state governmental plan by March 31, 2025. The law's application to self-funded ERISA plans is unclear. PBMs operating in the state — including Caremark, Express Scripts and OptumRx) — are already subject to state licensing and transparency requirements on their book of business. Louisiana generally 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 ERISA plans.</p>
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">2024 Act No. 768 (SB 444)</a> (Legislature)
US — Maryland (new)	
Status	 <b>Effective Jan. 1, 2025</b>
Development	<p><b>Health</b></p> <p><b>Law enacted that addresses fully insured plans' use of prior authorization</b></p> <p>Under 2024 Ch. 847/848 (HB 932/SB 791), fully insured plans must establish an online prior authorization and e-prescribing system by July 1, 2026. at no charge to providers or participants. Prior authorization approvals will be valid for the lesser of 90 days or the course of treatment. The law also imposes additional notice and reporting requirements. All of these provisions will take effect on Jan. 1, 2025. Maryland generally does not apply 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 ERISA plans.</p>
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">2024 Ch. 847/848 (HB 932/SB 791)</a> (Legislature)

US — Michigan (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>Telehealth law enacted</b></p> <p>A new Michigan insurance law addresses reimbursement parity and telehealth coverage requirements. Under 2024 Pub. Act 52 (HB 4131), fully insured medical and dental plans must provide reimbursement parity between in-person and telehealth services. Also, plans may not require a healthcare professional to provide services through telehealth, unless contractually required and clinically appropriate.</p> <p>The law will take effect for plan renewals occurring on or about April 1, 2025. Michigan 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 ERISA plans.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">2024 Pub. Act 52 (HB 4131)</a> (Legislature)</p>
US — Nevada (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Two-tier minimum wage system to be eliminated</b></p> <p>On Nov. 8, 2022, Nevada voters approved a ballot question that eliminated the two-tier minimum wage system. Under the measure, the state constitution is amended as of July 1, 2024, to:</p> <ul style="list-style-type: none"> <li>• Increase the minimum wage for all employees to \$12 per hour, subject to any applicable increases provided by federal law or enacted by the legislature.</li> <li>• Remove existing provisions setting different rates for the minimum wage based on whether the employer offers certain health benefits to such employees.</li> <li>• Remove the existing annual inflation adjustments to the minimum wage.</li> </ul> <p>As of July 1, 2024, the hourly minimum wage is \$12.</p>
Resources	<p><a href="#">Minimum wage</a> (Office of the Labor Commissioner, April 1, 2024); <a href="#">Ballot measure</a> (Legislature) and <a href="#">Nevada's minimum wage and daily overtime rates to increase July 1, 2022</a> (Government, March 21, 2022)</p>

US — New Jersey (previously covered, now effective)	
Status	 <b>Effective for insurance contracts issued or renewed on or after Aug. 1, 2024.</b>
Development	<p><b>Health</b></p> <p><b>Fertility coverage mandate expanded</b></p> <p>A New Jersey law (2023 Ch. 258, AB 5235) requires fully insured plans to cover additional fertility-related services. Highlights include:</p> <ul style="list-style-type: none"> <li>• Scope. Plans must cover all physician-determined services in accordance with guidelines from the American Society for Reproductive Medicine (ASRM), including in vitro fertilization, genetic testing and unlimited embryo transfers.</li> <li>• Sterilization reversals. Plans cannot exclude participants who have successfully reversed a voluntary sterilization.</li> <li>• Eligibility. Plans may not deny or delay coverage based on relationship status or sexual orientation.</li> <li>• Utilization review. Plans may continue to perform utilization if it meets ASRM guidelines.</li> </ul> <p>The law will take effect for insurance contracts issued or renewed on or after Aug. 1. 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 ERISA plans.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">2023 Ch. 258, AB 3235</a> (Legislature)</p>
US — New York — New York City (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Employers should have provided notice of bill of rights</b></p> <p>New York City enacted NYC Local Law No. 161 that required employers to provide a notice of workers' bill of rights. In March 2024, the Department of Consumer and Worker Protection, in coordination with other agencies and community and labor organizations, published a workers' bill of rights that contains information on the rights and protections under federal, state, and local laws that apply to all workers in the City, regardless of immigration status.</p> <p>By July 1, 2024, employers should have provided the notice to all employees, and thereafter on or before an employee's first day of work. Employers must also conspicuously post the notice in a workplace location that is accessible and visible to employees. If online communication is regularly used to communicate with employees, employers must also make the notice available online or through a mobile application.</p>
Resources	<p><a href="#">Department of Consumer and Worker Protection Releases Workers' Bill of Rights: A One-Stop-Shop for Understanding Your Labor Rights in NYC</a> (Department of Consumer and Worker Protection, March 1, 2024) and</p> <p><a href="#">NYC Local Law No. 161</a> (New York City Council, Dec. 3, 2023)</p>

## US — Oklahoma (new)

### Status



Effective Jan. 1, 2025

### Development

#### Health

##### Fully insured plan reimbursement rates for ground ambulance services established

The Out-of-Network Ambulance Service Provider Act (HB 2872) sets ground ambulance rates for fully insured plans. The default rate will be set by a local government entity where the services originate. Absent that, the rate will be the lesser of 325% of the Medicare rates or the ambulance service provider's bill charges.

The law will take effect on Jan. 1, 2025. Oklahoma generally 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 ERISA plans.

### Resources

[rich.glass@mercero.com](mailto:rich.glass@mercero.com)  
[HB 2872 \(Legislature\)](#)

## US — Oregon (new)

### Status



Currently effective

### Development

#### Career — Health

##### Paid family medical leave benefit limits modified

Oregon changed its minimum and maximum weekly benefit amounts for the paid family and medical leave (PFML) program.

The state Employment Department revised the state's average weekly wage, which in turn changes the PFML benefit limits. The weekly minimum increases to \$65.36, up from \$63.48, and the weekly maximum increases to \$1,568.60, up from \$1,523.63. These changes will take effect for benefit years starting on or after July 7. Employees whose paid leave benefit year started before this date will be unaffected. Contribution rates and the benefit calculation remain unchanged.

### Resources

[rich.glass@mercero.com](mailto:rich.glass@mercero.com)  
[Employment department announces weekly benefit amounts for unemployment insurance and Paid Leave Oregon](#) (Oregon Employment Department, June 13, 2024)

**US — Oregon (previously covered, generally effective)**

**Status**



**Generally effective**

**Development**

**Career — Health**

**Paid family medical leave program aligned with state family leave law**

Oregon enacted SB 1515, which reduces overlapping provisions in the state’s paid family and medical leave (PFML) program — known as Paid Leave Oregon (PLO) — and the Oregon Family Leave Act (OFLA). The new law essentially eliminates employees’ ability to stack PLO and OFLA leaves by taking those leaves consecutively. As background, OFLA provides 12 weeks of unpaid leave (plus another 12 weeks for pregnancy-related disability) for reasons similar to federal FMLA, as well as bereavement (up to two weeks per death) and sick child leave. PLO benefits started on Sept. 3, 2023, and are available for up to 12 weeks per year and an additional two weeks for pregnancy- or childbirth-related disability. Qualifying reasons under the two laws are largely the same, with some exceptions. Employers subject to federal FMLA may still have FMLA leave run concurrently with either PLO or OFLA leave if the reason qualifies under both laws.

Highlights include:



- Effective July 1, SB 1515 reduces the duplication between the two laws by removing most of the OFLA qualifying reasons (including the employee’s or family member’s serious health condition and child bonding) that are available with PLO. OFLA will still provide protected leave where PLO does not, particularly to care for a sick child, home care due to a school closure or a public health emergency and bereavement, the latter of which will now be limited to four weeks per year. One exception is pregnancy-related disability leave, which will continue to be covered by both laws.
- From now until Jan. 1, 2025, employees will have up to two weeks under OFLA to effectuate the legal process for foster care placement or adoption. Thereafter, leave for this reason will be available solely under PLO, up to the standard 12 weeks per year.
- SB 1515 allows employees to use any employer-provided, accrued sick leave, vacation or other paid time off to top off the PFML benefit, up to their full wages. However, no current mechanism exists for employers to look up the PFML benefit amount in order to calculate the top-off amount. As a result, employers may — but are not required to — allow a top-off amount that results in benefits exceeding full wages. Unless prohibited by a collective bargaining agreement, employers may dictate the order that employees use employer-provided paid leave for top-off purposes; for example, they could require use of vacation before sick time.
- PLO defines it as 52 consecutive weeks beginning on the Sunday immediately before leave commences. Previously, OFLA and PLO measured a “one-year period” differently. OFLA aligns with federal FMLA, allowing employer discretion. Effective July 1, OFLA will adopt the PLO definition.

Under the state’s predictive scheduling law, employers must provide at least 14 days’ notice to change their schedule, or else pay additional compensation. SB 1515 creates an exception to this rule, if an employer has less than 14 days’ notice that an employee on leave will return to work, the employer may change the schedule of the employee temporarily assigned to cover for the employee on leave without paying the additional compensation.

