



Law & Policy Group

Global Legislative Update

By Stephanie Rosseau and Fiona Webster
September 2024



In this document

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



Employer action required



Potential implications for employers



Developments to monitor

Please note: Mercer is not a law firm and therefore cannot provide legal advice. Please consult legal counsel before taking any actions based on the commentary and recommendations in this report.

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Section 1

Highlights

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[Court upholds original version of Earned Sick Time Act in Michigan](#)
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[Hairstyle discrimination banned in New Hampshire](#)

Americas (continued)

United States

- [2025 paid family medical leave rates announced in New Jersey](#)
- [2025 paid family medical leave rates posted in New York](#)
- [Paid family medical leave regulations finalized in Oregon](#)
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- [Discrimination based on hairstyles associated with race and national origin banned in Puerto Rico](#)
- [Benefit and leave laws different from others in Puerto Rico](#)
- [Salary disclosures to be required in Vermont](#)
- [Cross-program allocation rules for paid family medical leave, WA Cares, unemployment insurance finalized in Washington](#)
- [Changes to the WA cares long-term care insurance mandate proposed in Washington](#)
- [Maximum limit for universal paid leave program increased in Washington, DC](#)

Asia Pacific

Australia

- [Mandatory Climate Disclosures Standards update issued](#)
- [Consultation on mandatory climate disclosures issued](#)
- [Final rules and guidance for Financial Accountability Regime issued](#)
- [Regulations issued for successor fund balance cap fix for defined benefit pensions](#)
- [Updated guidance on strategic planning and member outcomes issued](#)
- [Super contributions on paid parental leave proposed](#)
- [First tranche of financial advice reforms passes parliament](#)
- [Super trustees urged to strengthen oversight of retirement strategies](#)

China

- [Minimum wages increased in various provinces](#)

Fiji

- [Minimum wage increased](#)

India

- [Tax exemption for supplementary pension plan increased](#)

Indonesia

- [Maternity and paternity leave expanded](#)

Japan

- [Minimum wage to increase](#)

Malaysia

- [Employees Provident Fund restructured](#)

Myanmar

- [Minimum wage to increase](#)

Singapore

- [Parental leave entitlement expanded](#)

South Korea

- [Income thresholds for National Pension Service modified](#)
- [Minimum wage to increase](#)

Taiwan

- [Employees and employers can negotiate post-retirement age employment](#)

| Europe, Middle East and Africa (EMEA) | |
|--|---|
| European Union | Final Artificial Intelligence Act will impact HR policies |
| Angola | Minimum wage to increase |
| Austria | Teleworking law revised |
| Czech Republic | Labor code revised |
| Germany | Reduced earning capacity pension expanded to include older pensions Law on changes to works council remuneration determination enacted |
| Hungary | Medical suitability assessments no longer required |
| Ireland | PRSI contributions, salary contributions to increase Automatic enrollment law enacted |
| Isle of Man | Changes to employment rights proposed |
| Namibia | National minimum wage to be introduced |
| Nigeria | Minimum wage increased |
| Oman | Maternity leave insurance contributions commence Measures to increase hiring of Omani citizens |
| Saudi Arabia | Retirement age for new workers increased |
| South Africa | Expanded remuneration and pay gap disclosures required Two-pot retirement system now effective |
| Turkey | Partial withdrawals from private pension system allowed |
| United Arab Emirates | Mental health protections for employees strengthened Changes to employment regulations proposed in Abu Dhabi Maternity leave for Emirati women expanded in Abu Dhabi Minimum health benefits for insurance policies updated in Dubai |
| United Kingdom | ‘Landmark review’ of pensions published Consultation on value for money framework for defined contribution schemes issued Defined benefit funding code advances Changes likely to give workers the right to request more predictable working hours Input requested on employment rights in Northern Ireland |
| Uzbekistan | Minimum wage to increase |

Section 2

Global

Artificial Intelligence

Status  **Ongoing initiatives**

Development **Career**
Roundup: Global employer resources on artificial intelligence
 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 [Roundup](#), regularly updated

Minimum wage

Status  **Ongoing initiatives**

Development **Career**
Roundup: Global employer resources on minimum wage increases
 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 [Roundup](#), regularly updated

Remote working

Status  **Ongoing initiatives**

Development **Career — Health — Wealth**
Roundup: Countries address remote-working issues
 Remote working has become a more of permanent feature for many employees and employers after various countries introduced COVID-19 measures. Remote working poses challenges and considerations for employers devising or adjusting policies. Issues to consider include the definition of remote work, eligibility criteria, hybrid working arrangements, employee engagement and performance, cybersecurity, health and safety, the right to disconnect, the impact of employees relocating to a different country or state, and the post-pandemic return to the workplace. Several jurisdictions have introduced remote-working legislation that clarifies post-pandemic employer and employee requirements, and others are expected to follow suit. To help employers 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 [Roundup](#), regularly updated

Reproductive rights

| | |
|--------------------|--|
| Status |  Ongoing initiatives |
| Development | Health Roundup: Global employer resources on reproductive rights post <i>Dobbs</i> ruling In June 2022, the US Supreme Court's <i>Dobbs v. Jackson Women's Health Organization</i> decision overturned <i>Roe v. Wade</i> , finding no federal constitutional right to abortion and allowing states to regulate and ban abortions at all stages of pregnancy. To provide multinational employers some information on countries' positions on reproductive rights and the varying employee health benefit plan issues involved, the roundup cited below provides links to organizations, government websites, third-party analysis, news articles and viewpoints. |
| Resources | Roundup , regularly updated |

Section 3

Americas

British Virgin Islands (new)

Status



Effective Nov. 30, 2024

Development

Career

Minimum wage to increase

The hourly minimum wage will increase on Nov. 30, 2024, to \$8.50 — up from \$6.00 where it has been since October 2016.

Resources

[Government of the Virgin Islands announces increase in minimum wage \(Government, July 11, 2024\)](#)

Canada — British Columbia (previously covered, now effective)**Status**  **Currently effective****Development****Career****Some employment standards extended to gig workers**

App-based delivery and ride-hailing workers — or gig workers — in British Columbia (BC) are 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.

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 BC. Highlights include:

- 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.
- The operator must provide detailed wage statements to platform workers that include certain information covering each pay period.
- Distance expense allowances must be paid to platform workers who use their own vehicle (including e-bikes and scooters).
- The operator must give the platform worker information about each assignment, such as collection and delivery locations, and estimated earnings (including distance expense allowances).
- 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.
- 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.

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.

Resources

[Online Platform Workers Regulation](#) (Government, June 17, 2024) and [Employment Standards Regulations](#) (Government)

Canada — Northwest Territories (new)**Status**  **Currently effective****Development****Career****Minimum wage increased**

Effective Sept. 1, 2024, the hourly minimum wage increased to C\$16.70 — up from C\$16.05.

Resources

[Employment standards regulation](#) (Official Gazette, Aug. 31, 2024) and [Minimum wage information](#) (Education, Culture and Employment)

Canada — Quebec (previously covered, some provisions soon to be effective)

Status



Effective dates vary.

Development

Career — Health

Law enhances protection against workplace psychological harassment and sexual violence

Quebec-based employees (including workplace trainees) now have stronger protections from workplace harassment and violence under measures included in Bill 42, an act that was given assent on March 27, 2024. The law expands the protection previously afforded under occupational safety and health, and employment standards legislation in Quebec, and is similar to provisions in other provinces. Highlights include:

- Clarification that employers must protect employees from psychological harassment from “any person” such as customers and suppliers and not just coworkers.
- Sexual violence includes “any form of violence targeting sexuality or any other misconduct, including unwanted gestures, practices, comment, behaviors or attitudes with sexual connotations, whether they occur once or repeatedly, including violence relating to sexual and gender diversity.”
- From Sept. 27, 2024, employers’ policy statements on psychological harassment prevention and complaint processing must include methods for identifying, controlling and eliminating the risks of psychological harassment; information and complaint procedures; directives for the employer’s internal investigation process; measures to ensure confidentiality of complaints and documents; the protection of individuals affected by the situation, or who have cooperated in handling complaints or reports; recommendations on participating in work-related social activities; the names of persons appointed to manage complaints; and the procedures for filing complaints with the employer. Employers must also specify the training programs on psychological harassment that are offered to employees. Fines will apply for failure to meet these requirements.
- Arbitrators will have to complete mandatory training on sexual violence — the content and duration will be determined by the labor minister.
- Employers’ health and safety prevention programs and action plans will have to include their psychological harassment policy.
- Employers can take into account previous employee discipline for physical or psychological violence when disciplining misconduct concerning these forms of violence. The act prevents the use of “amnesty clauses” that would allow previous disciplinary measures to be expunged.
- From Sept. 27, 2024, workers’ injury or disease due to workplace sexual violence will be presumed to be work-related, and a disease to be an employment injury if it occurs within three months of experiencing workplace violence. Workers must file claims within two years of the injury, or of becoming aware of it (up from six months).
- Employers that dispute an employee’s claim will not be allowed to access their medical records held by Quebec’s compensation benefits administrator (CNESST).

The labor minister announced that the Administrative Labour Tribunal (ALT) will have the power to order employers to pay punitive damages.

Resources

[Bill 42](#) (National Assembly, March 27, 2024)

Canada (previously covered, with upcoming effective date)

Development

Career

- [Employers face required disclosures regarding pay in Ontario](#) — key date: Effective upon proclamation
- [Minimum wage to increase in Ontario](#) — key date: Oct. 1, 2024

Career — Health

- [Paid sick leave expanded in Prince Edward Island](#) — key date: Oct. 1, 2024

Wealth

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

Colombia (new)**Status****Effective July 1, 2025****Development****Wealth****Pension reforms issued**

Law 2381 of 2024 was signed by the president on July 16, 2024, and will take effect on July 1, 2025.

The law will establish four pension pillars (solidarity, semi-contributory, contributory and voluntary individual savings) and aims to expand pension coverage to older individuals living in extreme poverty. The reforms are currently under review by the Constitutional Court — subject to the court's approval, it is estimated that 45 regulatory decrees would have to be issued to support the law's measures.

- The current pension system (Law 100 of 1993 and Law 797 of 2003) will be maintained. However, a transitional arrangement will apply to women who have a minimum of 750 weeks of contributions, and to men who have a minimum of 900 weeks of contributions, as of July 1, 2025. These individuals can continue to choose the pension scheme to which they want to make the 100% of mandatory contributions — the mixed system that will be established under the new law will not apply.
- Men aged 65 years or older and women who are 60 years old who have not contributed during their working lives could receive a monthly income of COP\$223,800 — this is equivalent to the extreme poverty threshold projected for 2024.
- Individuals who make contributions for a period from 300 to 999 weeks will no longer be eligible for a lump sum refund of their contributions. Instead, they will receive a lifelong annuity that could be less than the current legal monthly minimum wage.
- Contributors will no longer be allowed to choose the pension scheme to which they want to make their mandatory contributions. Individuals earning up to 2.3 times the minimum wage will have to pay contributions into the state pension fund (Colpensiones), and individuals earning more than 2.3 times the minimum wage will also have to pay contributions to a private fund (AFP) of their choice. Individuals earning more than 2.3 times the minimum wage will have to contribute to both public and private pension schemes.
- The contribution to the solidarity fund will increase to 3% — the amount will depend on the individual's income. This contribution will continue to be mandatory only for those individuals earning more than four times the minimum wage.
- The retirement ages for men and women will be unchanged. Men can retire at 62 (subject to having made contributions for 1,300 weeks), and women at age 57. The number of contribution weeks that women must have will be gradually reduced to 1,000 by 2036.
- Women who give birth to up to three children will be allowed to deduct 50 weeks of pension contributions for each child. This benefit will only apply to women who are 57 years of age and who do not have the required minimum number of contribution weeks.
- Pensions that are equal to or greater than 1,000 tax value unit (UVT) will be taxed. However, it is currently unclear if the UVT will be calculated annually or monthly.

Resources

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[Law 2381 of 2024](#) (Spanish) (Government, July 16, 2024)

| Colombia (new) | |
|---|---|
| Status |  Currently effective |
| Development | <p>Career</p> <p>Law to protect against sexual harassment enacted</p> <p>Employees in Colombia now have greater legal protections against sexual harassment under measures included in Law 2365 of 2024, enacted on June 20, 2024. The law also applies to higher education institutions. Regulations to clarify the law will be issued by the Ministry of Labor. The law aims to implement the International Labour Organization’s Convention 190, and it was supported by labor unions, employers and the government. Highlights include:</p> <ul style="list-style-type: none"> • Sexual harassment is defined as any act of pursuit, harassment or behaviour that has a sexual, lewd or lascivious intent. A single occurrence of such behavior — that occurs either inside or outside the workplace — can be considered as sexual harassment. • The law applies to workers, independent contractors, agents, interns, trainees and other individuals participating in the workplace. • The law establishes the rights of victims and individuals investigated for alleged sexual harassment. • Employers must prevent sexual harassment, investigate occurrences and apply sanctions. • Employers must issue a written internal policy that includes measures to prevent victimization and complaint mechanisms. The policy must be aligned with work regulations, employment contracts and reporting procedures. • Complaints that concern sexual harassment must be handled directly and not referred to the joint labour committee that handles workplace harassment matters. Victims must also be informed of their right to approach the Office of the Attorney General. Complaints that involve a senior manager must be referred to the Ministry of Labor. • Employers will have to publish biannually the number of complaints processed and the sanctions imposed. |
| Resources | <p>liliana.murillo@mercer.com</p> <p>Law 2365 of 2024 (Spanish) (Government, June 20, 2024)</p> |
| Peru (previously covered, with upcoming effective date) | |
| Development | <p>Career</p> <ul style="list-style-type: none"> • Temporary early withdrawal of length-of-service compensation fund allowed — key date: Dec. 31, 2024 |
| Saint Lucia (new) | |
| Status |  Effective Oct. 1, 2024 |
| Development | <p>Career</p> <p>Minimum wage to increase</p> <p>Effective Oct. 1, 2024, Saint Lucia’s monthly minimum wage will increase to XCD\$1,130. The daily and hourly wage rates will be XCD\$52 and XCD\$6.52 respectively. The minimum wage was introduced for the first time on Aug. 1, 2024, and provides a transition period for employers until Oct. 1, 2024.</p> |
| Resources | Announcement (Ministry of Finance, Economic Development and the Youth Economy, Aug. 2, 2024) |

United States (US) (new)

Status  **Compliance is required by Dec. 23, 2024.**

Development

Health

New rule increases HIPAA privacy protections for reproductive healthcare

A new rule from the Department of Health and Human Services requires heightened privacy protections for protected health information (PHI) involving reproductive healthcare. Part of the Biden administration's response to the Supreme Court's Dobbs decision, the rule bans the disclosure of PHI related to reproductive healthcare for prohibited purposes, and, in certain situations, requires a written attestation that reproductive healthcare PHI will not be used for a prohibited purpose prior to its disclosure. Compliance is required by Dec. 23, 2024, with extended time to modify the HIPAA notice of privacy practices.

Resources jennifer.wiseman@mercer.com
[GRIST](#), July 31, 2024

US (new)

Status  **Applies to penalties assessed on or after Aug. 8, 2024.**

Development

Health

Health and Human Services adjusts certain monetary penalties

Group health plan sponsors and other entities that violate the privacy, security, breach notification, and electronic healthcare transaction rules of the Health Insurance Portability and Accountability Act (HIPAA) now face higher penalties. Inflation adjustments released by the Department of Health and Human Services (HHS) apply to penalties assessed on or after Aug. 8, 2024, for violations occurring on or after Nov. 2, 2015. The adjusted penalties are calculated by multiplying the previous penalties by 1.03241 (the 2024 cost-of-living multiplier), rounded to the nearest dollar. The GRIST cited below highlights the changes of interest to employers sponsoring group health plans.

Resources dorian.smith@mercer.com and katharine.marshall@mercer.com
[GRIST](#), Aug. 21, 2024

US (new)

Status



Currently effective

Development

Career

National Labor Relations Board issues 'fair choice-employee voice' final rule

On July 26, 2024, the National Labor Relations Board (NLRB) issued its “fair choice-employee voice” final rule that restores the NLRB’s prior law “including longstanding principles that ensure a fair process for workers to choose whether they want representation and provide a better foundation to allow collective bargaining relationships to thrive.” Highlights include:

- Return to the NLRB’s pre-2020 practice on blocking charges before an election, restoring a Regional Director’s authority to delay an election if unfair labor practice conduct is sufficiently serious to interfere with employee free choice.
- Removal of the 2020 rule’s requirement that when an employer chooses to voluntarily recognize a union that represents a majority of its workers, the parties provide for a mandatory 45-day period to allow the opportunity for a minority of workers to demand an election questioning that choice. The rule also restores the NLRB’s 56-year-old voluntary recognition bar, respecting the bargaining relationship that the parties have voluntarily chosen.
- Allow construction-worker unions to more readily establish the same protections as other unions, providing a more stable foundation for collective bargaining.

The rule takes effect on Sept. 30, 2024, and will only apply to cases filed after the effective date.

Resources

[NLRB issues fair choice — employee voice final rule \(NLRB, July 26, 2024\)](#)

US (updated)**Status****Currently effective****Development****Health — Wealth****Court ruling indefinitely delays DOL fiduciary rule from taking effect**

On July 25, 2024, a federal judge in Texas issued an order preventing the Department of Labor's (DOL) fiduciary rule from taking effect nationwide until the court can more fully consider a legal challenge brought by the insurance industry. The final rule and amendments to seven related prohibited transaction exemptions (PTEs) were scheduled to take effect on Sept. 23. In deciding to temporarily block the rule, the court made a preliminary determination that the legal challenge is likely to succeed, though the judge could ultimately come to a different decision.

The rule — which expands the scope of fiduciary investment advice under ERISA and parallel provisions of the Tax Code — applies to retirement plans, IRAs and HSAs. While most health and welfare benefits are excluded, the rule extends to ERISA-covered health and welfare benefit plans with an investment component (like certain permanent life and long-term care insurance policies, as well as voluntary employees' beneficiary associations (VEBAs).

On July 26, 2024, another federal judge in Texas issued a similar order preventing DOL's fiduciary rule from taking effect nationwide in response to a second lawsuit brought by the insurance industry. The court's ruling indicates that the rule's challengers "are virtually certain to succeed on their claims that the Rule exceeds DOL's statutory authority." Unlike the first ruling — which only applied to the rule itself and amendments to PTE 84-24 — this latest order also delays DOL's amendments to PTE 2020-02 and five other PTEs.

Resources

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GRIST, June 20, 2024

US (updated)**Status****Currently effective****Development****Career****Federal judge blocks noncompete ban nationwide**

On Aug. 20, 2024, a federal judge in Texas blocked the rule from taking effect nationwide. The decision means the Federal Trade Commission (FTC) rule will remain on hold until a future judicial decision either permanently blocks the rule or upholds it as lawful. That decision, which could permanently invalidate the rule, may take several months. In her decision blocking the rule, Judge Ada Brown of the Northern District of Texas found that the FTC exceeded its statutory authority in issuing the noncompete ban, and that the Commission "lacks substantive rulemaking authority" in general. The US Chamber of Commerce said the decision "is a significant win in the Chamber's fight against government micromanagement of business decisions."

Resources

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[Ryan LLC v. Federal Trade Commission](#) (US District Court for the Northern District of Texas, Aug. 20, 2024); [US Chamber wins lawsuit over FTC noncompete agreements ban](#) (US Chamber of Commerce, Aug. 20, 2024); [FTC announces rule banning noncompetes](#) (FTC, April 23, 2024) and [Federal Trade Commission bans most noncompete clauses](#) (Mercer, May 6, 2024)

| | |
|--------------------|--|
| US (new) | |
| Status |  Currently effective |
| Development | <p>Wealth</p> <p>Department of Labor seeks to streamline prohibited transaction exemption process with updated procedures Updated Department of Labor (DOL) procedures for handling requests for prohibited transaction exemptions (PTEs) require more detailed disclosures from ERISA plan sponsors. The final rules also enhance the agency's scrutiny of independent fiduciaries and appraisers hired to safeguard plans and their participants. Although service providers may also seek PTEs, this article focuses on aspects of the final rules most relevant to sponsors (including several instances in the final rules that differ from the agency's 2022 proposed changes).</p> |
| Resources | matthew.calloway@mercer.com and margaret.berger@mercer.com GRIST , Sept. 3, 2024 |
| US (new) | |
| Status |  Currently effective |
| Development | <p>Career — Health</p> <p>Domestic partner benefits remain popular but present challenges Domestic partner benefits continue to be common among many employers. However, compliance complexities present challenges for employers. This GRIST (with minor updates and clarifications) reviews the major issues, particularly related to taxation and documentation, and provides useful tools, including a tax dependent flow chart, employer domestic partner checklist and two tables summarizing applicable state laws.</p> |
| Resources | rich.glass@mercer.com and patty.cartwright@mercer.com GRIST , regularly updated |
| US (new) | |
| Status |  Currently effective |
| Development | <p>Health</p> <p>Group fixed-indemnity plans pose legal, tax issues Concerns that fixed-indemnity plans may too easily be mistaken for comprehensive medical coverage or may improperly treat some benefit payments as tax free has led to a final rule from the departments of Labor, Treasury, and Health and Human Services. The rule requires fixed-indemnity plans to supply a new consumer notice beginning in 2025 but omits more sweeping proposals that would have required many employers to redesign their fixed-indemnity coverage. Treasury proposals to clarify the tax treatment of employer-provided accident and health plans — particularly the tax treatment of fixed-indemnity plans — also were left out of the final rule. This GRIST provides background information about group fixed-indemnity plans, details about the new consumer notice, an overview of proposals left out of the final rule, and a summary of IRS guidance identifying a variety of fixed-indemnity designs (often paired with a wellness program) as improper “double dipping” schemes. This article also summarizes provisions in the rule addressing individual fixed-indemnity plans and short-term limited duration insurance.</p> |
| Resources | jennifer.wiseman@mercer.com and cheryl.hughes@mercer.com GRIST , Aug 27, 2024 |

US**Status****Currently effective****Development****Career — Health****Roundup: Employer resources on DOL's final independent contractor rule**

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.

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.

Resources

[Roundup: Employer resources on DOL's final independent contractor rule](#) (Mercer, regularly updated)

US**Status****Effective dates vary.****Development****Wealth****User's guide to SECURE 2.0**

A dizzying array of legislation affecting defined contribution (DC) and defined benefit (DB) plans became law on Dec. 29, 2022, as part of a fiscal 2023 government spending package. Capping several years of congressional 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).

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.

The six tables in this guide describe statutory changes and their effective dates, identify whether the changes are mandatory or optional for employers, and provide initial observations, including implementation challenges for which agency guidance would be helpful. The act also includes several apparent drafting errors for which Congress intends to introduce technical corrections legislation. Those errors are noted in the relevant sections of the guide.

This guide doesn't address SECURE 2.0's employee stock ownership plan (ESOP) provisions and a handful of other nonbenefit-related provisions. When referring to the original SECURE Act, this guide uses the term "SECURE 1.0" to avoid any confusion between the laws.

This guide will be updated periodically to reflect additional information and guidance.

Resources

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[User's guide to SECURE 2.0](#), periodically updated

US

Status  **Effective dates vary.**

Development **Career — Health**
Transportation plans offer valued benefits, but pose compliance issues
 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.
 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.

Resources rich.glass@mercer.com and cheryl.hughes@mercer.com
[GRIST](#), regularly updated

US

Status  **Effective dates vary.**

Development **Career**
Roundup: Employer resources on noncompete restrictions
 Noncompete agreements prevent former employees from working for a competing employer or starting a competing business for a certain time period after their employment ends. At the federal level, President Biden, the FTC, the NLRB and Congress have recently attempted to ban or limit the use of noncompete agreements. The FTC’s final rule banning noncompetes was scheduled to be effective Sept. 4, 2024, but on Aug. 20, 2024, a federal judge in Texas blocked the rule from taking effect nationwide. The decision means the FTC rule will remain on hold until a future judicial decision either permanently blocks the rule or upholds it as lawful. That decision, which could permanently invalidate the rule, may take several months.
 At the state level, several states have generally banned noncompete agreements. Numerous other states have enacted restrictions, such as only allowing noncompete agreements for employees above a certain salary threshold. This roundup focuses on recent federal and state actions to restrict noncompete provisions and provides links to federal and state resources from organizations, government websites, third-party resources and news articles.

Resources [Roundup](#), regularly updated

US

Status



Currently effective

Development

Career

Roundup: Employer DEI resources after SCOTUS' ruling on affirmative action

On June 29, 2023, the US Supreme Court, in *Students for Fair Admissions, Inc. v. President and Fellows of Harvard College*, ruled colleges' use of race as a factor in student admissions is unconstitutional under the Fourteenth Amendment's Equal Protection Clause.

Since the decision, there have been various viewpoints on the effect of this ruling on companies' DEI programs. For example, the EEOC announced that the decision "does not address employer efforts to foster diverse and inclusive workforces or to engage the talents of all qualified workers, regardless of their background." The EEOC said "[i]t remains lawful for employers to implement diversity, equity, inclusion, and accessibility programs that seek to ensure workers of all backgrounds are afforded equal opportunity in the workplace." In July, state attorneys general wrote to Fortune 100 CEOs about the decision and took different positions based on political affiliation.

To provide employers with some information about the decision and the varying aspects and issues to consider with respect to employers' DEI programs, this roundup provides links to government information, third-party analyses, news articles and viewpoints. The aggregated content in each section is organized in reverse chronological order and is by no means comprehensive. The content also does not necessarily reflect Mercer's or the authors' point of view on the subject.

Resources

[Roundup](#), regularly updated

US

Status



Currently effective

Development

Career

Roundup: Employer resources on DOL's expansion of overtime protections

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.

Resources

[Roundup](#), regularly updated

US — States

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

US — States

| | |
|--------------------|---|
| Status |  Effective dates vary. |
| Development | <p>Career</p> <p>Roundup: Employer resources on states’ recent equal pay laws</p> <p>The federal Equal Pay Act of 1963 requires that men and women in the same workplace receive equal pay for equal work. In recent years, many states have taken further efforts to address equal pay, such as enacting laws that prohibit employers from asking job applicants about salary history, requiring disclosure of salary ranges and pay data, protecting employees who disclose their pay, expanding equal pay protections for characteristics other than sex, and broadening comparisons of work and pay. In 2023, New Jersey and Illinois expanded equal pay protections to temporary workers. Stronger federal legislation — the Paycheck Fairness Act — was first introduced in 1997 but has not passed after numerous attempts — most recently in June 2021. On March 15, 2022, the Biden administration also announced commitments to advance pay equity.</p> <p>This roundup primarily focuses on recent state legislative initiatives pertaining to salary history bans and salary range disclosure requirements that affect private sector employers, and provides links to state resources from organizations, government websites, third-party resources and news articles. Certain cities have also acted, but they are generally beyond the scope of this roundup.</p> |
| Resources | <p>Roundup, regularly updated</p> |

| US — States | |
|-------------|--|
| Status |  Effective dates vary. |
| Development | <p>Career</p> <p>Roundup: Employer resources on states’ recreational marijuana laws</p> <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, plus Guam, Puerto Rico, the US Virgin Islands and Washington, DC, have legalized marijuana use for medical purposes, but this roundup focuses on legal recreational marijuana use and its implications for employers. The aggregated content in each section is organized in reverse chronological order and is by no means comprehensive. It also does not necessarily reflect Mercer’s or the authors’ point of view on the subject.</p> |
| Resources | Roundup , regularly updated |
| US — States | |
| Status |  Effective dates vary. |
| Development | <p>Career</p> <p>Roundup: Employer resources on minimum wage increases</p> <p>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 | Roundup , regularly updated |
| US — States | |
| Status |  Effective dates vary. |
| Development | <p>Career</p> <p>Roundup: Employer resources on hairstyle nondiscrimination laws</p> <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 | Roundup , regularly updated |

| US — Alaska (new) | |
|-------------------|--|
| Status |  Effective Oct. 16, 2024 |
| Development | <p>Health</p> <p>Telehealth law enacted</p> <p>A new Alaska law (2024 Ch. 13, SB 91) allows out-of-state members of a physician’s multidisciplinary team to provide healthcare services, if the service is not reasonably available in the state. The scope of services includes ongoing treatment and follow-up care. Previously, this allowance only applied to out-of-state physicians.</p> |
| Resources | <p>rich.glass@mercer.com</p> <p>2024 Ch. 13, SB 91 (Legislature, July 19, 2024)</p> |
| US — Alaska (new) | |
| Status |  Ballot initiative |
| Development | <p>Career — Health</p> <p>Paid and sick leave mandates and minimum wage changes proposed</p> <p>Ballot Measure No. 1 would require paid sick and safe leave and modify the state’s minimum wage:</p> <ul style="list-style-type: none"> • Paid sick and safe leave. Effective July 1, 2025, most employers (except state and local governments) would have to provide at least one hour of paid sick and safe leave for every 30 hours worked. The annual cap would be 56 hours per year (for employers with 15 or more employees) and 40 hours per year (for employers with fewer than 15 employees). Carryover of unused accrued paid sick and safe leave is required, but employees may not use more than the annual allotment. Qualifying reasons would include employees’ mental or physical illness, injury or health condition, care for family members and circumstances related to domestic violence, sexual assault or stalking. • Minimum wage. The minimum wage (currently \$11.73 per hour) would increase to \$13 per hour (effective July 1, 2025) and increase by a dollar per year over the next two years. Increases in 2028 and later years would be based on the Consumer Price Index for Anchorage. |
| Resources | <p>rich.glass@mercer.com</p> <p>Ballot measure No. 1 (Division of Elections)</p> |

US — California — San Francisco (new)

Status



Effective dates vary.