**Resources**

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

[SB 1515](#) (Legislature, March 20, 2024)

US — Pennsylvania (new)	
Status	 <b>Generally effective on Oct. 1, 2024, but will apply to Medicaid and the CHIP on Jan. 1, 2026.</b>
Development	<p><b>Health</b></p> <p><b>Telehealth law enacted</b></p> <p>Pennsylvania will require telehealth coverage as a result of the enactment of 2024 Act 42 (SB 739). Fully insured plans must cover medically necessary in-network healthcare services via telehealth to the same extent they cover in-person services unless the provider fails to comply with HIPAA and HITECH Act rules. Insurers may not deny coverage solely because services are provided in a telehealth setting.</p> <p>The coverage mandates will apply to Medicaid and the Children's Health Insurance Program (known as CHIP) on Jan. 1, 2026, if certain requirements are met. The law will otherwise take effect on or about Oct. 1.</p> <p>Pennsylvania generally does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state, as long as the employer's principal office is located outside of Pennsylvania. The law does not affect self-funded ERISA plans.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">Governor Shapiro signs telemedicine bill into law, expanding access to healthcare, especially in rural communities</a> (Government, July 3, 2024) and <a href="#">Senate Bill 739</a> (Legislature, July 3, 2024)</p>
US — Rhode Island (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Health</b></p> <p><b>Temporary disability insurance rates increased</b></p> <p>Rhode Island raised its temporary disability insurance (TDI) rates for a portion of its paid family and medical leave (PFML) mandate, effective July 1.</p> <p>The Department of Labor and Training changed the TDI maximum weekly benefit to \$1,070, up from \$1,043. This TDI increase applies to leaves starting on or after July 1. The state's TDI and temporary caregiver law includes a dependent allowance, which increases benefits as much as 35% for up to five dependents. Accordingly, the maximum weekly TDI benefit for employees with five or more dependents increases to \$1,444, up from \$1,408, also effective July 1.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">Maximum weekly benefit amounts for unemployment and temporary disability insurance to increase in July</a> (Department of Labor and Training, June 20, 2024)</p>

**US — Rhode Island (new)****Status****Effective Jan. 1, 2025****Development****Health****Prescription law enacted**

Rhode Island passed a law related to fully insured plans' reimbursement of clinician-administered prescription drugs. HB 7365/SB 2086 prohibits insurers from interfering with a patient's right to obtain a clinician-administered drug from an in-network provider or pharmacy of choice, a practice commonly called "white bagging." Pharmacy reimbursements must be at a rate equal to payments between the insurer and a preferred pharmacy. The law will take effect on Jan. 1, 2025. Rhode Island generally 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 ERISA plans.

**Resources**

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[HB 7365/SB 2086](#) (Legislature)

**US — Rhode Island (new)****Status****Increase begins on Jan. 1, 2025.****Development****Career — Health****Temporary caregiver insurance coverage increased**

A new law increases the duration of temporary caregiver insurance (TCI) coverage under the state's paid family and medical leave (PFML) law. TCI is available for child bonding and care for a seriously ill family member. Duration is currently capped at six weeks per benefit year. Under HB 7171/SB 2121, the duration will increase to seven weeks on Jan. 1, 2025, and to eight weeks on Jan. 1, 2026.

**Resources**

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[HB 7171/SB 2121](#) (Legislature)

**US — Rhode Island (new)****Status****Effective dates vary.****Development****Health****Three telehealth laws enacted**


Rhode Island enacted three telehealth laws that enable the state to join various interstate compacts. The establishment of compacts in a state make it easier for health plans to provide telehealth services through out-of-state providers. Recent laws implemented compacts for these services:

- Professional counseling (HB 7141/SB 2183), effective when 10 states join the compact
- Occupational therapy (HB 7945/SB 2623), effective June 25, 2024
- Audio-speech pathology (HB 8219/SB 2173), effective when 10 states join the compact

**Resources**

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[HB 7141/SB 2183](#) (Legislature); [HB 7945/SB 2623](#) (Legislature); and [HB 8219/SB 2173](#) (Legislature)



**US — South Dakota (previously covered, now effective)****Status**  **Currently effective****Development****Health****Telehealth law now effective**

With the enactment of 2023 HB 1107, South Dakota becomes the 39th state (plus Washington, DC) to join the Psychology Interjurisdictional Compact (PSYPACT), an interstate compact between states, facilitating the practice of mental health services across state boundaries.

**Resources**[rich.glass@mercer.com](mailto:rich.glass@mercer.com)[HB 1017](#) (Legislature, Feb. 13, 2024)**US — Vermont (new)****Status**  **Currently effective****Development****Health****Restrictions on pharmacy benefit managers (PBM) imposed**

HB 233 was signed by the Governor on May 30, 2024, and establishes a PBM licensure and regulatory scheme. The PBM restrictions appear to be limited to fully insured plans:

- Inclusion of third-party financial assistance to cost sharing if there is no generic or interchangeable biological equivalent (an HSA-eligible HDHP exception exists)
- Ban on spread pricing
- Prohibition against requiring cover persons to pay a greater amount than the lesser of the applicable cost sharing, the maximum allowable cost or the cash amount payable for a drug after applying known discounts
- No penalty or contract termination for pharmacy disclosures to covered persons
- Prohibition against a PBM requiring a pharmacy to pass through a covered person's copayment back to the PBM

The law took effect on July 1, and applies to fully insured plans with beneficiaries who are employed or reside in Vermont.

**Resources**[rich.glass@mercer.com](mailto:rich.glass@mercer.com)[HB 233](#) (Legislature, May 30, 2024)**US — Vermont (new)****Status**  **First plan is due Jan. 15, 2025.****Development****Health****The powers of a healthcare board to include prescription drug cost regulation broadened**

The existing Green Mountain Care Board will now be tasked with creating a framework and methodology for implementing an Rx cost control program under SB 98. The preliminary plan is due Jan. 15, 2025; a final plan is due one year later. This law essentially transforms the Board into a prescription drug affordability board; eight other states have similar boards, including Colorado, Ohio, Oregon and Washington.

**Resources**[rich.glass@mercer.com](mailto:rich.glass@mercer.com)[SB 98](#) (Legislature)

**US — Washington, DC (new)****Status**  **Projected effective date is Aug. 1, 2024.****Development****Health****Telehealth standards adopted**

Mayor Muriel Bowser signed the Health Occupations Revision General Amendment Act (Act A25-0479, B25-0545), a portion of which adopts part of the model law recommended by the Uniform Law Commission. Specifically, the law allows the establishment of a practitioner-patient relationship through telehealth instead of requiring an in-person visit.

Telehealth providers who are not licensed or registered in the District may provide services in two situations:

- There is an existing relationship and the patient is either in the District temporarily or a District resident and the services do not exceed 120 days (or longer, if future regulations permit)
- The provider is part of an interstate compact in which the District participates (currently, the District is a member of the Psychology Interjurisdictional Compact (PSYPACT), which facilitates the practice of mental health services across state boundaries).

The law was sent to Congress for mandatory review.

**Resources**

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[Health Occupations Revision General Amendment Act \(Act A25-0479, B25-0545\) \(Legislature\)](#)

**US (previously covered, with upcoming effective dates)****Development****Career**

- [Federal Trade Commission bans noncompete provisions](#) — key date: Sept. 4, 2024
- [Law requiring pay transparency in job postings enacted in Illinois](#) — key date: Jan. 1, 2025
- [Artificial intelligence law enacted; will significantly affect employers in Colorado](#) — key date: Feb. 1, 2026
- [Hourly minimum wage to increase to \\$18 in Hawaii](#) — key date: Jan. 1, 2026

**Career — Health**

- [Minor changes to paid family medical and family violence leave laws enacted in Connecticut](#) — key date: Oct. 1, 2024
- [Paid family medical leave contribution rate announced in Maryland](#) — key date: October 2024
- [Paid sick and safe leave law expanded in Connecticut](#) — key date: Jan. 1, 2025
- [Prenatal leave enacted in New York](#) — key date: Jan. 1, 2025
- [Paid family medical leave effective dates delayed in Maryland](#) — key date: July 1, 2025
- [Paid family and medical leave mandated in Minnesota](#) — key date: Jan. 1, 2026

**Career — Health — Wealth**

- [Employers required to disclose certain wage and benefits information in job postings in Maryland](#) — key date: Oct. 1, 2024

**Health**

- [Paid leave guidance issued in Oregon](#) — key date: Sept. 10, 2024
- [Telehealth parity requirement extended in New Jersey](#) — key date: Dec. 31, 2024
- [Law provides temporary tax credit for employers that make payments to employees' child care facilities in Alabama](#) — key date: 2025–2027 tax years