Development

Health

Contractor-lessee health plan, pay rules updated

San Francisco contractors and lessees (and their subcontractors and subtenants) may have to provide covered employees health coverage meeting minimum standards (updated for 2025) or make an alternative payment under the Health Care Accountability Ordinance (HCAO). The Department of Public Health (DPH) has updated these standards for covered employers. Minimum standards and alternative payments also apply for covered employees at the San Francisco International Airport (SFO) under the Healthy Airport Ordinance (HAO), which amended the HCAO in 2020. Finally, covered service contractors and airport tenants are subject to minimum compensation rates and time-off requirements under the city’s Minimum Compensation Ordinance (MCO). The Office of Labor Standards Enforcement (OLSE) enforces all three ordinances. HCAO requirements have different effective dates (e.g., Jan. 1, 2024, July 1, 2024, or Jan. 1, 2025).

Covered employers should evaluate whether they and their workers are covered by the HCAO, HAO and/or MCO by reviewing their San Francisco city and county contracts and leases. If subject to HCAO, covered employers need to ensure appropriate coverage, payments, notice, and other compliance requirements for 2024 and the changes that become effective on Jan. 1, 2025. Other tasks include evaluating 2024 and 2025 plan designs against HCAO standards, especially for employers sponsoring a self-funded plan (or a fully insured plan issued in another state). Those employers should review the CA benchmark plan, which includes coverage of services that might normally be excluded (for example, bariatric surgery, acupuncture and temporomandibular joint disorders). Employers are encouraged to reach out to DPH for any questions about compliant plan designs. An employer that has determined that it is not subject to the HCAO, MCO or HAO should also review Health Care Security Ordinance requirements to determine if those standards may apply to its San Francisco workforce.

Resources

rich.glass@mercer.com and patty.cartwright@mercer.com
GRIST, Sept. 3, 2024

US — California — San Francisco (new)

Status  **Effective Jan. 1, 2025**

Development **Health**
Minimum standards for health plans complying with the Health Care Accountability Ordinance (HCAO) revised
 HCAO minimum standards will change on Jan. 1, 2025. The HCAO requires most city contractors to provide health benefits meeting 16 minimum standards, including at least one plan option where self-only medical coverage is free to employees. Alternatively, employers can make a payment to the San Francisco General Hospital based on an hourly rate for each covered employee. Here is what will change:

- Annual out-of-pocket maximum (OOPM) will continue to align with Affordable Care Act (ACA) requirements, which will decrease to \$9,200 (self-only)/\$18,400 (other than self-only). The 2024 OOPMs are \$9,450/\$18,900.
- Separate prescription drug (Rx) deductible. If a plan has separate medical and dental deductibles, they will be \$3,000 (medical, no change) and \$400 (Rx, up from \$300).
- In-network (INN) coinsurance. It will be 55%/44%, a change from 60%/40%.
- INN primary care copayments. It will be \$65 per visit, up from \$60 per visit.

Resources rich.glass@mercer.com
[Health Care Accountability Ordinance](#) (Government)

US — California — San Francisco (new)

Status  **Effective Jan. 1, 2025**

Development **Health**
2025 healthcare expenditure rates announced
 San Francisco has published its 2025 healthcare expenditure (HCE) rates under the city's Health Care Security Ordinance (HCSO). The revised HCE rates are:

- 100 or more employees: Increase from \$3.51/hour to \$3.85/hour
- 20–99 employees (50–99, nonprofits): Increase from \$2.34/hour to \$2.56/hour
- Fewer than 20 employees (under 50, nonprofits): No requirement

The exemption threshold for managerial, supervisory, and confidential employees will increase from \$121,372 to \$125,405 per year. The HCSO applies to all employers required to have a San Francisco business registration certificate and with 20 or more employees in any location, as long as at least one works in San Francisco.

Resources rich.glass@mercer.com
[Health Care Security Ordinance](#) (Government, July 30, 2024)

US — Hawaii (new)

Status  **Currently effective**

Development

Career

Ban on employers' captive audience meetings enacted

Hawaii has enacted Senate Bill 2715, effective July 2, 2024, which expands its unfair labor practices law by prohibiting employers from discharging, disciplining, or otherwise penalizing or threatening any adverse employment action against an employee who declines to:

- Attend or participate in an employer-sponsored meeting, or any portion of a meeting, which communicates the opinion of the employer about political matters; or
- Receive or listen to a communication from the employer that communicates the opinion of the employer about political matters.

“Political matters” are defined broadly and means “anything related to an attempt to influence a future vote by persons in an audience.” The law does not “limit the rights of an employer to conduct meetings or to engage in communications involving political matters as long as attendance by the employees is wholly voluntary.”

Other states have also enacted similar laws, including Connecticut, Illinois, Maine, Minnesota, New York and Oregon.

Resources [Senate Bill 2715](#) (Legislature, July 3, 2024)

US — Hawaii (updated)

Status  **Currently effective**

Development

Career — Health

Employee health and leave benefits may need special attention

Health plan sponsors looking for new ways to hold down soaring healthcare costs have increased employee contributions, expanded cost-sharing provisions and restrained benefit levels. For employers with plans and operations in Hawaii, a 1974 state law can block efforts to implement these cost-reduction changes. ERISA does not preempt the Hawaii mandates, and penalties for noncompliance can be substantial. In addition, the state's temporary disability insurance law mandates coverage through an authorized insurer or an approved self-insured (self-funded) plan. Compliance with Hawaii laws is increasingly important for multistate employers, given an uptick in hybrid and remote workers.

Resources rich.glass@mercer.com, haylee.faustin@mercer.com
[GRIST](#), July 26, 2024

US — Illinois (new)**Status****Effective Jan. 1, 2025****Development****Career****Law bans employers' captive audience meetings**

On July 31, 2024, Illinois' governor signed into law Senate Bill 3649, which prohibits employers from discharging or disciplining employees:

- Because the employee declines to attend or participate in an employer-sponsored meeting or declines to receive or listen to communications from the employer or the agent, representative, or designee of the employer if the meeting or communication is to communicate the opinion of the employer about religious or political matters
- As a means of inducing an employee to attend or participate in meetings or receive or listen to religious or political communications; or
- Because the employee, or a person acting on behalf of the employee, makes a good faith report, orally or in writing, of a violation or a suspected violation of this law.

"Political matters" means matters relating to elections for political office, political parties, proposals to change legislation, proposals to change regulations, proposals to change public policy, and the decision to join or support any political party or political, civic, community, fraternal, or labor organization.

"Religious matters" means matters relating to religious belief, affiliation, and practice and the decision to join or support any religious organization or association.

The law does not limit the rights of an employer to conduct meetings or to engage in communications involving religious or political matters as long as attendance by the employees is voluntary.

The law takes effect on Jan. 1, 2025, and employers must post notice of employees' rights under this law by Jan. 30, 2025 — 30 days after the law takes effect.

Other states have also enacted similar laws, including Connecticut, Hawaii, Maine, Minnesota, New York and Oregon.

Resources

[Senate Bill 3649](#) (Legislature, July 31, 2024)

US — Illinois (new)**Status****Effective for plan years starting in 2026.****Development****Health****Fertility-related insurance laws enacted**

A new Illinois law expands fertility coverage to all insured plans and mandates an annual menopause health visit at no charge to participants. Under 2024 Pub. Act 103-0751 (SB 773), all fully insured plans must provide fertility coverage that includes diagnosis and treatment of infertility, including in vitro fertilization, and preimplantation screening and diagnosis of a fertilized egg in certain circumstances. The current fertility coverage mandate applies only to group plans covering 25 or more employees. The law also removed a religious exemption.

The law also applies the state governmental plan (through June 30, 2026), county/municipal governmental plans, school plans, HMOs, limited health service organizations and voluntary health services plans.

The law will take effect for plan years starting in 2026. Illinois 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

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[2024 Pub. Act 103-0751](#) (SB 773) (Legislature, Aug. 2, 2024)

US — Illinois (new)

Status  **Effective Jan. 1, 2026**

Development **Health**
Coverage mandate enacted
 A new Illinois law requires fully insured plans to cover several pregnancy-related services. Under 2024 Pub. Act 103-0720 (HB 5142), fully insured plans in the state must cover pregnancy, postpartum (for at least 12 months after the end of pregnancy) and newborn care provided by perinatal doulas or licensed midwives — without cost sharing — including home births, home visits and support during labor, abortion or miscarriage. Coverage includes necessary equipment and medical supplies. Required pregnancy, postpartum and newborn care must also include lactation consulting and the purchase of breast pumps and related supplies. The law provides an HSA-related exception for the above mandate, as well as the state’s existing abortion coverage mandate, also without cost sharing. Illinois 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
 2024 Pub. Act 103-0720 (HB 5142) (Legislature, July 29, 2024)

US — Illinois (new)

Status  **Effective Jan. 1, 2025**

Development **Health**
Law bans prior authorization for OB/GYN services
 Fully insured plans will be prohibited from requiring prior authorization for obstetrical or gynecological (OB/GYN) care from a licensed obstetrician or gynecologist under a new law (2024 Pub. Act 103-0718, HB 5493).

Resources rich.glass@mercer.com
 2024 Pub. Act 103-071 (Legislature, July 19, 2024)

US — Illinois (new)**Status****Effective Jan. 1, 2026****Development****Career****Artificial Intelligence law focused on employment laws enacted**

On Aug. 9, 2024, Illinois' governor signed an artificial intelligence (AI) employment law (HB 3773) that amends the Illinois Human Rights act to address employers' use of AI in employment practices. Highlights include:

- AI is defined as “a machine-based system that, for explicit or implicit objectives, infers, from the input it receives, how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments.” It includes generative AI, which is also defined.
- When making employment decisions — the law lists recruitment, hiring, promotion, renewal of employment, selection for training or apprenticeship, discharge, discipline, tenure, or the terms, privileges, or conditions of employment — employers cannot use AI that has the effect of subjecting employees to discrimination on the basis of protected classes or use zip codes as a proxy for protected classes.
- Employers must provide notice to employees when using AI in employment decisions.
- The Illinois Department of Human Rights is directed to adopt “rules on the circumstances and conditions that require notice, the time period for providing notice, and the means for providing notice.”

Illinois is the second state to address AI in employment. New York City has also enacted an AI employment law.

Resources

[HB 3773](#) (Legislature, Aug. 9, 2024)

US — Illinois (new)**Status****Effective Jan. 1, 2025****Development****Health****Artificial Intelligence in utilization review law enacted**

Fully insured plans will need to meet minimum requirements to the extent they use artificial intelligence (AI) (called “automated processes”) in utilization review under a new law ([2024 Pub. Act 106-0656](#), HB 2472). Specifically, any initial adverse benefit determination must be made by a clinical peer (i.e., a healthcare professional). The automated processes must use objective, evidence-based criteria compliant with the accreditation standards. Plans' procedures must include all criteria set by licensed physicians and a program integrity system.

Resources

rich.glass@mercer.com

[2024 Pub. Act 106-0656](#), HB 2472 (Legislature, July 19, 2024)

| | |
|----------------------------|--|
| US — Illinois (new) | |
| Status |  Effective for plan years starting in 2026. |
| Development | <p>Health</p> <p>Dependent coverage law enacted</p> <p>Fully insured plans will have to cover parents and stepparents who meet the qualifying relative dependent definition in § 152(d) of the Internal Revenue Code under a new law (2024 Pub. Act 103-0700, HB 5258). Illinois 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>rich.glass@mercer.com</p> <p>2024 Pub. Act 103-0700, HB 5258 (Legislature, July 19, 2024)</p> |
| US — Illinois (new) | |
| Status |  Effective for plan years starting in 2026. |
| Development | <p>Health</p> <p>Colonoscopy coverage mandate enacted</p> <p>Fully insured plans will need to cover colonoscopies whenever deemed medically necessary under a new law. (The initial proposal was for ages 39-75.) The Affordable Care Act preventive health services standard (which allows in-network coverage at no cost) is 45 years of age. The law will take effect for plan years starting in 2026. Illinois 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>rich.glass@mercer.com</p> <p>2024 Pub. Act 103-0800 (HB 2385) (Legislature, Aug. 9, 2024)</p> |
| US — Illinois (new) | |
| Status |  Effective Jan. 1, 2025 |
| Development | <p>Health</p> <p>Telehealth physical therapy permitted</p> <p>Physical therapy will be permitted via telehealth as long as in-person care is available and there is documented clinical justification under a new Act that will take effect on Jan. 1, 2025.</p> |
| Resources | <p>rich.glass@mercer.com</p> <p>2024 Pub. Act 103-0849 (HB 5087, Aug. 9, 2024)</p> |
| US — Illinois (new) | |
| Status | Effective Jan. 1, 2025 |
| Development | <p>Health</p> <p>Short-term, limited-duration insurance (STLDI) prohibited</p> <p>Under 2024 Pub. Act 103-0649 (HB 2499), insurers will no longer be able to provide STLDI policies to any state residents, effective Jan. 1, 2025. The law appears to apply on an extraterritorial basis to policies issued in another state.</p> |
| Resources | <p>rich.glass@mercer.com</p> <p>2024 Pub. Act 103-0649 (HB 2499, July 10, 2024)</p> |

US — Massachusetts (new)

Status  **Effective July 31, 2025**

Development

Career

Salary disclosures, wage data reporting to be required

On July 31, 2024, Massachusetts' governor signed H 4890, which will require public and private employers with 25 or more employees to disclose pay ranges in job postings, provide the pay range of a position to an employee who is offered a promotion or transfer and, upon request, provide the pay range to employees who already hold that position or are applying for it. The salary disclosure requirements are effective July 31, 2025. The legislation also requires public and private employers with 100 or more employees to submit wage data reports to the state. The Attorney General's Office will conduct a public awareness campaign on the new rules.