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

### Development


### Health (continued)

- [High-deductible health plan COVID-19 testing predeductible flexibility ends](#) — key date: Jan 1, 2025
- [Maternal and infant health equity program required in California](#) — key date: Jan. 1, 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
- [Paid family medical leave program legislation enacted in Delaware](#) — key date: 2025
- [Pharmacy benefit manager law enacted in Idaho](#) — key date: Jan. 1, 2025
- [Telehealth law effective for existing plans in Louisiana](#) — key date: Jan. 1, 2025
- [Medically necessary fertility preservation law effective in Louisiana](#) — earlier of renewal or Jan. 1, 2025
- [Gender-affirming care coverage mandate adopted in Minnesota](#) — key date: Jan. 1, 2025
- [Salary range and benefit disclosures required in job postings in Minnesota](#) — key date: Jan. 1, 2025
- [Two-tiered minimum wage system mostly eliminated; employer record-keeping requirements increased in Minnesota](#) — key date: Jan. 1, 2025
- [Prescription cost-sharing limits law enacted in Minnesota](#) — key date: Jan. 1, 2025
- [Ancillary plan exception finalized in New Mexico](#) — key date: Jan. 1, 2025
- [Insurance law restricting prior authorization enacted in Mississippi](#) — key date: Jan. 1, 2025
- [Prescription benefit law enacted in North Dakota](#) — key date: Jan. 1, 2025
- [Fertility coverage to be required in certain circumstances in Oklahoma](#) — key date: Jan. 1, 2025
- [Prescription drug law enacted in Oregon](#) — 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
- [Telehealth law enacted in Vermont](#) — key date: Jan. 1, 2025
- [Benefit law enacted in Washington](#) — key date: Jan 1, 2025
- [Health expenditure rates for hotel employees published in Seattle, Washington](#) — key date: Jan. 1, 2025
- [Fertility treatment law enacted in Washington, DC](#) — key date: Jan. 1, 2025
- [Prior authorization law enacted in Vermont](#) — 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
- [Prescription drug law enacted in Virginia](#) — key date: July 1, 2025
- [Law applies balance billing restrictions to ground ambulance providers in Texas](#) — key date: Expires Sept. 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
- [Telehealth laws enacted in Washington](#) — key date: Jan. 1, 2026
- [Pharmacy benefit manager law enacted in Washington](#) — key date: Jan. 1, 2026
- [Prior authorization insurance law enacted in Wyoming](#) — key date: July 1, 2026
- [State-based exchange delivery to change in Oregon](#) — key date: Nov. 1, 2026

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

Development	<p><b>Wealth</b></p> <ul style="list-style-type: none"><li>• <a href="#">Final regulations on minimum present values issued</a> — key date: Oct. 1, 2024</li><li>• <a href="#">IRS sets 2025 for final required minimum distribution rules, extends 10-year rule relief</a> — Key date: 2025</li><li>• <a href="#">Eagerly awaited defined benefit mortality tables issued</a> — key date: 2025</li><li>• <a href="#">IRS delays SECURE 2.0's Roth catch-up mandate</a> — key date: 2026</li></ul>
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Venezuela (new)

Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Special employer contribution to protect pensions required</b></p> <p>Employers in Venezuela — including those in other countries that carry out economic activities in the Venezuelan territory — must now pay a special contribution to protect social security pensions. The measures are included in the Law for the Protection of Social Security Pensions published in the Official Journal on May 8, 2024, and took immediate effect. Highlights include:</p> <ul style="list-style-type: none"><li>• The special contribution is additional to the normal social security contributions, and the 2024 amount is 9% calculated on salaries and on taxable nonsalary benefits; contributions will be deductible as an expense. The contribution amount will be determined annually by the president and will not exceed 15%.</li><li>• The contribution amount could vary according to the employer's economic activity, and certain businesses (such as those in strategic industry sectors) could be exempt from its payment.</li><li>• Contributions must be paid and filed monthly with the National Integrated Service for the Administration of Customs Duties and Tax (SENIAT), and employers must submit a quarterly report on the number of employees on their payroll.</li></ul> <p>Financial sanctions will apply for noncompliance, including for late payments.</p>
Resource	<a href="#">Law for the Protection of Social Security Pensions</a> (Spanish) (Official Journal, May 8, 2024)

# Section 4

# Asia Pacific

## Australia (new)

### Status



Effective July 1, 2025

### Development

#### Wealth

#### Operational resilience guidance finalized

The Australian Prudential Regulation Authority (APRA) issued its response to the consultation on new cross-industry Prudential Practice Guide CPG 230 Operational Risk Management and the final Guide. The Guide aims to assist banks, insurers and superannuation trustees to strengthen their management of operational risk and improve business continuity planning. Implementation of CPS 230 Operational Risk Management will take effect on July 1, 2025, with a further one-year transition period (to July 2026) to enable entities to review contracts with their existing material service providers.

Highlights of the finalized guidance include:

- Removal of the “best” and “better” practice. Instead, the guidance now provides information about how to comply with the standard. APRA expects entities to have stronger practices commensurate with their size and complexity.
- Entities classified as Non-Significant Institutions (non-SFIs) have until July 1, 2026 to comply with certain CPS 230 requirements relating to business continuity and scenario analysis. Non-SFIs can choose to comply with these CPS 230 requirements before July 1, 2026 — if they do not, SPS 232 Business Continuity Management continues to apply. Significant Financial Institutions (SFIs) must be fully compliant by July 1, 2025.



APRA’s response document includes:

- A three-year forward plan for APRA’s approach to supervision.
- A checklist that summarizes CPS 230 requirements and a suggested order of implementation.

### Resources

[paul.shallue@mercero.com](mailto:paul.shallue@mercero.com)

[Response to submissions — CPG 230 Operational Risk Management](#) (APRA, June 13, 2024) and [Prudential practice guide](#) (APRA, June 2024)

Australia (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>National minimum wage, modern award rates increased</b></p> <p>From July 1, 2024, the national minimum wage and all modern award minimum wage rates increased by 3.75%. The national minimum wage is AU\$24.10 per hour (up from AU\$23.23), and AU\$915.90 per week (up from AU\$882.80) for a 38-hour week. The 2023 increase was 5.75%.</p> <p>Employers must ensure that employees subject to a modern award are paid at least the minimum wage, even if an enterprise agreement applies to them. Currently, 121 modern awards apply to employees in various industries and occupations. Around 20.7% of the Australian workforce (about 2.6 million employees) are paid in accordance with minimum wage rates in modern awards.</p>
Resources	<a href="#">Annual wage review decision 2023–24 announced</a> (Fair Work Commission, June 3, 2024)
Australia (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Regulator says unlisted asset governance practices still falling short</b></p> <p>The Australian Prudential Regulation Authority (APRA) outlined key observations arising from its SPS 530 Valuation Governance Framework Self-Assessment Survey. The areas for improvement are included in a letter released to Super trustees, and they predominantly address unlisted asset governance practices, with platform funds and small- and medium-sized nonplatform funds identified as requiring the most improvement.</p> <p>APRA conducted the voluntary survey in late 2023 to assess the implementation of recent enhancements made to the requirements of Prudential Standard SPS 530 Investment Governance (SPS 530) and related guidance in Prudential Practice Guide SPG 530. Responses were received from 45 trustees that account for nearly 100% of regulated Super funds with exposure to unlisted assets.</p> <p>APRA encourages trustees to consider the survey's findings in order to improve their own unlisted asset valuation practices and prioritize their actions using a risk-based approach.</p> <p>Highlights of APRA's findings include:</p> <ul style="list-style-type: none"> <li>• Use of revaluation triggers for ongoing and interim valuations is an issue requiring improvement. Some trustees do not have predefined triggers and do not describe clear triggers for revaluations.</li> <li>• The frequency of valuations. Some unlisted assets are not valued at least quarterly, per SPS530 guidance (for example private equity, property and infrastructure).</li> <li>• Board scrutiny of unlisted asset valuations. The governance practices for unlisted asset valuations are a particular priority issue for APRA, and it expects that the processes should be incorporated into the scope of the Investment Management Key Function as part of addressing Financial Accountability Regime (FAR) requirements.</li> </ul>
Resources	<p><a href="mailto:paul.shallue@mercer.com">paul.shallue@mercer.com</a></p> <p><a href="#">Observations from SPS 530 Valuation Governance Framework Self-Assessment Survey</a> (APRA, June 19, 2024)</p>

**Australia (new)**

**Status**



**Partially effective**

**Development**

**Wealth**

**APRA issues observations on recovery and exit planning**

The Australian Prudential Regulation Authority (APRA) issued a letter to super trustees with initial observations arising from its thematic review of the superannuation industry's preparation for "Prudential Standard CPS 190 Recovery and Exit Planning." CPS 190 will take effect on Jan. 1, 2025, for super trustees and will require them to consider events that could threaten their financial viability, develop plans to navigate these events and maintain the required capabilities.

APRA's targeted review was conducted during 2024 among 16 trustees that managed approximately 42% of APRA-regulated super fund assets as of June 30, 2023. The trustees were broadly representative of the industry in terms of their size, ownership structures and membership characteristics.

APRA's review identified the following weaknesses:



- The early warning indicators and trigger levels should be relevant to the trustee's operating environment and risk profile
- Enhanced preparatory measures should be considered for recovery and exit options
- Proactive communication strategies should be used to support the effective execution of recovery and exit plans.

APRA expects that all trustees consider the key observations and better practice examples in their development of robust recovery and exit plans. From Jan. 1, 2025, APRA will supervise CPS 190, including trustees' adherence to the requirements measured against APRA's Supervision Risk and Intensity (SRI) model.