Resources

tauseef.rahman@mercer.com
[GRIST](#), Aug. 12, 2024

US — Massachusetts (new)

Status  **Jan. 1, 2025**

Development

Health

2025 individual mandate coverage dollar limits set

The Massachusetts Health Connector has published 2025 dollar limits on deductibles and other cost sharing for minimum creditable coverage (MCC), as required by regulations (956 Mass. Code Regs. 5). The Massachusetts individual mandate, in effect since 2007, requires state residents to maintain MCC or face a potential state tax penalty. Providing MCC is not an employer mandate, but many employees use employment-based health coverage to satisfy the individual mandate. In addition, health plan reporting requirements compel plan sponsors (or their vendors) to determine whether their coverage meets MCC standards. Deductibles and out-of-pocket maximums (OOPMs) are reviewed annually and typically adjusted. Regulations also clarify MCC criteria for health arrangements provided by religious organizations.

Resources

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[GRIST](#), July 23, 2024

US — Massachusetts (new)

Status



Currently effective

Development

Health

Fertility-related insurance law enacted

A Massachusetts budget law (HB 4800) includes a provision requiring fully insured plans to cover iatrogenic fertility. The law requires covered plans to provide fertility coverage when a participant has a diagnosed medical or genetic condition that may directly or indirectly cause fertility impairment by affecting reproductive organs or processes. Fertility coverage must include procurement, cryopreservation and storage of gametes, embryos or other reproductive tissue. Coverage must be provided to the same extent that coverage is provided for other pregnancy-related procedures. The fertility mandate applies to these types of plans:

- State governmental plans
- Insured health plans
- Nonprofit hospital service corporations
- Medical service corporations
- Health maintenance organizations

The mandate apparently took effect retroactively on July 1, 2024 — the start of the budget year. It is not clear whether Massachusetts applies its insurance laws on an extraterritorial basis to fully insured plans issued in another state. The law does not affect self-funded ERISA plans because of ERISA preemption.

Even though an employer may sponsor a self-funded ERISA plan, it may be prudent to review plan design to see how it compares to the new state mandate.

Resources

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[HB 4800](#) (Legislature, July 29, 2024)

US — Michigan (new)**Status**  **Currently effective****Development****Career — Health****Court upholds original version to Earned Sick Time Act**

The Michigan Supreme Court reversed a lower court decision and invalidated legislative changes to the Earned Sick Time Act (ESTA) and the Improved Workforce Opportunity Wage Act (the Wage Act). In a 4-3 decision, the state supreme court ruled in *Mothering Justice v. Attorney General* that the original version of the ESTA and the Wage Act should be in effect instead of the later version approved by the legislature in the same session. The ESTA is the state's paid sick leave law; the Wage Act sets the state's minimum wage. In 2018, the original versions were part of a November ballot initiative. However, the legislature adopted both measures (removing the initiative from the ballot) and then adopted amended versions after the election. The amended version of the ESTA was less employee-friendly on accrual rate, accrual use cap and carryover, among other things; the amended version of the Wage Act slowed the timetable for minimum wage increases.

This “adopt-and-amend” approach was held to violate the state constitution. As a result, the original versions of both laws will take effect 205 days after the July 31 opinion date, i.e., Feb. 21, 2025. The amended versions of both laws will remain in effect until then.

Resources

rich.glass@mercer.com
[Ruling](#) (Michigan Supreme Court, July 31, 2024)

US — Missouri (new)**Status**  **Ballot initiative****Development****Career — Health****Paid and sick leave mandates and minimum wage changes proposed**

The Minimum Wage and Earned Paid Sick Time Initiative (Proposition A) would implement a new paid sick and safe leave requirement and change the state's minimum wage:

Paid sick and safe leave. Effective May 1, 2025, all employers (except federal, state and local governments) would have to provide at least one hour of paid sick and safe leave for every 30 hours worked. The annual cap would be 56 hours per year (for employers with 15 or more employees in the state) and 40 hours per year (for employers with fewer than 15 employees in the state). Employees would be able to carry over up to 80 hours per year, but employers would be able to limit the number of hours used to 56 (or 40) hours. Alternatively, employers may pay employees for unused paid sick time at the end of each year and front-load the applicable amount for the next year. Qualifying reasons would include employees' mental or physical illness, injury or health condition, care for family members, school and business closures due to public health emergencies and circumstances related to domestic violence, sexual assault or stalking.

Minimum wage. The minimum wage (currently \$12.30 per hour) would increase to \$13.75 per hour (effective Jan. 1, 2025) and \$15 per hour (effective Jan. 1, 2026). Increases in later years would take effect on Jan. 1, based on the CPI for Urban Wage Earners and Clerical Workers.

Resources

rich.glass@mercer.com
[Proposition A](#) (Secretary of State's Office)

US — Nebraska (new)

Status  **Ballot initiative**

Development **Career — Health**
Paid sick leave proposed

Effective Oct. 1, 2025, the paid sick leave initiative would provide similar accruals and employer exclusions as Alaska and Missouri (one hour of paid sick and safe leave for every 30 hours worked, up to 40 hours per year for employers with fewer than 20 employees, and up to 56 hours per year for larger employers). Like Alaska, there would be no carryover cap, but in lieu of a carryover employers could pay employees for unused paid sick time at the end of each year and front-load the applicable amount for the next year. Qualifying reasons would include employees' mental or physical illness, injury or health condition, sickness, care for family members and school and business closures due to public health emergencies.

Resources rich.glass@mercer.com
[Initiative](#) (Government, June 22, 2023)

US — New Hampshire (new)

Status  **Currently effective**

Development **Career**
Hairstyle discrimination banned

New Hampshire's governor recently signed HB 1169, which, effective Sept. 1, 2024, bans employment discrimination because of a "protective hairstyle." "Protective hairstyles" means hairstyles or hair type, including braids, locs, tight coils or curls, corn rows, Bantu knots, Afros, twists, and head wraps. A person subjected to discrimination based on wearing a protective hairstyle shall have a private cause of action. The law does not apply to employees of the department of corrections.

New Hampshire is the 26th state to adopt "Crown Act" legislation.

Resources [HB 1169](#) (Legislature, July 3, 2024) and [Roundup: US employer resources on hairstyle discrimination law](#)

US — New Hampshire (new)**Status**  **Effective Jan. 1, 2025****Development****Health****Prior authorization law enacted**

New Hampshire Governor Chris Sununu signed a law that reins in fully insured plans' use of prior authorization (PA). The primary aim of 2024 Ch. 172 (SB 561) was to establish criteria for PA imposed by fully insured managed care health benefit plans. Typically, insurers have latitude to set this criteria. Specifically, the law accomplishes the following:

- Imposes turnaround times of 72 hours (urgent claims), seven calendar days (electronic nonurgent claims) and 14 calendar days (nonelectronic, nonurgent claims); the federal standard is 72 hours and 15 days, respectively
- Allows healthcare providers to request a peer-to-peer review
- Provides standards for developing clinical review criteria
- Requires disclosure of PA requirements (including any changes) and publication of PA performance indicators
- Establishes qualifications for reviewers making medical necessity determinations

The law will take effect on Jan. 1, 2025. New Hampshire generally applies its insurance laws on an extraterritorial basis to fully insured plans issued in another state, if the principal worksite of New Hampshire employees is in New Hampshire. The law does not affect self-funded ERISA plans.

Resources

rich.glass@mercer.com
[2024 Ch. 172 \(SB 561\)](#) (Legislature, July 10, 2024)

US — New Jersey (new)**Status**  **Effective Jan. 1, 2025****Development****Career — Health****2025 paid family medical leave rates announced**

New Jersey posted some paid family and medical leave (PFML) rate changes for 2025.

Temporary disability insurance (TDI) and family leave insurance (FLI) together constitute PFML in the state. Employers will have to collect and remit contributions up to the \$165,400 taxable wage base for 2025, up from \$161,400 in 2024. The 2025 maximum TDI/FLI weekly benefit rate of \$1,081 reflects an increase from \$1,055 in 2024.

Employee FLI contributions (at 0.09% for 2024) have not yet been announced. Employer FLI contributions are not required.

Resources

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[Rate information, contributions and due dates](#)

US — New York (new)

| | |
|--------------------|--|
| Status |  Effective Jan. 1, 2025 |
| Development | <p>Career — Health</p> <p>2025 paid family medical leave rates announced</p> <p>New York’s Department of Financial Services has posted rates for 2025 paid family leave (PFL) benefits. Employee PFL contributions will increase from 0.373% (2024) to 0.388% (2025) of an employee’s wages. The maximum annual employee contribution will be \$354.53 (2025), up from \$333.25 (2024). Employers do not contribute to the PFL fund. New York also has a disability benefits law, where employee contributions are set by statute at 0.5% of wages up to a maximum of \$0.60 per week.</p> |
| Resources | <p>rich.glass@mercer.com</p> <p>Rate information (Department of Financial Services)</p> |

US — Oregon (new)

| | |
|--------------------|---|
| Status |  Currently effective |
| Development | <p>Career — Health</p> <p>Paid family medical leave regulations finalized</p> <p>The Oregon Employment Department finalized some paid family and medical leave (PFML) regulations. Highlights include:</p> <ul style="list-style-type: none"> • Revisions to the definitions of “workday” and “work week” and calculations for those periods • Revised benefit eligibility to align with SB 1515 and clarification that employees eligible for worker’s compensation are not eligible for Paid Leave Oregon benefits • Confirmation of what information employees must provide about eligibility and allowable documents to verify bonding leave, medical leave, other family leave and safe leave claims • Alignment with SB 1515 changes regarding benefit offsets for child and spousal support, and restitution for crime victims • Clarification of employer penalties for willful misrepresentation related to employee claims • Confirmation of the anniversary date of equivalent plans with a Sept. 3, 2023, effective date. <p>Oregon’s PFML program is fully underway.</p> |
| Resources | <p>rich.glass@mercer.com</p> <p>Permanent Administrative Order ED 5-2024 (Secretary of State, July 30, 2024) and Creating paid leave Oregon (Government)</p> |

US — Pennsylvania

Status



Effective Jan. 1, 2026

Development

Health

Pharmacy benefit manager (PBM) law enacted

The Pharmacy Benefit Reform Act (2024 Pub. Act 77, HB 1993) was signed into law with the aim of “providing stronger protections for patients in Pennsylvania and increased regulatory oversight.”

PBMs will have to apply reimbursement parity between affiliated and nonaffiliated pharmacies and will be unable to steer participants to use a mail order or affiliated pharmacy. PBMs will be restricted on how they can define specialty drugs for purposes of designating an exclusive specialty pharmacy network. A 95% rebate pass-through to the plan will be required if rebate negotiation is delegated to the PBM in the contract. The law also establishes network adequacy standards and a PBM reporting program.

The law explicitly exempts PBMs working on behalf of self-funded ERISA plans. The law applies to insurance policies approved and pharmacy contracts issued, renewed, or amended after Nov. 14. New reporting requirements will take effect in 2026. 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.

Resources

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[2024 Pub. Act 77, HB 1993](#) (Legislature, July 17, 2024)

US — Pennsylvania (new)

Status



Effective with the 2025 tax year.

Development

Health

Employer child-care tax credit law enacted

A new tax law (2024 Pub. Act 56, SB 654) creates an employer child-care contribution tax credit. Starting with the 2025 tax year, most employers in the state will be able to claim a 30% tax credit for contributions to employees’ child-care costs. The law requires all employees to have an equal opportunity to receive the employer contribution. The law is silent on whether employer contributions through a § 129 dependent care FSA would count. The Department of Revenue is tasked with issuing regulations.

Resources

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[2024 Pub. Act 56, SB 654](#) (Legislature, July 11, 2024)

US — Puerto Rico (new)**Status**  **Currently effective****Development****Career****Discrimination based on hairstyles associated with race and national origin banned**

Discrimination based on hair styles that are typically associated with a particular race and national origin is now prohibited in Puerto Rico under measures included in Law No. 106 that was signed by the governor on July 25, 2024. Employers should update their policies to comply with the new law. Highlights include:

- Discrimination based on an individual's protective hairstyles or hair textures is prohibited with regard to employment (including training), offering public services, education and housing in both the public and private sectors.
- Protective hairstyles are defined as hairstyles used to maintain curly hair into its natural style including, but not limited to, rolls or tight curls, locs, glued braids, twists, cornrows, Bantu knots and afros.
- Employers must not discriminate against job candidates or employees on grounds of their hair texture or protective hairstyles.
- Derisive comments about an individuals' physical appearance or protective hairstyles and hair textures will be considered as workplace harassment.

Resources [Law No. 106](#) (Spanish) (Government, July 23, 2024)**US — Puerto Rico (new)****Status**  **Currently effective****Development****Career — Health****Benefit and leave laws sometimes differ from others**

Puerto Rico is an unincorporated territory within the US. With a separate tax code and constitution, Puerto Rico has its own tax, benefit and insurance laws. Nonetheless, many (but not all) US laws apply to this territory of a little more than three million residents. This GRIST summarizes major requirements and special issues, including an overview of complicated tax-related health and fringe benefit rules, leave laws, the ACA and more.