**Resources**

[paul.shallue@mercero.com](mailto:paul.shallue@mercero.com)

[APRA publishes letter on thematic review of recovery and exit planning in the superannuation industry](#) (APRA, June 28, 2024) and [Supervision risk and intensity model](#) (APRA, Nov. 20, 2024)

Australia (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Changes to nonarm's length income tax provisions, and AFCA's jurisdiction clarification now law</b></p> <p>The Treasury Laws Amendment (Support for Small Business and Charities and Other Measures) Bill 2023 (with 2023 amended to 2024) received Royal Assent. The nonarm's length expense (NALE) amendments (Schedule 9 of the Bill) commenced on July 1, 2024, and applies retrospectively with effect from the 2018-19 income year.</p> <p>The amendments include:</p> <ul style="list-style-type: none"> <li>• Exemption of large APRA-regulated funds, public sector superannuation funds, Pooled Superannuation Trusts (PSTs) and Approved Deposit funds (ADFs) from the NALE component of the nonarm's length income (NALI) tax provisions.</li> <li>• Modification of the NALE provisions applicability to Small APRA-regulated Funds (SAFs) and Self-Managed Superannuation Funds (SMSFs).</li> <li>• Modification of Australian Financial Complaints Authority's (AFCA) jurisdiction to allow it to deal with complaints relating to superannuation.</li> </ul> <p>The NALE amendments responded to industry concerns that the NALI provisions as previously presented could result in the taxation of a fund's total income at 45% if any item of general expenditure (of any amount) was determined to be a NALE. The NALE rules no longer apply to expenses incurred before July 1, 2018.</p> <p>The AFCA amendments commenced on June 29, 2024, and apply to complaints made to AFCA before, on or after the commencement date.</p>
Resources	<p><a href="mailto:paul.shallue@mercero.com">paul.shallue@mercero.com</a></p> <p><a href="#">Treasury Laws Amendment (Support for Small Business and Charities and Other Measures) Bill 2023</a> (Legislature, June 28, 2024)</p>
Australia (new)	
Status	 <b>Consultation is open through Aug. 9, 2024.</b>
Development	<p><b>Wealth</b></p> <p><b>Consultation on meaning of 'employee' for super guarantee</b></p> <p>The Australian Taxation Office (ATO) released for consultation a draft update, TR 2023/4DC1, of "Tax Ruling TR 2023/4 Income tax and superannuation guarantee: who is an employee?" Comments are invited through Aug. 9, 2024, and the ATO also withdrawn SGR 2005/1. Highlights of the draft update include:</p> <ul style="list-style-type: none"> <li>• Inserts the ATO's position on when a person is considered an employee under Section 12 of the Superannuation Guarantee (Administration) Act 1992 (SGAA) that was included in "Superannuation Guarantee Ruling 2005/1 Superannuation Guarantee: who is an employee?" (SGR 2005/1)</li> <li>• Confirms the ATO's opinion of case law developments concerning the SGAA</li> </ul> <p>Provides ATO's holistic understanding of the common law meaning of "employee," and the extended meaning, as included in the SGAA.</p>
Resources	<p><a href="mailto:paul.shallue@mercero.com">paul.shallue@mercero.com</a></p> <p><a href="#">TR 2023/4DC1</a> (ATO)</p>



**Australia (previously covered, partially effective)**

**Status**



**Effective dates vary**

**Development**

**Career — Health — Wealth**

**Paid parental leave scheme expanded**

Australia's paid parental leave (PPL) scheme began to progressively expand on July 1, 2024 — from 20 weeks to 22 weeks. It will expand to 24 weeks in July 2025, and 26 weeks in July 2026. Parents are entitled to the expanded leave for children who were born, or placed for adoption, after July 2024; benefit payment is subject to an earnings cap. The government estimates that 180,000 families will benefit from the expanded PPL scheme.

The measures are included in the Paid Parental Leave Amendment (More Support for Working Families) Bill 2023, first announced in the October 2022–2023 Budget. Highlights include:

- Working parents are eligible for PPL if they meet a work test that requires parents to have been working for at least one day per week in 10 of the 13 months before the birth or adoption of their child.
- Each parent will be entitled to a reserved period of two weeks of PPL, increasing to three weeks in 2025, and four weeks in 2026. This reserved period of PPL is granted on a “use it or lose it” basis, and it is nontransferable. Single parents will be entitled to claim the full entitlement.
- Parents can take up to two weeks of PPL at the same time in 2024, increasing to four weeks in 2025. The distinction between primary and secondary parents is removed to allow parents to decide how they want to share the remaining weeks of PPL.
- The rate of pay during PPL remains unchanged and is equivalent to the national minimum wage (AU\$882.75 per week), based on the 2023–2024 financial year period.
- The full period of PPL from July 2024 will be paid to parents whose combined income is less than AU\$350,000, based on the 2023–2024 financial year period. For couples whose combined income exceeds AU\$350,000, the majority of PPL can be given to one parent if they earn less than AU\$168,865. Single parents are entitled to paid leave if their annual earnings are less than AU\$350,000.

Separately, the government announced it intends to make superannuation contributions on government-paid parental leave payments from July 1, 2025, with the aim of enhancing gender equality in the workforce, and normalizing time-off for caring responsibilities. Further details on the measure, including costs, were included in the May 14, 2024, budget.

**Resources**

[don.barrera@mercer.com](mailto:don.barrera@mercer.com)

[New laws expand paid parental leave — more support for working families with biggest expansion since 2011](#) (Prime Minister's office, March 18, 2024) and [Paid parental leave amendment \(more support for working families\) Bill 2023](#) (Parliament, March 20, 2024)

## Australia (previously covered, soon to be effective)

**Status**  **Effective Aug. 26, 2024**

**Development** **Career — Health**

### Employees will have the right to disconnect after working hours

Employees will have the right to reasonably refuse contact with their employer and others outside working hours under measures included in the Fair Work Amendment (Closing Loopholes No. 2) Act 2023 that generally takes effect on Aug. 26, 2024 — six months after it received Royal Assent on Feb. 26, 2024. Highlights include:

- Employees will be allowed to “refuse to monitor, read or respond to contact, or attempted contact” from their employer (or related parties) outside their working hours without being penalized, unless the refusal is unreasonable.
- A nonexhaustive list of factors should be considered to determine if a refusal is unreasonable. They include the reason for the contact; how the contact is made and the amount of disruption to the employee; the employee’s job role and responsibility; the employee’s personal circumstances; compensation (either monetary or other) to the employee for their availability to work outside their working hours; and if the contact is required by law.
- The Fair Work Commission (FWC) will consider disputes about “reasonable contact” that cannot first be resolved in the workplace. The FWC could issue an order for the employer to stop unreasonable out-of-hours contact and impose penalties of up to AU\$18,000.
- The right to disconnect will be included as a model term in modern awards and explicitly recognized as a protected right under the Fair Work Act 2009. Enterprise agreements likely will incorporate the measure.

**Resources** [Fair Work Amendment \(Closing Loopholes No. 2\) Act 2023](#) (Legislature, Feb. 26, 2024)

## Australia (previously covered, now effective)

**Status**  **Currently effective**

**Development** **Wealth**

### Key superannuation rates and thresholds for 2024/25 now effective

The Australian Taxation Office (ATO) updated its key superannuation rates and thresholds pages to include 2024/25 numbers, allowing for indexation (where applicable) from July 1, 2024. Highlights include:

- The ATO tables confirm that the general pension transfer balance cap remains at AU\$1.9M for 2024/25.
- The general concessional contributions cap increased to AU\$30,000 in 2024/25 (up from AU\$27,500 in 2023/24).
- The general non concessional cap increased to AU\$120,000 in 2024/25 (up from AU\$110,000 in 2023/24).
- The Super Guarantee (SG) Maximum Contribution Base increased to AU\$65,070 per quarter (equivalent to AU\$260,280 per year), up from AU\$62,270 per quarter (equivalent to AU\$249,080 per year) in 2023/24.
- The annual SG contributions on the maximum contributions base for 2024/25 is AU\$29,932, only marginally below the 2024/25 general concessional contributions cap of AU\$30,000 due to the increased SG rate (to 11.5%, up from 11.0%).

**Resources** [paul.shallue@mercer.com](mailto:paul.shallue@mercer.com)  
[Key super rates and thresholds](#) (Australian Taxation Office, March 19, 2024)

**Australia (previously covered, now effective)**

**Status**  **Currently effective**

**Development**

**Wealth**

**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). They pay an increased pension Work Bonus, double the employment income nil-rate period and expand 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 AU\$4,000 before the income test is applied. The Work Bonus unused concession balance increased by AU\$4,000 for all newly commencing eligible recipients. Furthermore, the current temporary AU\$4,000 increased to the maximum unused concession balance (from AU\$7,800 to AU\$11,800) is available to all eligible pensioners going forwards.

The act also enables 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 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, now effective)****Status****Compliance began July 1, 2024.****Development****Wealth****Guidance on claiming reduced input tax credits issued**

The Australian Taxation Office (ATO) issued guidance for super funds and Investor-Directed Portfolio Service (IDPS) investment platforms about their eligibility to claim Reduced Input Tax Credits (RITCs) on adviser fees. On Feb. 1, 2024, the ATO announced that it will not devote compliance resources to review RITC claims for adviser services fees paid under certain arrangements for tax periods that end before July 1, 2024 — this was postponed from April 1, 2024.

The guidance addresses arrangements that have certain specified characteristics, and which the ATO considers are common in the industry. They include arrangements where a member or investor engages a financial adviser to provide personal advice relating to their interest (or potential interest) in the fund, and the fund pays the adviser services fees by deducting the amount from the individual's fund account.

In the specified circumstances, the ATO considers that the fund is not eligible to claim RITCs for goods and services tax paid on the adviser services fees because the fund is not the recipient of a supply for which the fees are consideration. The guidance says entitlement to RITCs will depend on a fund's particular circumstances.

Funds should review their current contractual arrangements and ensure greater transparency between advisers, members and funds. The ATO recognizes that private advice it previously provided may have contributed to some funds considering they could claim RITCs for adviser services.

**Resources**

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[Eligibility of super funds and investor-directed portfolio services investment platforms to claim reduced input tax credits on adviser fees](#) (ATO, Feb. 1, 2024)

**Australia (previously covered, with upcoming effective dates)****Development****Career — Health — Wealth**




- [Paid parental leave superannuation contribution details included in federal budget](#) — key date: July 1, 2025

**Career — Wealth**

- [Financial Accountability Regime, rules and information package published](#) — key date: March 25, 2025

**Wealth**

- [New operational risk management standard to apply](#) — key date: July 1, 2025
- [Extension of superannuation disclosure relief confirmed](#) — key date: Jan. 1, 2026

China — Beijing (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Health</b></p> <p><b>Pilot for direct settlement of medical treatment for work-related injuries introduced</b></p> <p>Effective April 1, 2024, employees can settle directly certain medical expenses arising from work-related injuries using their social security cards (including electronic cards) under a pilot scheme that will run for one year. These expenses include rehabilitation care, and auxiliary equipment configuration for cross-provincial and cross-regional hospitalization.</p>
Resources	<p><a href="mailto:mario.li@mercer.com">mario.li@mercer.com</a></p> <p><a href="#">Announcement</a> (Chinese) (Beijing Municipal Human Resources and Social Security Bureau, April 1, 2024)</p>
China — Beijing (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>Social medical insurance coverage to reimburse fertility treatments now effective</b></p> <p>Social medical insurance coverage in Beijing now includes therapeutic reproductive services beginning July 1, 2024.</p>
Resources	<p><a href="mailto:mario.li@mercer.com">mario.li@mercer.com</a></p> <p><a href="#">Announcement</a> (Chinese) (Government, April 8, 2024)</p>
China — Shanghai (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Municipal government to refund a percentage of employment insurance premiums paid by eligible employers</b></p> <p>Effective from May 17, 2024, until Dec. 31, 2024, the “stable job return policy” will refund to employers that have good credit records and insurance coverage in Shanghai a percentage of unemployment insurance premiums paid last year. Highlights include:</p> <ul style="list-style-type: none"> <li>• Employers must have paid unemployment insurance premiums in accordance with regulations last year, and they must not have laid off more employees than the national urban survey unemployment rate control target of 5.5% during last year. The maximum permitted layoff rate for employers with 30 or fewer employees must not exceed 20%.</li> <li>• For large employers, the refund is 30% calculated on the total amount of unemployment insurance premiums paid by the enterprise and its employees. For small and medium-sized employers, the refund is 60%. The payments will be automatically distributed.</li> </ul>
Resources	<p><a href="mailto:mario.li@mercer.com">mario.li@mercer.com</a></p> <p><a href="#">Announcement</a> (Chinese) (Shanghai Municipal Human Resources and Social Security Bureau, May 17, 2024)</p>

**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**

- [Number of statutory holidays increased](#): Key date: Dec. 26, 2024
- [Gender board diversity, corporate governance required](#) — key date: Dec. 31, 2024
- [Statutory minimum wage to be reviewed annually](#) — key date: January 2025

**Wealth**

- [Mandatory pension fund offsetting to end](#) — key date: May 2025

**India — Karnataka state (new)****Status****Extension expires by June 9, 2029 at the latest.****Development****Career****Information technology sector's exemption from labor laws extended**

The Karnataka state government extended the exemption for IT sector employers from some labor regulations included in the Industrial Employment (Standing Orders) Act, 1946. The extension is included in Circular No. LD 328 LET 2023 and was issued on June 10, 2024, following expiry of the previous exemption on May 24, 2024. The five-year exemption will expire on June 9, 2029, or upon enactment of the Industrial Relations Code, 2020, if that is sooner.

Employers that rely on the exemption must establish an internal complaints committee in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013; establish a grievance redressal committee to address employee grievances; notify the labor authorities in the event of employee dismissal and disciplinary actions; and provide to the labor authorities upon request information about employees' conditions of service.

**Resources**

[Circular No. LD 328 LET 2023](#) (Government, June 10, 2024)

**India (previously covered, with upcoming effective date)****Development****Career — Health — Wealth**

- [Labor and employment laws reformed](#) — key date: effective date delayed

**Indonesia (new)**

**Status**  **Registration must be done by May 20, 2027.**

**Development****Career****Details of public housing savings program, contributions and registration issued**

By May 20, 2027, employers of eligible employees in Indonesia will have to register for, and begin paying contributions to, the public housing savings program (“Tapera”) that aims to boost house ownership among lower income employees. Government Regulation No. 21 of 2024 amends Government Regulation No. 25 of 2020 on the Organization of Public Housing Savings, and provides more information about registration, employer and employee contribution amounts, and other administrative details. Public sector employees have contributed to Tapera since 2016. Highlights of the new regulation include:

- Individuals must register if they earn at least the minimum salary threshold, are aged 20 years or older, or are married. Foreign citizens who work in Indonesia for at least six months must also join.
- Employers will be responsible for registering eligible employees in the program. Self-employed workers must also join.
- Contribution amounts will be 3% total — employers will pay 0.5% and employees 2.5%, calculated on the employee’s salary or wages. It is unclear if employees who already own a house will have to contribute.
- Contributions will be allocated into three funds: accumulation funds (these will be invested in collective investment contracts); utilization funds (these will be used to fund members’ housing, including ownership, construction and repairs) and reserve funds (these will pay members’ savings on termination of their employment).
- Tapera participation will end on an employee’s retirement, at age 58, or if they are no longer meet the eligibility criteria over a period of five consecutive years (for example, due to their disability or job termination). The accumulated funds will be paid to the participants once their participation in the program ends, or when a foreign worker leaves Indonesia.

Administrative sanctions will apply to employers for breaches of the regulation.

**Resources**

[Government Regulation No. 21 of 2024](#) (Indonesian) (Government)

**Japan (previously covered, with upcoming effective date)****Development****Health — Wealth**

- [Social insurance enrollment expanded to smaller employers](#) — key date: Oct. 1, 2024

**Wealth**

- [Defined contribution reforms enacted](#) — key date: Dec. 1, 2024

**Malaysia (previously covered with upcoming effective dates)****Development****Career**

- [Progressive wage policy to be implemented](#) — key date: expected in 2024

## Singapore (previously covered with upcoming effective dates)

### Development

#### Career

- [Legislation to combat discrimination will be issued](#) — key date: second half of 2024
- [Employment Pass salary threshold to increase in 2025](#) — key date: Jan. 1, 2025

#### Career — Health

- [Guidelines for flexible work arrangements issued](#) — key date: Dec. 1, 2024

#### Career — Wealth

- [Retirement and reemployment ages to increase](#) — key date: July 1, 2026


#### Wealth

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



# Section 5

## Europe, Middle East and Africa (EMEA)

European Union (EU) (new)	
Status	 Effective 20 days after its publication in the EU’s official journal.
Development	<p><b>Career</b></p> <p><b>Final Artificial Intelligence Act will impact HR policies</b></p> <p>European Union’s (EU) Artificial Intelligence (AI) Act was finalized on May 21, 2024, to provide a risk-based approach to AI regulation. The Act will take effect 20 days after its publication in the EU’s Official Journal, and the measures will be phased-in and generally apply within two years. For example, prohibited AI systems will be banned within six months, and compliance by “low,” “medium” and “high risk” AI systems will be required within 24 months. Two of the four risk tiers — “prohibited” and “high risk” AI systems — have particular relevance to certain HR management processes. The Act will have extra-territorial effect, impacting non-EU providers of AI systems or models that are placed into the EU, organizations that put AI systems into service in the EU, and situations where an AI system that is not located in the EU is used within the region. Financial penalties will apply — up to 7% of global annual turnover, or €35 million (whichever is greater) — to breaches of “prohibited” AI. The penalty for failure to comply with the requirements of high-risk systems will be 3% of global annual turnover, and 1.5% (or €7.5 million) for supplying incorrect, incomplete or misleading information.</p>
Resources	<a href="#">GRIST</a> , May 21, 2024

**EU (new)****Status****Ongoing initiative****Development****Career****Anti-competitive wage-fixing and no-poaching agreements targeted**

Anti-competitive labor agreements — such as wage-fixing and no-poaching — are harmful to competition, and the European Commission ('commission') and national authorities will take action against them, according to a policy briefing issued by the European Commission's (commission) Directorate General for Competition on May 3, 2024.