Resources rich.glass@mercer.com
[GRIST](#), Aug. 12, 2024**US — Vermont (new)****Status**  **Effective July 31, 2025****Development****Career****Salary disclosures to be required in job advertisements**

On June 4, 2024, Vermont's governor signed into law H 704, which will require employers with five or more employees to include compensation or compensation ranges in job advertisements beginning July 1, 2025. The attorney general's office will publish implementation guidance on or before Jan. 1, 2025.

Resources tauseef.rahman@mercer.com
[GRIST](#), Aug. 5, 2024

| US — Washington (new) | |
|---------------------------|---|
| Status |  Effective Sept. 6, 2024 |
| Development | <p>Career — Health</p> <p>Cross-program allocation rules for paid family medical leave, WA Cares, unemployment insurance finalized</p> <p>Washington’s Employment Security Department (ESD) published final rules that prioritize employer payments to three programs: paid family and medical leave (PFML), WA Cares (the state’s long-term care mandate) and unemployment insurance. When it is unclear where an employer’s payment should be allocated among the PFML, WA Cares and unemployment programs, ESD will post the payment to outstanding balances in the following order:</p> <ul style="list-style-type: none"> • First, to the unemployment fund, if money is owed • Second, to the PFML fund, if money is owed • Finally, to the WA Cares fund. |
| Resources | rich.glass@mercer.com Final rules (Government) |
| US — Washington (new) | |
| Status |  Ballot initiative |
| Development | <p>Health</p> <p>Changes to the WA cares long-term care insurance mandate proposed</p> <p>The Opt-Out of Long-Term Services Insurance Program Initiative (Initiative Measure No. 2124) would allow employees and self-employed individuals to opt out of the WA Cares Long-Term Services and Support program at any time. Currently, employees without an exemption must contribute 0.58% from each paycheck to WA Cares, which funds up to \$36,500 (indexed for inflation) in long-term care coverage starting in 2026. If approved, the opt-out right would appear to take immediate effect. A December 2023 Milliman report predicted that turning WA Cares into a voluntary program would require significantly higher premiums and “could lead to an insurance premium rate spiral.”</p> |
| Resources | rich.glass@mercer.com Initiative Measure No. 2124 (Government) |
| US — Washington, DC (new) | |
| Status |  Currently effective |
| Development | <p>Career — Health</p> <p>Maximum limit for universal paid leave program increased</p> <p>The employer Universal Paid Leave contribution rate is set at .75% (up from .62%), effective July 1, 2024, as a result of the FY2025 Budget Support Emergency Act (2024 Act A25-0506, B25-0875) and subsequent actions by the District’s Chief Financial Officer.</p> |
| Resources | rich.glass@mercer.com FY2025 Budget Support Emergency Act (2024 Act A25-0506, B25-0875) (Legislature, July 19, 2024) |

US (previously covered, with upcoming effective dates)

Development

Career

- [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
- [Minimum hourly wage increase for healthcare workers delayed in California](#) — key date: Oct. 15, 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
- [Temporary caregiver insurance coverage increased in Rhode Island](#) — 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

- [Telehealth parity requirement extended in New Jersey](#) — key date: Dec. 31, 2024
- [Law provides temporary tax credit for employers that make payments to employees' childcare facilities in Alabama](#) — key date: 2025–2027 tax years
- [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
- [Pharmacy benefit manager law bans spread pricing in Louisiana](#) — key date: Jan. 1, 2025
- [Medically necessary fertility preservation law effective in Louisiana](#) — key date: earlier of renewal or Jan. 1, 2025
- [Law enacted that addresses fully insured plans' use of prior authorization in Maryland](#) — key date: 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

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

Development

Health (continued)

- [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
- [Fully insured plan reimbursement rates for ground ambulance services established in Oklahoma](#) — 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
- [Prescription law enacted in Rhode Island](#) — 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
- [Telehealth law enacted in Colorado](#) — key date: Jan. 1, 2026
- [New law focuses on prior authorization practices for fully insured plans in Colorado](#) — key date: Jan. 1, 2026
- [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

Wealth

- [Final regulations on minimum present values issued](#) — key date: Oct. 1, 2024
- [IRS sets 2025 for final required minimum distribution rules, extends 10-year rule relief](#) — key date: 2025
- [Eagerly awaited defined benefit mortality tables issued](#) — key date: 2025
- [IRS delays SECURE 2.0's Roth catch-up mandate](#) — key date: 2026

Section 4

Asia Pacific

| | |
|------------------------|---|
| Australia (new) | |
| Status |  Update |
| Development | <p>Wealth</p> <p>Mandatory Climate Disclosures Standards update issued</p> <p>The Australian Accounting Standards Board (AASB) has published a Climate Disclosures Consultation Update following its 2023 consultation on exposure drafts of the first Australian Sustainability Reporting Standards (ASRS Standards) that set out proposed new requirements for climate-related financial disclosures by Australian reporting entities.</p> <p>The update provides an overview of the “extensive” stakeholder feedback and the key changes that will be made following the consultation. These include a greater alignment with the International Sustainability Standards Board’s International Financial Reporting Standards (IFRS) S1 & S2 baseline.</p> <p>The AASB intends to issue the new standards, subject to the passage of legislation.</p> |
| Resources | <p>paul.shallue@mercer.com</p> <p>Climate Disclosures Consultation Update (AASB) and Exposure Draft (AASB, October 2023)</p> |

Australia (new)

Status  **Consultation is open until Oct. 4, 2024.**

Development

Wealth

Consultation on mandatory climate disclosures issued

The Australian Accounting Standards Board (AASB) has issued an Exposure Draft (ED 331) with eight examples that illustrate how an entity would report on the effects of climate-related and other uncertainties in its financial statement, as the proposed new AASB Accounting Standards would require. The AASB is expected to issue the new standard, subject to the passage of enabling legislation. .

The examples aim to improve the transparency of reported information and strengthen the connection between financial statements and other parts of a company's reporting. They mostly focus on climate-related uncertainties, but the principles and requirements illustrated apply to other types of uncertainties. It is proposed that the examples would accompany the new Australian Sustainability Reporting Standards (ASRS Standards).

The AASB's examples are the same as those proposed by the International Accounting Standards Board (IASB) to accompany the international sustainability reporting standards IFRS S1 and IFRS S2, on which the draft ASRS Standards are based.

The AASB has requested comments by Oct. 4, 2024, to enable it to contribute to the IASB's consultation, which will close on Nov. 28, 2024.

The AASB recently published a Climate Disclosures Consultation Update, which provides an overview of stakeholder feedback on exposure drafts of the proposed ASRS Standards published in November 2023, and the key changes introduced following the consultation.

Resources

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[AASB ED 331 Climate-related and Other Uncertainties in the Financial Statements \(AASB, Aug. 6, 2024\)](#)

Australia (new)

Status



Effective March 15, 2025

Development

Wealth

Final rules and guidance for Financial Accountability Regime issued

Final rules and guidance for the Financial Accountability Regime (FAR) were issued on July 11, 2024, by the Australian Securities and Investments Commission (ASIC) and the Australian Prudential Regulation Authority (APRA). The package aims to help insurers and superannuation trustees prepare for the start of the FAR regime (from March 15, 2025, for these entities) and follows consultations earlier in 2024 in respect of “key function” descriptions for insurers and superannuation providers that must be included in the FAR register of accountable persons. The release of this material completes the FAR guidance and includes:

- An amendment to the regulator rules prescribing “key function” information that must be included in the FAR register of accountable persons.
- A joint ASIC and APRA letter outlining their response to key issues raised during the consultations, including the application of key functions.

The package also updates previously released information to reflect the final regulator rules, including:

- An updated Information Paper to assist entities and their accountable persons with FAR compliance. An updated accountability statement guide and template to help entities that are subject to the FAR enhanced notification obligations with accountability statement preparation.
- Reporting form instructions to assist insurance and superannuation entities in the provision of information to ASIC and APRA.

Resources

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[APRA and ASIC issue final rules and information for the Financial Accountability Regime \(APRA, July 11, 2024\)](#)

Australia (new)**Status**  **Currently effective****Development****Wealth****Regulations issued for successor fund balance cap fix for defined benefit pensions**

The government has registered the Income Tax Assessment Amendment (Superannuation) Regulations 2024 following an earlier consultation in 2024 that retrospectively amend the pension Transfer Balance Cap tax provisions for individuals with a capped defined benefit income stream (CDBIS). These regulations ensure that individuals are not adversely impacted if they are (or have been) transferred to a new fund in an involuntary transfer, such as a successor fund transfer (SFT).

The regulations fix a legislative problem whereby an SFT for a defined benefit (DB) lifetime pensioner could result in a breach of the pension Transfer Balance Cap and could require compulsory commutation of an affected member's other pensions (in part or full). The Australian Taxation Office issued CRT Alert 24.001 about the regulation change, advising that it will work "closely with impacted superannuation funds to adjust the transfer balance accounts of recipients of capped defined benefit income streams adversely affected."

The Transfer Balance Cap limits the amount that an individual can transfer into retirement phase pensions that are eligible for tax-free investment earnings. CDBISs include DB lifetime pensions, life expectancy pensions and market-linked pensions/annuities, and corresponding superannuation annuity products. An SFT involves the transfer of members' superannuation interests from one fund (the transferor fund) to another fund (the successor fund), with the successor fund required to grant equivalent rights in relation to the interest being transferred.

Resourcespaul.shallue@mercer.com[Income Tax Assessment Amendment \(Superannuation\) Regulations 2024](#) (Government, July 5, 2024)**Australia (new)****Status**  **Effective July 1, 2025****Development****Wealth****Updated guidance on strategic planning and member outcomes issued**

The Australian Prudential Regulation Authority (APRA) released revised Prudential Standard SPS 515 Strategic Planning and Members Outcomes and related guidance aimed at reinforcing the trustee's duty to act in the best financial interests of members, together with its response to feedback on the consultation. Highlights of SPS 515 include:

- Align expenditure requirements with the "best financial interests duty"
- Support the implementation of the retirement income covenant
- Include supervisory observations on areas where super trustees need to improve, especially the management of financial resources
- Call for improved management of risks to members who are transferred across funds.

The revised standard's commencement is deferred by six months to July 1, 2025, to align with most funds' conventional business planning cycle, and to allow industry more time to prepare.

Resourcespaul.shallue@mercer.com[APRA strengthens core prudential standard to support outcomes for members in super](#) (APRA, July 4, 2024)

Australia (new)

Status



Proposal

Development

Career — Health — Wealth

Super contributions on paid parental leave proposed

Superannuation contributions would be payable on government Paid Parental Leave Payments from July 1, 2025, under measures included in the Paid Parental Leave Amendment (Adding Superannuation for a More Secure Retirement) Bill 2024.

Eligible parents with babies born or adopted on or after July 1, 2025, would receive an additional payment at the Superannuation Guarantee rate (by then 12%) of their Paid Parental Leave payment, as an annual lump sum contribution to their nominated superannuation fund. The payment would be paid following the end of each financial year, including an interest component, for recipients of Paid Parental Leave.

Resources

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[Paid Parental Leave Amendment \(Adding Superannuation for a More Secure Retirement\) Bill 2024](#) (Legislature, Aug. 22, 2024)

| Australia (new) | |
|-----------------|--|
| Status |  Currently effective |
| Development | <p>Wealth</p> <p>First tranche of financial advice reforms passes parliament</p> <p>An amended Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Bill 2024 (DBFO Bill) has passed parliament and received Royal Assent.</p> <p>Schedule 1 of the DBFO Bill includes provisions to deliver the first tranche of the Delivering Better Financial Outcomes (DBFO) package of financial advice reforms announced by the government following the Quality of Advice Review (QAR). The amendments in Schedule 1 aim to provide legal certainty for the payment of adviser fees from superannuation accounts, and remove red tape that currently adds to the cost of financial advice with no benefit to consumers. Highlights include:</p> <ul style="list-style-type: none">• Clarification of the legal basis for superannuation trustees paying a member’s financial advice fees from their superannuation account, and associated tax consequences (Recommendation 7)• Streamlining of ongoing fee renewal and consent requirements and removal of the requirement to provide a fee disclosure statement (Recommendation 8)• Provision of more flexibility on how Financial Services Guide (FSG) requirements can be met (Recommendation 10)• Simplification of the provisions governing conflicted remuneration (Recommendations 13.1 through 13.5)• Introduction of new standardized consent requirements for life risk insurance, general insurance and consumer credit insurance commissions (Recommendations 13.7 through 13.9). <p>According to the DBFO Bill’s Explanatory Memorandum, the amendments will increase access to affordable financial advice, including for an estimated five million individuals who are approaching/ planning for, their retirement. However, certain reforms are yet to be addressed, including the replacement of Statements of Advice with “a fit-for-purpose financial advice record,” and removal of the ‘Safe Harbour’ steps from the ‘Best Interest Duty’. The financial services minister said that implementation of the rest of the government’s final DBFO response “will be developed over the second half of the year.”</p> |
| Resources | <p>paul.shallue@mercerc.com</p> <p>Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Bill 2024 (Legislature, July 9, 2024)</p> |

Australia (new)**Status**  **Currently effective****Development****Wealth****Super trustees urged to strengthen oversight of retirement strategies**

The Australian Prudential Regulation Authority (APRA) and the Australian Securities and Investments Commission (ASIC) have released REP 784: Pulse check on retirement income covenant implementation, which urges superannuation trustees to improve the tracking and measurement of the impact of their strategies to improve retirement outcomes for members.

REP 784 summarizes the responses from 48 super trustees on their implementation of the Retirement Income Covenant that followed the release of the Covenant Implementation Review Report in July 2023.

The survey responses indicate that trustees have made increased effort to understand members' needs, focused more on guidance and advice to members, and updated governance and oversight to explicitly address the retirement phase.

However, only incremental progress has been made to measure and track the success of the retirement income strategies.

Key challenges identified in the survey include:

- The ability to meet members' retirement needs given uncertainty around the financial advice framework
- The depth and availability of existing data pertaining to members and the privacy, security and cost of collecting data
- A general lack of engagement and financial literacy of members.

ASIC and APRA expect all super trustees to assess gaps and identify opportunities to accelerate progress in closing these gaps. Trustees should continue to take a member-centric approach to monitoring and reviewing their member retirement outcomes.

Resources

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[REP 784: Pulse check on retirement income covenant implementation](#) (APRA, July 2, 2024) and [Super trustees urged to strengthen oversight of retirement strategy implementation](#) (APRA, July 2, 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
- [Paid parental leave scheme expanded](#) — key date: July 1, 2025

Wealth

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

China (new)**Status**  **Currently effective****Development****Career****Minimum wages increased in various provinces**

The government published on July 5, 2024, a chart with current minimum wage rates. Recent provincial changes include:

- Effective May 1, 2024, the monthly minimum wage range for full-time workers in Liaoning increased to 1,700 CNY to 2,100 CNY, up from 1420 CNY to 1,910 CNY. The hourly minimum wage range for part-time workers increased to 17 to 21 CNY, up from 14.3 to 19.2 CNY.
- Effective May 1, 2024, the monthly minimum wage range in Heilongjiang increased to 1,750 CNY to 2,080 CNY, up from 1,450 CNY to 1,860 CNY. The hourly minimum wage range increased to 16.5 CNY to 19 NY, up from 13 CNY to 18 CNY.
- Effective Feb. 1, 2024, the monthly minimum wage in Hubei increased to 1,800 CNY to 2,220 CNY, up from 1,520 CNY to 2,010 CNY. The hourly minimum wage range increased to 18 CNY to 22 CNY, up from 15 CNY to 19.5 CNY.

Resources [Chart](#) (Chinese) (Ministry of Human Resources and Social Security of the People's Republic of China, July 5, 2024)**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

Fiji (new)**Status**  **Currently effective****Development****Career****Minimum wage increased**

The hourly minimum wage increased to FJ\$4.40 up from FJ\$4.007 on Aug. 1, 2024, with a second increase to FJ\$5.00 slated for April 1, 2025. The minimum wage rates in 10 industry sectors will also increase by 50 cents on the same dates, and include:

- Building and engineering
- Hotel and catering
- Manufacturing
- Mining and quarrying
- Printing
- Sawmill and logging
- Garment

The Ministry of Employment, Productivity and Industrial Relations also advised employers that it would inspect workplaces to verify minimum wage compliance.

Resources [Announcement](#) (Government June 27, 2024)

| Hong Kong (previously covered, with upcoming effective date) | |
|--|---|
| Development | <p>Career</p> <ul style="list-style-type: none"> • 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 <p>Wealth</p> <ul style="list-style-type: none"> • Mandatory pension fund offsetting to end — key date: May 2025 |
| India (new) | |
| Status | <p> Currently effective</p> |
| Development | <p>Wealth</p> <p>Tax exemption for supplementary pension plan increased</p> <p>The government increased the tax exemption under section 80CCD (2) for the corporate model of the National Pension System (NPS) — a supplementary pension plan — under measures included in the Finance Budget issued on July 23, 2024.</p> <p>Effective April 1, 2024 for the financial year 2024-2025, employees who have opted for the new tax regime can now receive an increased employer contribution of 14% (up from 10%) calculated on their basic salary (and the dearness allowance, where applicable) to the NPS.</p> |
| Resources | <p>ansh.ghandi@mercer.com</p> <p>The Finance (No. 2) Bill, 2024 (Government)</p> |
| India (previously covered, with upcoming effective date) | |
| Development | <p>Career — Health — Wealth</p> <ul style="list-style-type: none"> • Labor and employment laws reformed — key date: effective date delayed |

Indonesia (new)**Status**  **Currently effective****Development****Career — Health****Maternity and paternity leave expanded**

Expanded maternity and paternity leave provisions in Indonesia are included in Law No. 4 of 2024 on the Welfare of Mothers and Children in the First Thousand Days of Life signed on July 2, 2024. Regulations that will give effect to the new law, and clarify the measures, must be issued no later than two years after the enactment date. Highlights include:

- Current maternity and paternity leave provisions included in Law No. 13 of 2003 continue to apply if they do not conflict with the new law, but the interaction of the two laws going forwards is unclear.
- Women are entitled to maternity leave of at least three months. Fathers can take two days of paternity leave on the birth of their child, or three days with their employer's agreement.
- Maternity leave is extended by three more months of special leave for medically certified conditions experienced by the baby or the mother, including post-natal and miscarriage complications.
- Women who experience a miscarriage can take 1.5 months of leave. Fathers may take three days of leave in case of miscarriage.
- Maternity leave is paid at full wage for the three months of maternity leave and for the first month of special leave, and at 75% for the remaining two months.

Resources [Law No. 4 of 2024 on the Welfare of Mothers and Children in the First Thousand Days of Life](#) (Indonesian) (Government, July 2, 2024)

Indonesia (previously covered, with upcoming effective date)**Development****Career**

- [Details of public housing savings program, contributions and registration issued](#) — key date: May 20, 2027

Japan (new)**Status**  **Effective between Oct. 1 and Nov. 1, 2024****Development****Career****Minimum wage to increase**

The average minimum hourly wage will increase in Japan's prefectures by ¥ 51, effective between Oct. 1, and Nov. 1, 2024. The new national weighted average will be 1,055¥, up from 1,004¥. This will be the largest increase ever awarded. The Central Minimum Wages Council has proposed a 5% increase that would increase the hourly minimum wage to ¥1,054. Of the 47 prefectures, 27 have decided to increase their minimum hourly wages by more than 50¥.

Resources [Announcement](#) (Japanese) (Ministry of Health, Labour and Welfare)

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 (new)**Status****Currently effective****Development****Wealth****Employees Provident Fund restructured**

Malaysia's has restructured its Employees Provident Fund (EPF) into three accounts instead of two for members aged 54 years or younger, effective May 11, 2024. The EPF savings of members aged 55 or older will continue to be held in one or two accounts. The restructuring follows an initiative launched during the COVID-19 pandemic that allowed EPF members to make special account withdrawals.

The EPF covers old age, disability and survivor benefits, and participation is mandatory for all private sector employees and for public sector employees not covered by other arrangements. The contribution rates vary, depending on the member's age, legal status and salary; the standard rate for employees is 11% calculated on the monthly salary, and the contribution rates for employers are between 12% and 13%, depending on the employee's salary. The three accounts comprise retirement savings ("Akaun Persaraan"), various lifecycle needs ("Akaun Sejahtera") and short-term financial needs ("Akaun Fleksibel"). Highlights of the EPF restructuring:

- Employer and employee contributions are now divided between the three accounts (75%, 15% and 10% respectively). The dividend payment policy remains unchanged.
- Members can make withdrawals of up to 50 RM from their 'Akaun Fleksibel' at any time. Withdrawals are also permitted from the "Akaun Sejahtera" for certain purposes (such as to cover healthcare, housing and education costs), but the "Akaun Persaraan" account can only be accessed from age 55.
- Between May 12 and August 31, 2024, members can make a one-time transfer of savings from the 'Akaun Sejahtera' to the new "Akaun Fleksibel," depending on their account balance.

Resources

[EPF account restructuring set to address members' life cycle needs](#) (KWSP, April 25, 2024)

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

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

Myanmar (new)**Status**  **Currently effective****Development****Career****Daily allowance increases minimum wage**

From Aug. 1, 2024, private sector employees are entitled to a new additional daily allowance of 1,000 MMK — a similar allowance was also introduced in 2023. The minimum wage for employers with more than 10 employees is now 6,800 MMK for an eight-hour working day; overtime pay is calculated on 4,800 MMK.

Resources [Announcement](#) (Government, Aug. 11, 2024)**Singapore (new)****Status**  **Phased in from April 1, 2025.****Development****Career — Health****Parental leave entitlement expanded**

Parents in Singapore will be entitled to a total of 30 weeks of paid leave under changes that will be phased in from April 1, 2025. The measures were announced during the National Day Rally on Aug. 18, 2024. Currently, mothers can share up to four weeks of their 16 weeks of maternity leave entitlement with fathers. Highlights of the new scheme:

- From April 1, 2025, six weeks of paid shared leave will be divided equally between the parents, increasing to 10 weeks on April 1, 2026. The leave entitlement can be reallocated between the parents within four weeks of the child's birth. Any changes after this period will require mutual agreement between the parents and employers.
- The shared leave will be additional to 16 weeks of maternity leave and must be taken within 12 months of the child's birth.
- The government payment for shared leave will be capped at SG\$2,500 per week.
- From April 1, 2025, employers will have to grant four weeks of government-paid mandatory paternity leave to fathers for children born on or after this date. Currently fathers are entitled to two weeks of government-paid paternity leave, and they can take an additional two weeks of government-paid paternity leave on a voluntary basis.
- Employees must notify their employers at least four weeks before taking leave under any scheme.
- Employers will be able to check their employees' leave sharing arrangement via the Ministry of Social and Family Development from April 1, 2025.

Resources [Stronger support for working parents with enhanced parental leave schemes from 1 April 2025](#) (NPTD, Aug. 18, 2024)

Singapore (previously covered with upcoming effective dates)

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| Development | <p>Career</p> <ul style="list-style-type: none"> • 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 <p>Career — Health</p> <ul style="list-style-type: none"> • Guidelines for flexible work arrangements issued — key date: Dec. 1, 2024 <p>Career — Wealth</p> <ul style="list-style-type: none"> • Retirement and reemployment ages to increase — key date: July 1, 2026 <p>Wealth</p> <ul style="list-style-type: none"> • Central Provident Fund monthly salary cap for calculating contributions increased — December 2024 |
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South Korea (new)

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| Status |  Currently effective |
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| Development | <p>Wealth</p> <p>Income thresholds for National Pension Service modified</p> <p>Effective July 1, 2024, the upper salary threshold for calculating premiums to the National Pension Service (NPS) increased to 6.17 million KRW per month, up from 5.9 million KRW. Premiums are split equally between employers and employees (4.5% each). The lower salary threshold increased to 390,000 KRW, up from KRW 370,000; the premiums for individuals earning less than this amount increased to 35,100 KRW per month, up from 33,300 KRW. These changes will be in effect for one year and are calculated on the average income increase rate among NPS subscribers over the previous three years.</p> |
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| Resources | <p>miyoung.kim@mercer.com Announcement (Korean) (Ministry of Health and Welfare, Jan. 23, 2024)</p> |
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South Korea (new)

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| Status |  Effective Jan. 1, 2025 |
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| Development | <p>Career</p> <p>Minimum wage to increase</p> <p>The minimum hourly wage for 2025 will increase to 10,030 KRW, up from 9,860 KRW (a 1.7% increase). The revised rate will take effect on Jan. 1, 2025.</p> |
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| Resources | <p>Announcement (Korean) (Minimum Wage Commission, July 12, 2024)</p> |
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Taiwan (new)

Status



Effective date to be notified.

Development

Career — Wealth

Employees and employers can negotiate post-retirement age employment

Changes to Article 54 of Taiwan's Labour Standards Act will allow employers and workers to negotiate continued employment after age 65 (the compulsory retirement age). The effective date is yet to be announced. The Ministry of Labor is also encouraging employers and workers to negotiate continued employment provisions in collective and company agreements to help ease Taiwan's labor shortages. Highlights include:

- Employers and workers will be allowed to negotiate continued employment once the worker is age 65. Employers cannot dismiss a worker if negotiations fail to extend their employment beyond age 65.
- Employers cannot reduce the pay and other welfare measures applicable of workers who continue to work after age 65, unless "legitimate reasons" apply. Employers that breach this requirement will be subject to penalties of between NT\$300,000 and NT\$1.5 million.

Resources

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[Announcement](#) (Chinese) (Ministry of Labor, July 15, 2024)

Section 5

Europe, Middle East and Africa (EMEA)

European Union (EU) (previously covered, now effective)

Status



Currently effective

Development

Career — Health — Wealth

Artificial Intelligence Act will impact HR policies

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 took effect Aug. 1, 2024, 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.

Resources

[GRIST](#), May 21, 2024

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
- [Corporate sustainability, human rights due diligence directive finalized](#) — key date: July 26, 2026

Career — Health — Wealth

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

Angola (new)**Status**  **Effective Sept. 15, 2024****Development****Career****Minimum wage to increase**

The national minimum wage rates will increase on Sept. 15, 2024, to 70,000 AOA and replaces minimum wage rates that ranged between 32,181.15 AOA and 48,271.73 AOA, depending on the industry sector. A second minimum wage increase — to 100,000 AOA — is slated for Sept. 15, 2025.

Resources [Presidential Decree \(Portuguese\)](#) (Government)**Austria (new)****Status**  **Effective Jan. 1, 2025****Development****Career — Health****Teleworking law revised**

Changes to Austria's Teleworking Act will take effect on Jan. 1, , and will give employees more flexible remote work options, subject to their employer's agreement. Current agreements that allow employees to work from their home office will remain valid but could be expanded to include additional locations. Highlights include:

- Employers and employees can agree to teleworking agreements that would allow the employee to work at specific locations, such as the main and second residence of the employee; a relative's house; coworking spaces; internet cafes and libraries; parks and holiday destinations.
- Accident insurance applies to teleworking locations (such as the home of the employee or their relative) and to work performed at other locations (such as holiday destinations), but not to the travel.
- The employer must provide the necessary digital work equipment (IT hardware and software, internet connection and company mobile phone), or reimburse the costs.
- The "home office allowance" is renamed the "teleworking allowance." A tax-free daily allowance of €3 is payable for up to 100 days per year. From 2025, only those days that are included on the employee's payslip will count towards the allowance.

Resources [Law](#) (German) (Government, July 19, 2024)**Belgium (previously covered, with upcoming effective date)****Development****Wealth**

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

Czech Republic (new)**Status**  **Effective dates vary.****Development****Career****Labor code revised**

Changes to the labor code are being phased-in from Aug. 1, 2024, through Jan. 1, 2025. Highlights of the measures include:

- Introduction of a new methodology for annual minimum wage indexation beginning in 2025, and after that, the Ministry of Labor will announce the indexation annually by the end of September.
- Abolition of different minimum wage amounts according to the complexity of work performed. A single minimum wage rate will apply from Jan. 1, 2025.
- Abolition of the requirement for employers to issue an annual holiday plan.
- From Jan. 1, 2025, employers can agree that employees schedule their own working time.