Although the commission has not adopted a decision concerning standing labour market agreements, the current EU's legal framework allows the commission and national competition authorities to take action against such agreements.


No-poaching agreements are where employers agree not to approach or hire from each other. Wage-fixing agreements involve employers setting the same wages, or other types of compensation or benefits, including maximum compensation amounts. According to the commission, these types of arrangements are a particularly severe breach of competition law. The commission is actively investigating leads and has conducted unannounced inspections.

Highlights of the briefing include:

- Wage-fixing is detrimental to employees and depresses wages and other benefits.
- No-poach agreements reduce wages, because the participating employers no longer offer higher wages to induce employees of other participating firms to switch and/or counteroffer to induce their own employees to stay. These agreements are typically secret, and employees are unaware of them.
- Companies should use other means to achieve the same result — such as nondisclosure agreements, minimum service period requirement, training cost repayment, "garden leave" absence, etc.
- Companies do not have to be competitors before wage-fixing and no-poach agreements become anti-competitive. The relevant market is the market for talent, for example for particular job roles.
- Labour market agreements that aim to protect employers' nonpatent intellectual property and their training investment are generally unacceptable. To be lawful, such agreements would have to fulfill specific criteria to show they are not anti-competitive. For example, no-poaching agreements could be a lawful "ancillary restraint" required to complete a transaction where less restrictive methods cannot be used; however, the commission says that wage-fixing agreements are much less likely to be lawful.
- Most cases of wage-fixing and no poach agreements are likely to be dealt with by national competition authorities due to the geographic scope, but the commission can bring its own cases and has a coordinating role within the European Competition Network.

**Resources**

[Policy brief](#) (European Commission, May 2024)

EU (new)	
Status	 <b>Member states will have until July 26, 2026 to transpose the directive into national law.</b>
Development	<p><b>Career</b></p> <p><b>Corporate sustainability, human rights due diligence directive finalized</b></p> <p>Companies in the European Union (EU) and European Economic Area with significant sales and that have more than 1,000 employees will have to identify, prevent, mitigate and remediate actual and potential adverse impacts on people and the environment, and also put in place a Paris-aligned climate transition plan, under measures included in the corporate sustainability due diligence directive (CSDDD) published in the EU's Official Journal on July 5, 2024. The CSDDD will enter into force on July 25, 2024, and member states will have until July 26, 2026 to transpose the directive into national law.</p> <ul style="list-style-type: none"> <li>• Compliance will then be phased-in over a period of three to five years, depending on workforce size and global net turnover — starting in July 2027 for the largest companies with more than 5,000 employees on average in the last financial year, and a global net turnover exceeding €1.5 billion. Companies with 1,000 or fewer employees, and a global net turnover of €450 million or less, are not subject to the CSDDD. Certain companies headquartered outside of the EU will also be in scope of the CSDDD, depending on their turnover “generated in the EU.”</li> <li>• Regulated financial institutions in scope of the CSDDD will only have to conduct due diligence — at least initially — on their upstream business partners.</li> <li>• The human rights that will be subject to due diligence are listed in the directive's annex and include the International Labour Organization's core/fundamental conventions.</li> <li>• Companies must monitor at least annually the effectiveness of their policy and measures and publish an annual statement on their website. Companies that are also subject to reporting requirements under the CSRD do not have to produce a separate report.</li> <li>• Member states must designate a supervisory authority to monitor compliance and ensure that financial sanctions are at least 5% of the company's net worldwide turnover in the previous financial year.</li> <li>• The commission will issue guidance on due diligence duties for different industry sectors and specific adverse impacts and voluntary model contractual clauses, and it will establish a portal to advise companies on meeting their due diligence obligations.</li> </ul> <p>The CSDDD complements other EU initiatives on sustainability and human rights obligations, such as the forced labor regulation and the corporate sustainability reporting directive.</p>
Resources	<a href="#">Directive (EU) 2024/1760</a> (Official Journal of the EU, July 5, 2024)

**EU (updated)****Status****Currently effective****Development****Career — Health — Wealth****Enhanced corporate sustainability disclosures required**

Companies will be required to provide qualitative and quantitative sustainability disclosures as part of mandatory common reporting measures under the European Union's (EU) corporate sustainability reporting directive (CSRD) agreed to in November 2022, which amends the EU's current nonfinancial reporting directive (NFRD). The directive was enacted on Jan. 5, 2023, and member states have until July 6, 2024, to transpose the directive into national laws; however, several member states are yet to complete transposition. Approximately 50,000 companies are in the scope of the CSRD, compared with about 11,700 companies under the NFRD. Highlights include:

- Reporting by companies, including non-EU organizations with substantial EU turnover, will be phased-in between 2025 and 2028, depending on the size of the company.
- Management sustainability reports should cover all material information on environmental, social and human rights, and governance matters to enable diverse stakeholders' understanding of how the organization impacts sustainability, and how sustainability impacts its development and performance. The information must be forward-looking, retrospective, qualitative and quantitative.
- Social and human rights include working conditions (including secure employment, working time, adequate wages, social dialogue, freedom of association, works councils, information, consultation and participation rights, collective bargaining, work-life balance, and workplace health and safety); equal treatment and opportunities (including gender equality, equal pay, training and skills, employment of persons with a disability, measures to combat workplace violence and harassment); and respect for human rights (including forced and child labor), fundamental freedoms, democratic principles and standards.
- The European Financial Reporting Advisory Group (EFRAG) is acting as a technical adviser to the European Commission and is responsible for developing the sustainability disclosure standards issued under the directive and implementation guidance for companies.

**Resources**[GRIST](#), Jan. 11, 2023**EU (previously covered, with upcoming effective dates)****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
- [Rights of platform workers finalized](#) — key date: 2026
- [Law to improve gender balance on company boards approved](#) — key date: June 7, 2026
- [Pay transparency law must be transposed into national law](#) — key date: June 7, 2026

**Career — Health — Wealth**

- [Sustainability reporting standards issued](#) — key date: 2025

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

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

**Channel Islands — Guernsey (previously covered, now effective)****Status****Currently effective for employers with 26 or more employees****Development****Wealth****Secondary pension scheme requirements rolled out**

From July 1, 2024, employers in Guernsey with 26 or more employees must enroll their employees in a secondary pension scheme. The measures are included in the Secondary Pensions (Guernsey and Alderney) Regulations, 2023, and will be phased-in for smaller employers. Highlights include:

- The effective dates are July 1, 2024, for employers with 26 or more employees; Oct. 1, 2024, for 11 to 25 employees; Jan. 1, 2025, for six to 10 employees; July 1, 2025, for two to five employees; and Oct. 1, 2025, for one employee. Employers must have set up a pension scheme by the corresponding effective date.
- Employers that have their own qualifying pension scheme must give employees the option to instead enroll in Your Island Pension (the government's default pension scheme) and provide them with information to enable comparison of both schemes.
- The minimum contribution amounts are included in guidance. Employer contributions to Your Island Pension, or another pension scheme that follows the minimum contribution amounts, start in 2024 at 1% each for employers and employees, and by 2032 will increase to 3.5% for employers, and 6.5% for employees. Employers that offer another pension scheme can determine the employer and employee contribution amounts as part of the remuneration package.
- Employees aged 16 or older who earn more than the Lower Earnings Threshold for social security contributions must be enrolled within seven days of the applicable date, unless they are already a member of a qualifying pension scheme or choose to opt out. Employers can defer enrollment for up to three months.
- If membership in a qualifying pension scheme is not compulsory under an employee's employment terms and conditions, employers must provide employees with a Notice of Immediate Enrolment, or a Notice of Deferred Enrolment, on or before the applicable enrollment date.
- Employers must notify employees that previously opted out within three months of the third anniversary of their decision. If they do not renew their opt out, the employer must enroll them into a pension scheme within three months and seven days of the three-year anniversary.
- Employers must notify the tax authority about employees who have opted out and the amount of contributions paid.

**Resources**

[Secondary pensions](#) (Government) and [Secondary Pensions \(Guernsey and Alderney\) Regulations, 2023](#) (Government)

**Czech Republic (new)**

**Status**  **Effective July 1, 2024; registration must be completed by Aug. 20, 2024.**

**Development****Career****Employers face new reporting measures for lower-income employees under agreements to complete a job**

Employers in the Czech Republic have until Aug. 20, 2024, to register all employees who are employed under an employment contract to complete a job (“DPP”) — currently, employers only have to register their DPP employees if they earn more than 10,000 CZK per month. The measures are included in Act No. 163/2024 Coll published in the Collection of Laws on June 19, 2024.

Employers will have to make monthly registrations starting from the 20th day of the month that follows the month in which the DPP employee started work, and they will have to maintain the same records for DPP employees as they do for employees on standard contracts. From Aug. 1, 2024, employers can file the information via the CSSZ website.

In addition, from Jan. 1, 2025, the government will establish the ‘notified agreement regime’ comprising two categories of DPP employee — “reserved” and “nonreserved.” The measures aim to reduce the avoidance by employers and DPP employees from paying social security and health insurance contributions by entering several, low-income agreements. In order to benefit from the more favorable contribution arrangements, employers will have to register their DPP employees in the “reserved” category, requiring them to pay contributions only on monthly earnings exceeding 25% of the average salary (for 2024, 10,500 CZK). Employees in the nonreserved category will have to pay contributions for those months in which their income exceeds the threshold for sickness insurance contributions. The government will issue more information about the new regime later in 2024.

**Resources** [Act No. 163/2024 Coll](#) (Czech) (Government, June 19, 2024)

**Denmark (previously covered, now effective)**

**Status**  **Currently effective**

**Development****Career****Employers must record employees’ daily working time**

From July 1, 2024, Danish employers must have a system for registering their individual employees’ daily working time. The measures are included in a law that passed parliament on Jan. 23, 2024, and follows a judgment by the European Union’s (EU) Court of Justice that Denmark was not in compliance with the EU’s working time directive. Highlights include:

- The system for recording working time must be “objective, reliable, and accessible,” and employees must be able to review their own information in the system.
- The system must allow for the recording of daily and weekly rest periods and the start and end times of all blocks of working time, and employers must retain the information for five years.
- The Ministry of Employment clarified that employers must only record any changes to agreed or scheduled working hours.
- Employees who are classified as “self-organizers” in their employment contracts do not have to record their working time. Such employees perform work that cannot be measured in advance, and they are free to organize their own working time and schedule.
- The Working Environment Authority can impose fines and issue orders for breaches.

**Resources** [Law No. 89](#) (Danish) (Government, Jan. 30, 2024)

**Denmark (previously covered, with upcoming effective date)**

**Development**

**Career**

- Additional employment deduction to be implemented — key date: Jan. 1, 2025

**France (previously covered, partially effective)**

**Status**



**Effective dates vary.**

**Development**

**Career**

**Mandatory profit-sharing measures expanded**



Smaller employers in France will be subject to a profit/value sharing requirement under recently enacted measures included in Loi No 2023-1107. In addition, the preferential tax treatment of the value sharing bonus (“prime de partage de valeur”) introduced in 2019 is reduced from 2024, and employee savings plans (“PEE”) and retirement savings plan (“PER”) will be required to include an environmental, social and governance investment option from July 2024. Highlights include:

- From Jan. 1, 2025, employers that have between 11 to 49 employees must have a profit- or value-sharing agreement if their net taxable profits exceed 1% of turnover during the previous three consecutive years. Previously, no profit- or value-sharing agreement was required for employers with fewer than 50 employees. There are three models for profit/value sharing — incentive agreements, profit-sharing agreements and value-sharing bonus.
- From 2024, the value-sharing bonus is no longer exempt from tax and social security charges unless the bonus payments are made into a PER, or a PEE, or if a value-sharing agreement (incentive- or profit-sharing agreement) is used for payments up to €3,000.
- From 2025, PEEs and PERs must include an investment option to support energy and ecological transition, or socially responsible investments. This option will be additional to the 2010 requirement to include a socially responsible fund.

**Resources**

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[Loi No. 2023-1107](#) (French) (Government)

France (previously covered, with upcoming effective date)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li><a href="#">New gender quotas imposed for senior execs/management teams</a> — key date: March 1, 2026</li> </ul>
Germany (new)	
Status	 <b>Effective dates vary.</b>
Development	<b>Wealth</b> <p><b>Gender self-determination law enacted</b></p> <p>Individuals who are transgender, intergender or nonbinary will be allowed to change their first name and gender entry by making a declaration at Germany's registry office under measures included in the Self-Determination Act (act). Minors who are older than age 14 will need parental or legal representatives' consent, and parents will have to submit the necessary declaration to the registry office for individuals younger than 14.</p> <p>The new law will take effect in two phases. From Aug. 1, 2024, a declaration to change the gender entry and first names can be submitted, and on Nov. 1, 2024, the act will replace the Transsexual Act 1980. Currently, medical reports and court approval are required before an individual can change their gender entry. The Federal Constitutional Court had previously declared certain elements of the Transsexual Act are unconstitutional.</p>
Resources	<a href="mailto:david.lesch@mercer.com">david.lesch@mercer.com</a> <a href="#">Self-Determination Act</a> (German) (Legislature)
Greece (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <p><b>Clarification of digital work card system procedures clarified</b></p> <p>Greece's Ministry of Labor and Social Security issued guidance clarifying use of the digital card system (Ergani II) for recording information about employees' working conditions and their working time. The digital work card was initially introduced in 2022, and gradually expanded to include different sectors (such as banking, private insurance companies), and certain public utilities. From Jan. 1, 2024, the digital work card was introduced for the industrial and retail sectors. The digital work card has been adjusted for use by organizations that have introduced a six-day working week.</p>
Resources	<a href="mailto:maria.markopoulou@marsh.com">maria.markopoulou@marsh.com</a> <a href="#">Guidance</a> (Greek) (Ministry of Labor and Social Security, June 21, 2024)



Greece

Status



Currently effective

Development

Career

**Digital work card system to include manufacturing and retail sectors**

From July 1, 2024, the Ministry of Labor's digital work card system (Ergani) expanded to include manufacturing and retail sectors. The card aims to reduce illegal and undeclared work, and to record working time in real time and remunerate workers accordingly. It was already effective in certain other businesses, such as supermarkets, banks and security companies. The card will also synchronize with the Ergani II information system. Highlights include:

- Clarification about which level of an organization must use the digital work card.
- Roll-out of the digital card will be sector-by-sector, and/or according to workforce size; organizations are not allowed to voluntarily register.
- Clarification about use of the digital work card to record working time, including the start and end of the working day. The employer is responsible for the proper use of the card, and for managing instances where employees exceed the permitted daily working time.
- Employers and employees can agree to different start and finish times to the working day, subject to certain restrictions.
- From July 1, 2024, organizations can use an accounting system to record working time and overtime hours upon the completion of a task.
- Improper use by employees of the digital work card will be permitted for up to three times per month. A recommendation will be issued, instead of a fine.
- Digital work cards do not have to be used by teleworkers, workers who do not have a fixed place of work and certain managers.




Other provisions cover:

- Cover the procedures applicable to employees working in private protection and security enterprises
- Clarify how working time must be recorded for employees working in the industrial sector
- Confirm that the digital work card has been adapted for use by organizations that have introduced the six-day working week

Resources

[maria.markopoulou@marsh.com](mailto:maria.markopoulou@marsh.com)  
[Information on Ergani](#) (Government)

<b>Hungary (previously covered, with upcoming effective date)</b>	
<b>Development</b>	<b>Wealth</b> <ul style="list-style-type: none"> <li><a href="#">Medical suitability assessments no longer required</a> — key date: Sept. 1, 2024</li> </ul>
<b>Ireland (new)</b>	
<b>Status</b>	 <b>Effective Aug. 1, 2024</b>
<b>Development</b>	<b>Career — Health</b> <p><b>Parent's leave to expand</b></p> <p>Parents in Ireland will be entitled to nine weeks of parent's leave each from Aug. 1, 2024, under measures included in the Parent's Leave and Benefit Act 2019 (Extension of Periods of Leave) Order 2024. Currently, a parent can take seven weeks of parent's leave during their child's first two years, or within two years of a child's placement for adoption, and subject to providing at least six weeks' notice to their employer.</p> <p>Parents will be able to claim the additional two weeks of leave if their child is younger than age two on Aug. 1, 2024, or their adopted child was placed with their family less than two years previously. Employers do not have to pay employees on Parent's Leave, but eligible parents receive Parent's Benefit.</p> <p>Parent's Leave is specifically for parents during the child's first two years and is different from parental leave and other leave entitlements, such as maternity, paternity and adoptive leave.</p>
<b>Resources</b>	<a href="#">S.I. No. 300/2024 — Parent's Leave And Benefit Act 2019 (Extension of Periods of Leave) Order 2024</a> (ISB, June 21, 2024)
<b>Ireland (previously covered, with upcoming effective date)</b>	
<b>Development</b>	<b>Wealth</b> <ul style="list-style-type: none"> <li><a href="#">Changes to state pension</a> — key date: October 2024</li> </ul>
<b>Isle of Man (new)</b>	
<b>Status</b>	 <b>Currently effective</b>
<b>Development</b>	<b>Career</b> <p><b>Minimum wage to increase</b></p> <p>Effective July 1, 2024, the hourly minimum wage rates increased to £11.45/ hour for individuals aged 18 years and older (up from to £10.75). The rate for individuals older than compulsory school age but younger than 18 years is £8.75 (up from £8.05).</p>
<b>Resources</b>	<a href="#">Minimum wage information</a> (Government, May 2024)
<b>Israel (previously covered, with upcoming effective date)</b>	
<b>Development</b>	<b>Health</b> <ul style="list-style-type: none"> <li><a href="#">Health insurance contributions to increase</a> — key date: Jan. 1, 2025</li> </ul>