Resources

[Law](#) (Czech) (Government, July 31, 2024)

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

- [Additional employment deduction to be implemented](#) — key date: Jan. 1, 2025

France (previously covered, with upcoming effective date)**Development****Career**

- [Mandatory profit sharing measures expanded](#) — key date: Jan. 1, 2025
- [New gender quotas imposed for senior execs/management teams](#) — key date: March 1, 2026

Germany (new)**Status****Currently effective****Development****Wealth****Reduced earning capacity pension expanded to include older pensioners**

Effective July 2024, pensioners now receive a supplementary payment if their “reduced earning capacity pension” commenced between 2001 and 2018. The “reduced earning capacity pension” provides a replacement income for individuals who lose their earning capacity before they reach pensionable age.

The regulations have been improved several times but, until now, the changes only benefited new pensioners, and not individuals who were already in receipt of their reduced early capacity benefit pension benefit.

Resources

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[Information on regulations](#) (German) (Federal Ministry of Labor and Social Affairs, July 18, 2024)

Germany (new)

Status  **Currently effective**

Development

Career

Law on changes to works council remuneration determination enacted

Changes to calculating the remuneration of employees who are works council members aim to clarify legal uncertainties arising from a 2023 federal court ruling and minimize the risk of unintentional discrimination or favoritism by employers. The measures took effect on July 25, 2024, and amend the Works Council Constitution Act.

The date when the works council member takes up office must now be used to identify who are comparable employees for calculating the works council member’s remuneration. The employer and works council are also allowed to decide on their own procedures for determining comparable employees through a works council agreement. Such procedures could be subject to review for gross errors. If the comparator criteria are met, there will be no favoritism or discrimination with regard to the remuneration paid to works council members.

Resources

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[Information on the law \(German\)](#) (Legislature, June 28, 2024)

Hungary (previously covered, now effective)

Status  **Currently effective**

Development

Health

Medical suitability assessments no longer required

From Sept. 1, 2024, employers generally no longer must conduct compulsory medical suitability assessments before employees start work. However, some occupations/roles still require a medical suitability assessment to determine an employee’s fitness for work, and employers can choose to require a medical examination. The changes are included in the amended Act XCIII of 1993 on occupational safety and health.

Resources

[Amended Act XCIII of 1993 on occupational safety and health \(Hungarian\)](#) (Legislature)

Ireland (new)

Status



First increase will be Oct. 1, 2024.

Development

Health — Wealth

PRSI contributions, salary contributions to increase

Employer and employee contributions to the Pay-Related Social Insurance (PRSI) will increase annually on Oct. 1, from 2024 until 2028. The increase is included in the Social Welfare (Miscellaneous Provisions) Act 2024 signed on July 15, 2024, and which aims to fund the new Jobseekers Benefit. PRSI is charged on employment income, including taxable noncash benefits. Highlights include:

- The lower employer PRSI contribution will increase to 9.5% by 2028 — up from 8.8%.
- The higher employer PRSI contribution will increase to 11.75% by 2028 — up from 11.05%.
- The employee PRSI contribution will increase to 4.7% by 2028 — up from 4%.
- The first increase on Oct. 1, 2024 will be 0.1 percentage points for both employers and employees (8.9% or 11.15% respectively for employers, and 4.1% for employees). Thereafter, the increases will be 0.1 percentage points in 2025; 0.15 percentage points in 2026 and 2027; and 0.2 percentage points in 2028.
- The weekly wage threshold that triggers the higher PRSI employer rate will increase on Oct. 1, 2024 to €496, up from €441. No further increases will be introduced during the period 2024 to 2028.
- Employers will also pay an additional 1% for the National Training Fund.

Resources

[Social Welfare \(Miscellaneous Provisions\) Act 2024](#) (Government, July 15, 2024)

Ireland (updated)**Status****Beginning Jan. 1, 2025****Development****Wealth****Automatic enrollment law enacted**

The Automatic Enrolment Retirement Savings System Act 2024 was signed into law by the president on July 9, 2024, with the new regime commencing from January 2025.

All employees within the scope of AE will be automatically enrolled into a new central retirement savings system unless they contribute to an occupational pension plan or Personal Retirement Savings Account (PRSA). Employers that want to use their plan or PRSA for AE purposes must ensure that all AE eligible employees are contributing to it before the law's commencement date. Highlights include:

- All employees aged between 23 and 60 who earn €20,000 per annum or more (across all employment sources) will be impacted. AE will not apply to self-employed individuals.
- The new central state retirement savings system will be operated by a newly established National AE Retirement Savings Authority.
- All in-scope employees will be automatically enrolled into the central system unless they or their employer are paying into a pension plan or PRSA, and they will be allowed to opt-out at certain points.
- For the first three years of AE, contribution rates for employers and employees in the central system will be 1.5% of all gross earnings, capped at €80,000. Mandatory rates will increase by 1.5% every three years during the first 10 years.
- Instead of paying tax relief on employee contributions, the government will pay a top-up contribution into the central system calculated on 0.5% of gross earnings — this will be equivalent to 25% tax relief and will increase over the first 10 years. The current system of tax reliefs for occupational pension plans remains unchanged.
- Pension plans will not immediately be subject to AE “minimum standards” — these will be introduced in future years. Until then, employers will be able to determine plan membership terms.
- Employers will not be allowed to force employees to contribute to their pension plan or PRSA for AE purposes. Employees who do not consent to contribute (where the employer is also not contributing) will be automatically enrolled into the central system. The employee engagement process will therefore be critical.

Resources

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[Automatic Enrolment Retirement Savings System Act 2024 \(Legislature, July 9, 2024\)](#)

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

- [Changes to state pension](#) — key date: October 2024

| Isle of Man (new) | |
|---|---|
| Status |  Consultation is open through Oct. 29, 2024. |
| Development | <p>Career — Health</p> <p>Changes to employment rights proposed</p> <p>The government issued seven consultations on employment rights, and invites comments through Oct. 29, 2024. Topics covered include:</p> <ul style="list-style-type: none"> • Proposed increase to annual leave entitlement (to 28 days, up from 20) • Qualifying periods for complaints of unfair dismissal) and maximum awards for these complaints • Trade union legislation (including ballot threshold requirements) • Employment status and the rights of agency workers • The operation of the Minimum Wage Act 2001 • Parental and caring rights, including redundancy protections, carer's leave and neo-natal leave • The licensing of employment agencies and businesses. <p>In addition to the consultations, the Employment (Amendment) Bill 2023 will be introduced in April 2025 and includes the right to shared parental leave and whistleblowing procedures.</p> |
| Resources | Employment rights consultations (Government) |
| Israel (previously covered, with upcoming effective date) | |
| Development | <p>Health</p> <ul style="list-style-type: none"> • Health insurance contributions to increase — key date: Jan. 1, 2025 |
| Kenya (previously covered, with upcoming effective date) | |
| Development | <p>Career</p> <ul style="list-style-type: none"> • Minimum wage hike announced — key date: Effective date unknown |
| Namibia (new) | |
| Status |  Introduced Jan. 1, 2025 |
| Development | <p>Career</p> <p>National minimum wage to be introduced</p> <p>A national minimum wage will be introduced for the first time on Jan. 1, and the hourly rate will be N\$18. However, the hourly minimum wage for domestic and agricultural workers will be phased-in from 2025 to 2027. The wage rate for domestic workers will be N\$12 in 2025, N\$15 in 2026 and N\$18 in 2027. For agricultural workers, the rate will be N\$10 in 2025, N\$14 in 2026 and N\$18 in 2027. Previously, minimum wages only applied to some industry sectors, including domestic and agricultural workers, construction and security.</p> |
| Resources | Wage Order (Official Gazette, Aug. 8, 2024) |

| Netherlands (previously covered, with upcoming effective date) | |
|--|--|
| Development | <p>Wealth</p> <ul style="list-style-type: none"> Parliament agrees to significant occupational pension reforms — key date: Jan. 1, 2025 |
| Nigeria (new) | |
| Status | <p> Currently effective</p> |
| Development | <p>Career</p> <p>Minimum wage to increase</p> <p>The National Minimum Wage (Amendment) Act 2024 took effect on July 29, 2024 (delayed from May 2024) and has increased the monthly minimum wage rate for all workers in Nigeria to 70,000 NGN, up from 30,000 NGN. The act has also reduced the review period for the minimum wage rate from five years to three years — this means that the current wage rate will expire in 2027.</p> |
| Resources | <p>National Minimum Wage (Amendment) Act 2024 (Legislature)</p> |
| Nigeria (previously covered, with upcoming effective date) | |
| Development | <p>Health</p> <ul style="list-style-type: none"> Health insurance coverage to significantly expand — key date: unknown |
| Oman (new) | |
| Status | <p> Currently effective</p> |
| Development | <p>Career — Health</p> <p>Maternity leave insurance contributions commence</p> <p>From July 19, 2024, private sector employers subject to Oman’s labor law provisions must pay maternity leave insurance contributions. Maternity leave insurance benefits are included in Oman Sultani Decree No 52/2023 that established the single and unified social protection fund.</p> <p>The contributions are calculated daily at 1% of the worker’s monthly wage and no contribution cap applies. Maternity leave benefits are open to Omanis and non-Omani workers employed working under various types of employment contracts including temporary contracts, training contracts and retired workers, and also to public sector employees.</p> |
| Resources | <p>Oman to implement maternity leave insurance from 19 July 2024 (Government, July 17, 2024) and Royal Decree (Government, July 19, 2023)</p> |

| Oman (new) | |
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| Status |  Currently effective |
| Development | <p>Career</p> <p>Measures to increase hiring of Omani citizens</p> <p>Measures to increase the number of Omani citizens employed in the private sector ('Omanization') took effect in September 2024. Thirty new professions were added to the list of jobs that must be reserved for Omanis, and financial incentives will be available to boost the hiring of Omanis into private sector jobs. Further details will be issued before implementation. Highlights include:</p> <ul style="list-style-type: none"> • Companies will have to employ at least one Omani citizen at each level for the 30 professions. • Companies will have to apply for an electronic certificate certifying their compliance with labor standards and Omanization targets. Workplace inspections will also be conducted to ensure compliance. • Government organizations and state-run companies will be prohibited from contracting with companies that are not compliant. • Financial incentives and changes to the work permit fees will be introduced to encourage the hiring of Omani citizens. <p>From April 1, 2024, all foreign-owned companies in Oman must employ at least one Omani national within one year of starting commercial activities in Oman and register them with the Social Protection Fund.</p> |
| Resources | Ministry of Labor (Arabic) |
| Oman (previously covered, with upcoming effective date) | |
| Development | <p>Career</p> <ul style="list-style-type: none"> • Social protection for foreign employees expanded — key date: July 2025 |

Saudi Arabia (new)**Status****Currently effective****Development****Wealth****Retirement age for new workers increased**

Saudi Arabia's Council of Ministers approved a new social insurance law that requires new private and public sector labor market entrants to work longer. The measures took effect on July 3, 2024, and they also include a phased increase in the retirement age for certain employee categories, and a longer contribution period required for early retirement. The General Organisation for Social Insurance ("GOSI") clarified that the old age Civil Pension or Social Insurance Laws continue to apply to current subscribers. Highlights include:

- The retirement age for younger Saudi nationals entering the labor market for the first time is 65 (up from around 58 years) on the Gregorian calendar.
- Early retirement can be taken from age 55, subject to having a minimum contribution period of 30 years (up from 25 years). The contribution period will gradually increase, starting with an additional 12 months, depending on the individual's age as of July 3, 2024.
- The contribution rates for new subscribers will increase gradually from 9% to 11% over a four-year period. The first 0.5 percentage point increase will occur in 2025, and thereafter annually.
- The retirement benefits are unchanged for current GOSI subscribers who are 50 Hijri years or older, and who have subscriptions periods of 20 Hijiri years or more as of July 3, 2024. The provisions included in Cabinet Decision No. 939/1393 and Cabinet Decision No. 199/1421 continue to apply to this category of worker.
- Individuals with GOSI contribution periods of fewer than 20 Hijiri years, and who are younger than 50 Hijri years as of July 2024, will retire between ages 58 and 65. The retirement age will increase gradually from age 58 starting with an extra four months, depending on the individual's age as of July 2024.

Resourcesgamar.shazad@mercer.com[Press release](#) (General Organization for Social Insurance, July 3, 2024)

South Africa (new)

Status  **Measures will take effect on a date to be fixed by the president by proclamation in the Gazette.**

Development**Career****Expanded remuneration and pay gap disclosures required**

Companies that fulfill certain criteria will be subject to new remuneration disclosures and will have to prepare and update a remuneration policy and disclose the pay gap between their highest and lowest earners under Act No. 16 of 2024 (Companies Amendment, 2024), signed by the president on July 26, 2024. The measures will increase pay transparency across organizations and aim to address “public concerns regarding high levels of inequalities in society by introducing better disclosure of senior executive remuneration and the reasonableness of the remuneration.” The measures will take effect on a date to be fixed by the president by proclamation in the Gazette. Highlights include:

- Public and private companies (as defined in section 30A of the Act) will have to prepare a remuneration policy for approval by ordinary resolution at their annual general meeting, and thereafter every three years or sooner if there is a material change. Policies must be approved before changes can be implemented.
- Public and state-owned companies will have to prepare a remuneration report that comprises a background statement, the remuneration policy and an implementation report that details the remuneration and benefits paid to each director and officer; the total remuneration (including salary and benefits, employer contributions to benefit funds, and short-term or long-term incentives) of the highest paid employee and of the lowest paid employee; the average and median remuneration of all employees; and the remuneration gap between 5% highest paid and 5% lowest paid employees.
- Remuneration reports must be approved by the company’s board and voted by ordinary resolution at the annual general meeting. The remuneration committee will have to explain how shareholder concerns are addressed if the report is not approved. New rules will apply to nonexecutive directors who are members of remuneration committees if a remuneration report is not approved.
- Other measures include revised governance arrangements for the Social and Ethics Committee, and changes to takeover regulations and directors’ liability.