Kenya (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<b>Health</b> <b>Employee health insurance contributions effective</b> From July 2024, employees must contribute 2.75% of wages (with a minimum monthly payment of 300 KES) to the newly established public insurance provider under measures included in the Social Health Insurance Regulations 2024. Employers must register with the newly established Social Health Authority (authority) and are responsible for submitting their employees' monthly contributions and notifying any changes in employees' employment status to the authority. Employees and nonsalaried individuals should have registered directly with the authority by June 30, 2024, even if they were previously registered with the National Health Insurance Fund.
Resources	<a href="#">The Social Health Insurance (General) Regulations, 2024</a> (Government)
Kenya (previously covered, with upcoming effective date)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li><a href="#">Minimum wage hike announced</a> — key date: Effective date unknown</li> </ul>
Lithuania (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<b>Career — Health</b> <b>Additional leave introduced for adoptive mothers</b> From July 1, 2024, adoptive mothers are allowed to take up to 30 calendar days of paid leave until their child is 70 days old — on the same terms as adopted fathers on paternity leave. The Social Insurance Fund will pay for this leave. Adoptive fathers were already entitled to paternity and parental leave, but adoptive mothers were only allowed to take parental leave. Employers are not allowed to refuse an employee's notification to take leave and could face sanctions and financial penalties of up to €3,000.
Resources	<a href="#">Law</a> (Lithuanian) (Nov. 9, 2023)
Netherlands (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> The gross hourly minimum wage increased on July 1, 2024, by 3.09% to €13.68, up from €13.27 excluding the 8% statutory holiday allowance. The increase also impacts benefits such as social assistance, the state pension and unemployment benefits.
Resources	<a href="#">News release</a> (Dutch) (Government, April 17, 2024)

**Netherlands (previously covered, with upcoming effective date)**

- Development**      **Wealth**
- [Parliament agrees to significant occupational pension reforms](#) — key date: Jan. 1, 2025

**Nigeria (previously covered, with upcoming effective date)**

- Development**      **Health**
- [Health insurance coverage to significantly expand](#) — key date: unknown

**Norway**

- Status**       **Currently effective**

- Development**      **Career — Health**
- Paid parental leave in exchange for reduced benefit expanded**
- Norway expanded the period of paid parental leave to 306 days (or 61 weeks) up from 295 days (59 weeks) for employees who elect to receive a reduced rate of benefit (80%) of their pay, instead of their full pay (up to the salary ceiling). The additional leave applies to children born or adopted on or after July 1, 2024. Highlights of the expanded parental leave scheme include:
- Mothers must take three weeks of the parental leave entitlement prior to their baby's birth.
  - Parents of adopted children will be entitled to an additional 11 days of paid leave — 291 days (58 weeks), up from 280 days (56 weeks).
- Parents who have multiple births or who adopt more than one child at the same time will be entitled to additional paid leave. Parents of twins or who adopt two children at the same time will be entitled to one more day of paid leave (106 days), and to eight additional days following the birth or adoption of three or more children (to 288 days).

- Resources**      [Law](#) (Norwegian) (Government)

## Oman (previously covered, partially effective )

**Status**  **Effective dates vary.**

**Development** **Career**

### Social protection for foreign employees expanded

Under the new law, foreign employees 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 (previously covered, now effective)

**Status**  **Currently effective**

**Development** **Career**

### Minimum wage increased

The minimum wage increased twice in 2024. The gross monthly minimum wage increased on July 1, 2024, to 4,300 PLN and the hourly minimum wage increased to 28.10 PLN — up from January's increase to 4,242 PLN and 27.70 PLN.

**Resources** [Announcement](#) (Polish) (Journal of Laws, Sept. 15, 2023)

## Romania (new)

**Status**  **Currently effective**

**Development** **Career**

### Minimum wage increased

From July 1, 2024, the monthly minimum wage increased to 3,700 RON, up from 3,300 RON. The new hourly rate is 22.024 RON for a normal work schedule of 168 hours per month.

**Resources** [Announcement](#) (Romanian) (Government, June 2024)

## South Africa (previously covered, with upcoming effective date)

**Development** **Wealth**

- [Two-pot pension changes announced](#) — key date: Sept. 1, 2024

Sweden (previously covered, with upcoming effective date)	
Development	<div><b>Career — Health</b><ul style="list-style-type: none"><li><a href="#">Employer compensation for high sick-pay costs to phase out</a> — key date: during 2024</li></ul></div>
Switzerland (previously covered, with upcoming effective date)	
Development	<div><b>Career</b><ul style="list-style-type: none"><li><a href="#">Hourly minimum wage to be introduced in Zurich and Winterthur</a> — key date: unknown</li></ul><b>Career — Health</b><ul style="list-style-type: none"><li><a href="#">Paid leave introduced in Geneva</a> — key date: unknown</li></ul><b>Wealth</b><ul style="list-style-type: none"><li><a href="#">Occupational pension reforms pass parliament</a> — key date: unknown</li></ul></div>
United Arab Emirates (previously covered, with upcoming effective date)	
Development	<div><b>Health</b><ul style="list-style-type: none"><li><a href="#">Compulsory health insurance to expand to Northern Emirates</a> — key date: Jan 1, 2025</li></ul></div>

United Kingdom (UK) — Great Britain (new)

Status



Currently effective

Development

Career

**Revised fire and rehire statutory code of practice issued**

A new statutory code of practice on firing and rehiring — where an employer dismisses a worker to then rehire them on different terms and conditions — will take effect in England, Scotland and Wales on July 18, 2024. However, the draft order that adds protective awards to employees for breaches of the code by the employer was not approved before the dissolution of parliament in May 2024, and will not come into force at the same time as the code. The new code was published by the Advisory, Conciliation and Arbitration Service (Acas) in February 2024, following a government consultation in 2023. Highlights include:

- The code applies to all employers, regardless of the number of employees impacted by the proposal to fire and rehire.
- The practice of firing and rehiring should be a last resort, and employers should first explore other options.
- Employers must contact Acas before they fire and rehire — the previous code required employers to contact Acas only if they were unable to reach agreement with their employees or their representatives.
- Employers should provide information to employees or their representatives, ideally in writing, as early and with as much as reasonably possible. They should consult transparently and in good faith “for as long as reasonably possible” to try to reach agreement.
- Employers should not use threats of dismissal to pressure employees into agreeing to new terms and conditions.
- Employment Tribunals could order an uplift (up to 25%) in compensation to employees who bring a relevant claim to an Employment Tribunal arising from a fire and rehire situation where the employer has unreasonably failed to follow the code.

Prior to the general election, the Labour Party (now in government) said that it would end the practice of firing and rehiring as a lawful way of changing employees’ terms.

Resources

[Statutory code of practice](#) (Government)

**UK — Great Britain (new)****Status**  **Effective date unknown****Development****Career — Health****Paternity leave to be expanded to bereaved partners**

Bereaved fathers and partners in Great Britain will have new rights where their newborn child's birth or adoptive mother dies under measures included in The Paternity Leave (Bereavement) Act that received Royal Assent on May 24, 2024. Bereaved parents of children born through a surrogacy arrangement will also be covered. The act's effective date has not yet been announced, and it will apply in England, Wales and Scotland.

Currently, partners can only take statutory paternity leave (two weeks) if they have 26 weeks of continuous employment by the "qualifying date." They also must take the leave to care for their child or support their partners and cannot already have taken shared parental leave. Highlights of the act include:

- Bereaved partners will no longer have to meet a minimum service period and will be able to take statutory paternity leave from the first day of employment.
- Leave can also be taken if both the mother and child die.
- Partners who have already taken shared parental leave will be allowed to take paternity leave.
- Regulations could specify circumstances in which a bereaved employee could return to work for a period ("keeping-in-touch" days) without bringing the leave to an end, and the potential redundancy of a bereaved employee after returning to work.

The act does not address payment during the leave period.

**Resources**

[Paternity Leave \(Bereavement\) Act 2024](#) (Government, May 24, 2024)

**UK — Northern Ireland (new)****Status**  **Consultation is open through Sept. 30, 2024.****Development****Career — Health****Input requested on employment rights**

Northern Ireland's Department for the Economy issued a consultation on proposed changes to employment rights and flexible working. Comments are invited through Sept. 30, 2024. Key themes of the consultation include:

- Review of insecure work; employment status; introduction of a "day one" right to written terms and conditions for employees and workers; and a review of agency workers' rights
- Assessment of workplace relationships, including trade union rights, collective bargaining and information and consultation arrangements
- Assessment of the use of zero hours contracts and other matters concerning insecure types of work

Work-life balance proposals, including the introduction of leave entitlements (such as paternity leave, carers' leave and paid neonatal care leave); making the right to request flexible working a "day one" right; and an increased protected period from redundancy after an individual returns to work following a birth or adoption

**Resources**

[The "good jobs" employment rights bill](#) (Government, July 2024)



## UK (previously covered, with upcoming effective date)

### Development

#### Career

- [Certain workers to have more rights to request more predictable hours](#) — key date: unknown
- [Employers have new duty to prevent workplace sexual harassment](#) — key date: Oct. 26, 2024

#### Career — Health

- [Employees to be allowed neonatal care leave](#) — key date: expected April 2025
- [Benefits-in-kind digitization reporting confirmed](#) — key date: April 2026

#### Wealth

- [Pension auto enrollment to expand, reducing eligible age and abolishing earnings threshold](#) — key date: unknown
- [New defined benefit publishing regime published](#) — key date: Sept. 22, 2024
- [Guidance sets staging date for schemes to connect to Pensions Dashboard](#) — key date: April 30, 2025



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