Resources

[President assents to laws advancing ease of doing business and corporate transparency](#) (The Presidency, July 26, 2024) and [Act No. 16 of 2024 \(Companies Amendment, 2024\)](#) (Legislature, July 30, 2024)

South Africa (updated)**Status****Currently effective****Development****Wealth****Two-pot retirement system now effective**

South Africa's two-component (or two-pot) pension system was signed into law by the president on July 21, 2024. The system allows individuals to access some of their accrued pension fund before they retire and preserve sufficient retirement funds. Highlights include:

Defined contribution funds

- From Sept. 1, 2024, all contributions to retirement funds (including pension funds, provident funds, preservation funds or retirement annuity funds) must be allocated to a retirement and a savings component. Fund rules must ensure that members can access their benefits as appropriate. Any delay must be approved by the FSCA.
- The retirement component must cover two-thirds of contributions plus investment returns accruing from Sept. 1, 2024. Members are not allowed to access these funds until retirement, and a certain amount of the accrued benefits must be used to provide an annuity and will be taxable.
- The savings component (Savings Withdrawal Benefits) must cover one-third of all contributions from Sept. 1, 2024, together with any investment returns. Members are allowed to withdraw 2,000 ZAR once in any tax year — these withdrawals are taxable.
- Funds should have provided for a seed capital amount of 10% of the value of the member's fund immediately prior to Sept. 1, 2024. The amount is capped at 30,000 ZAR, and certain categories of member are ineligible.
- Fund rules must include procedures for the transfer of accrued benefits from savings to retirement components, across funds and of vested components. Benefit statements must reflect transactions.
- Provident Fund members who were aged 55 on March 1, 2024, and who remained in that fund until Sept. 1, 2024, had the option to participate in the two-pot system. In such cases, no further contributions will be made to this vested pot, and members will still receive their vested benefit on termination of their employment before retirement.
- Changes must be communicated to members "in a manner which is simple, clear, and comprehensive," timely and updated as required.

Defined benefit funds

Defined benefit fund rules must stipulate the seed capital amount (the suggested amount is 10% of the value of the member's retirement fund before Sept. 1, 2024, capped at 30,000 ZAR), when it will be paid and how cash payment amounts will be valued. Funds adopting different methodologies must seek the FSCA's approval.

Resources

[FSCA Communication 3 of 2024](#) (FSCA, Feb. 16, 2024); [President Ramaphosa signs Pension Funds Amendment Bill into law](#) (The Presidency, July 21, 2024); [Tax directives enhancements and tax implications of the two-pot retirement system](#) (South African Revenue Service, Sept. 2, 2024)

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

- [Employer compensation for high sick-pay costs to phase out](#) — key date: during 2024

Switzerland (previously covered, with upcoming effective date)

Development

Career

- [Hourly minimum wage to be introduced in Zurich and Winterthur](#) — key date: unknown

Career — Health

- [Paid leave introduced in Geneva](#) — key date: unknown

Wealth

- [Occupational pension reforms pass parliament](#) — key date: unknown

Turkey (new)

Status



Currently effective

Development

Wealth

Partial withdrawals from private pension system allowed

From July 1, 2024, individuals in Turkey can request “partial payments” from their accumulated pension contributions if needed for home purchase, marriage, education or natural disasters. Certain exceptions apply. Highlights include:

- A maximum of one application can be made every five years for each permitted circumstance.
- Partial payments for educational purposes will not be permitted until June 2026, and eligibility is restricted to individuals aged younger than 21 years that have participated in a pension scheme for at least five years. The partial payment must be used to fund undergraduate study in universities located in Turkey.
- Partial withdrawal applications are not permitted in the case of Employer Contracts and Auto-Enrolment Contracts, and also for contracts that have undergone seizure, lien, or assignment of receivables.
- An individual’s contributions must be equivalent to at least five times the gross monthly minimum wage at the time of applying for the partial payment.
- Participants can receive partial payments of up to 50% of the accumulated amount in their pension account.
- The state contribution can be received as a partial payment based on the partial payment amount (this is capped at 20% for marriage and house purchase, and 25% for natural disasters).
- Applicants must submit the necessary documentation in case of partial payments for marriage and the purchase of a home. Rules apply where partial documentation is provided. Eligibility of applications will be checked by the Pension Monitoring Center (EGM), and applicants will be informed of the results within three working days, and payment made within 10 working days.
- Individuals cannot leave the pension contract for three years once they use the right to partial withdrawal.

Resources

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[Law](#) (Turkish) (Official Gazette, April 4, 2024)

United Arab Emirates (UAE) (new)

Status



Currently effective

Development

Career — Health

Mental health protections for employees strengthened

The rights of employees in the UAE who have certain mental health conditions have been strengthened under Federal Law No. 10/2023 that took effect on May 30, 2024. Implementing regulations are expected to be published within one year. The law addresses the treatment and rights of psychiatric patients, including employees. Highlights of the matters that concern employment include:

- Mental health conditions are defined as “disturbances in thinking, mood, behavior, perception, memory, or other mental abilities, some or all of them, and leading to a defect in the social, employment, or educational functions or psychological suffering of the person.”
- Employers are prohibited from restricting or terminating the employment of a “psychiatric patient” due to their mental health condition unless the “oversight and follow-up committee” issues a report, and the termination is carried out in accordance with UAE laws. Implementing regulations are expected to clarify the formation and role of the committee, and a branch of the committee will be established in each emirate.
- Information about the employee’s mental health condition must be kept confidential.
- Sanctions for breaches of the law include criminal penalties and fines between 50,000 AED to 200,000 AED.

Resources

[Federal Law No. \(10\) of 2023 \(Government\)](#)

UAE — Abu Dhabi (new)

Status  **Proposal**

Development **Career**

Changes to employment regulations proposed

The Abu Dhabi Global Market issued Consultation No. 6 of 2024 on proposed amendments to the Employment Regulations 2019 and invited comments through Aug. 26, 2024. Highlights include:

- Simplification of the definition of “employee” and includes different categories of types of remote workers (such as fully remote employee, overseas fully remote employee and the UAE fully remote employee).
- Expansion of leave entitlements, including the introduction of five days of paid bereavement leave and paternity leave for the adoption of babies aged up to six months, and daily nursing breaks for mothers for up to nine months following their baby’s birth.
- Employees would be allowed to carry over up to 10 days of vacation annually, up from five.
- Pregnancy and maternity would be protected characteristics and require a 12-month service period for maternity pay eligibility.
- Clarification that employees who are on probation would be eligible for one day of paid sick leave per month, a repatriation flight if their employment is terminated (subject to meeting certain criteria) and annual leave, but they would not be entitled to maternity leave. They also would benefit from a minimum notice period of one week.
- Clarification of the method for calculating pro-rated entitlements for part-time workers.
- Elimination of the statutory right to overtime pay (although an employment contract or internal policy could allow for overtime pay). A maximum working week of 48 hours per seven-day period would be included in the regulations but individuals could choose to opt out.
- Payment of an end-of-service gratuity, regardless of the reason for the employee’s termination. Employers would also be allowed to offer a pension scheme instead of an end-of-service payment.
- Employers could terminate employees for absence if they do not provide an acceptable reason.
- Employers would have to provide employees with a certificate of experience if requested or face a penalty of up to one month’s wages.

Resources [Public consultations](#) (ADGM, July 26, 2024)

| UAE — Abu Dhabi (new) | |
|--|--|
| Status |  Currently effective |
| Development | <p>Career — Health</p> <p>Maternity leave for Emirati women expanded</p> <p>Emirati women working in the private sector in Abu Dhabi, and who give birth on or after Sept. 1, 2024, are entitled to 90 days of paid maternity leave. Public sector employees are already entitled to three months of paid maternity leave, but women in the private sector were previously limited to 60 days — 45 days fully paid and 15 days half-paid. The Maternity Leave Support for Women in Private Sector Initiative is one measure introduced under the Emirati Family Growth Support Programme. Highlights include:</p> <ul style="list-style-type: none"> • Emirati Women must apply for leave within the 30 days of their baby’s birth and provide a valid salary certificate together with their bank details, family book issued in Abu Dhabi and a “no-objection certificate” from their employer. • The Abu Dhabi Social Security Authority (SSA) will provide details during September 2024 about the service delivery channels and the commencement date for accepting applications for the Maternity Leave Support for Women in the Private Sector. |
| Resources | News release (Abu Dhabi Media Office, Aug. 27, 2024) and DCD launches Emirati Family Growth Support Programme (Department of Community Development, July 8, 2024) |
| UAE — Dubai (new) | |
| Status |  Effective for policies on or after Jan. 1, 2025. |
| Development | <p>Health</p> <p>Minimum health benefits for insurance policies updated</p> <p>The Dubai Health Authority (DHA) on July 23, 2024, issued External Circular GC 03/2024 that includes an updated table of benefits. The revised list of minimum benefits must be included in all DHA-compliant insurance policies that are effective on or after Jan. 1, 2025. Policies that are issued and effective in 2024 are not impacted.</p> |
| Resources | External Circular GC 03/2024 (Dubai Health Authority, July 23, 2024) |
| UAE (previously covered, with upcoming effective date) | |
| Development | <p>Health</p> <ul style="list-style-type: none"> • Compulsory health insurance to expand to Northern Emirates — key date: Jan 1, 2025 |

United Kingdom (UK) (new)

Status  **Review**

Development

Wealth

'Landmark review' of pensions published

The government announced on July 20, 2024, that it is conducting a “landmark review” of pensions that aims to boost investment, increase pension pots and address waste in the pensions system.

The first phase of the review will report in the “next few months,” and will focus on investment, primarily in relation to defined contribution schemes and the Local Government Pension Scheme. The next phase of the review will start later in 2024, and will consider further steps to improve pension outcomes and increase investment in UK markets, and it will include an assessment of retirement adequacy.

Resources

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[Chancellor vows 'big bang on growth' to boost investment and savings](#) (Government, July 20, 2024)

UK (new)

Status



Consultation is open until Oct. 17, 2024.

Development

Wealth

Consultation on value for money framework for defined contribution schemes rights

The Financial Conduct Authority (FCA) launched a consultation on the detailed rules and guidance for the new value for money (VFM) framework for savers invested in default arrangements of workplace defined contribution (DC) schemes. The consultation relates to the rules for FCA-regulated firms operating contract-based schemes but is relevant for all DC schemes because the government intends to legislate for the framework to apply to trust-based schemes in the forthcoming Pension Schemes Bill. The framework is based on previous work by the Department for Work and Pensions and the Pensions Regulator to improve the value schemes deliver for members and enable comparisons to be made across the DC pension landscape. The proposed framework introduces the following measures:

- Require the consistent measurement and public disclosure of investment performance, costs and service quality information against specified metrics
- Enable those overseeing and challenging an arrangement's value — Independent Governance Committees (IGCs) and Governance Advisory Arrangements (GAAs) for contract-based schemes — to assess performance against other arrangements and requires them to do so on a consistent and objective basis
- Require public disclosure of assessment outcomes including a “red, amber, green” (RAG) VFM rating for each arrangement
- Require firms to take specified actions where an arrangement has been assessed as not providing VFM (red or amber) — those rated amber must improve and deliver VFM by the fourth assessment year, and those rated red must consider transferring members to an alternative arrangement that provides value.

The FCA intends that the framework would reduce the number of savers in pension schemes that deliver poor value, and drive better value for money through greater scrutiny and competition on long-term value rather than cost. It is designed to work in conjunction with the Consumer Duty that requires firms to deliver fair value from the products they offer.

Resources

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[CP24/16: The Value for Money Framework | FCA](#) (FCA, Aug. 8, 2024)

UK (new)**Status**  **Proposal, but changes are unlikely.****Development****Wealth****Defined benefit funding code advances**

The Pensions Regulator's (TPR's) defined benefit (DB) funding code was sent to parliament on July 29, 2024. TPR also published its final "fast track" parameters and regulatory approach, as well as its responses to earlier consultations. The publication of the funding code early in the new parliamentary term confirms the Labour government's decision to proceed with the previous government's plans to implement the new DB funding regime.

The legislation underlying the funding regime is already in force, and the requirement for schemes to set funding and investment strategies to reach "low dependency" by the time they are significantly mature, have applied for some time to valuations with effective dates on or after Sept. 22, 2024. The code is expected to become final in 40 days — this period is likely to end in early November 2024 due to the parliament's recess in August.

In summary, the changes made to the code and regulatory approach are minor. The TPR's response to the consultation on the statement of strategy and updated covenant guidance are still awaited. However, trustees and sponsors now have sufficient information to work with their advisers to benchmark their schemes against the requirements of the regime. Most notably, it is now possible to determine when a scheme reaches "significant maturity," and to determine if it is likely to meet the criteria to submit a "fast track valuation" as opposed to a "bespoke valuation," and thus reduce regulatory scrutiny.

Resources

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[The Pension Regulator's defined benefit funding code of practice \(Government, July 29, 2024\)](#)

UK (updated)**Status**  **Changes expected****Development****Career — Health****Changes expected to give workers the right to request more predictable working hours**

The Workers (Predictable Terms and Conditions) Act 2023 (WPTCA) received Royal Assent on Sept. 19, 2023, and was expected to be take effect in September 2024; however, no commencement regulations have yet been passed. It is likely that the Labour government will not bring the WPTCA into force and will instead include strengthened rights for workers in the Employment Rights Bill that is expected in October 2024.

The WPTCA would have given workers and agency workers the right to request more predictable terms and conditions of work (including the hours, days and times worked, or the time for which the work is contracted), subject to a period of qualifying service.

Resources

[The Workers \(Predictable Terms and Conditions\) Act 2023 \(Government, Sept. 18, 2023\)](#)

UK — Northern Ireland**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**

- [Employers have new duty to prevent workplace sexual harassment](#) — key date: Oct. 26, 2024

Career — Health

- [Paternity leave to be expanded to bereaved partners](#) — key date: Effective date not yet known
- [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

Uzbekistan (new)**Status**  **Currently effective****Development****Career****Minimum wage to increase**

Effective September 2024, the monthly minimum wage increased to 1.155 million UZS, up from 1.050 million UZS. The “basic calculation value” also increased to 375,000 UZS, up from 340,000; this value is used to calculate taxes, fees, fines, state duties and other government service payments.

Resources [Announcement](#) (Russian) (Official Gazette, Aug. 13, 2024)



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