

Law & Policy Group

Global Legislative Update

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November 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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Asia Pacific	
Australia	Delivering Better Financial Outcomes advice fee request and consent changes information issued Sustainability Reporting Standards finalized
China	Temporary job expansion subsidy offered to hire recent graduates and other young people in Shanghai Statutory marriage leave increased in Zhejiang province
Malaysia	Minimum wage to increase
New Zealand	Work travel expense deduction rules proposed
Singapore	Platform workers to have more employment rights
EMEA	
European Union	Digital Operational Resilience Act to impose compliance obligations for pension scheme trustees European Court of Justice rules on overtime pay of part-time workers Platform Worker's Directive moves forward Directive on promoting statutory minimum wages enters into force Reforms to Blue Card coming for highly skilled workers now effective
Guernsey, Channel Islands	Minimum wage increased
Hungary	Healthcare contribution to increase Court rulings clarify treatment of daily rest periods Consultation on increasing wages, strengthening economy Employee benefit tax changes proposed
Ireland	More details on Auto Enrolment scheme published Pension-related issues included in Finance Bill
Kenya	Minimum wage increased
Saudi Arabia	Labor law expanded
Spain	Mandatory measures for protections of LGTBI individuals Social security basis for higher earners, employers to increase
Sweden	Flexibility of receiving occupational pension benefit payments increased
United Arab Emirates	New deadline to upload, update health insurance policies
United Kingdom	Autumn Budget increases National Insurance, National Minimum Wage Rates and includes pension changes Employment Rights Bill published

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

Section 3

Americas

Argentina (new)	
Status	 Effective Dec. 1, 2024
Development	<p>Health</p> <p>Prepaid Health Providers face registration requirements</p> <p>Effective Dec. 1, 2024, Prepaid Health Providers that offer health plans funded by social security funds must register with the National Insurance Agents Registry (RNAS) and receive contributions directly from their beneficiaries without the use of an intermediary. Prepaid Health Providers that do not comply with the registration requirement will face sanctions. The measures are included in Resolution 3284/24 published on Oct. 3, 2024 and they aim to increase transparency and the efficiency of health benefits management. The President, Javier Milei, deregulated the health system at the start of his administration, and shortly after the Superintendency of Health Services created the RNAS to enable Prepaid Health Providers to register and receive contributions directly.</p>
Resources	Resolution 3284/24 (Spanish) (Official Journal Oct. 3, 2024)
Aruba (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> Minimum wage to increase — key date: Jan. 1, 2025
British Virgin Islands (previously covered, now effective)	
Status	 Effective Nov. 30, 2024
Development	<p>Career</p> <p>Minimum wage to increase</p> <p>The hourly minimum wage will increase on Nov. 30, 2024, to \$8.50 — up from \$6 where it has been since October 2016.</p>
Resources	Government of the Virgin Islands announces increase in minimum wage (Government, July 11, 2024)

Canada (new)

Status  **Currently effective**

Development

Health

Federal Pharmacare Act effective

The Pharmacare Act, which eventually aims to introduce a program of national universal drug coverage in Canada to improve health equity, affordability and outcomes, took effect on Oct. 10, 2024. The federal government must now implement the first phase of pharmacare and reach bilateral agreements with the provinces and territories to provide universal, single-payer coverage for a range of diabetes and contraception medications. Highlights include:

- Establishment of a fund for diabetes devices and supplies to help Canadians manage and monitor their diabetes and administer their medication.
- Development by the Canada Drug Agency within one year of “a list of essential prescription drugs and related products to inform the development of a national formulary” and a “national bulk purchasing strategy regarding the appropriate use of prescription drugs and related products.”
- Establishment of a committee of experts within 30 days to make recommendations on the operation and financing of national, universal, single-payer pharmacare in Canada.

Resources

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[Bill C-64 \(Legislature\) and Government of Canada Introduces Legislation for First Phase of National Universal Pharmacare](#) (Government, Feb. 29, 2024)

Canada — Alberta (new)

Status  **Currently effective**

Development

Wealth

Filing fee for pension plans increases

The annual filing fee rate for pension plans in Alberta is C\$2.50 per member, up from C\$2.25 per member. The minimum fee is C\$250, and the maximum fee is C\$75,000. The rate applies to all annual information returns with fiscal year-ends , Oct. 1, 2024 to Sept. 30, 2025, and new plan registrations between those dates.

Resources

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[EPPA Update 24-02](#) (Government, Sept. 30, 2024)

Canada — Ontario (new)

Status



Currently effective

Development

Career — Health

Worker protections enacted

Ontario's fifth Working for Workers Act received Royal Assent. Highlights include:

- Requirement for menstrual products to be made available on larger construction sites, cracking down on virtual harassment and requiring all workplaces to have clean and sanitary washrooms and records of cleaning — a first-in-Canada measure (this change will take effect on a date to be proclaimed in the future).
- Increased maximum fines levied on individuals convicted of violating the Employment Standards Act.
- Prohibition on employers requiring sick notes from qualified health practitioners as evidence of entitlement to the three days of unpaid, job-protected sick-leave.
- Requirement for employers to disclose if a vacancy truly exists in publicly advertised job postings and respond to interviewees within a specified period (these changes will take effect on a date to be proclaimed in the future).

Resources

[Ontario's fifth Working for Worker's Act receives royal assent](#) (Government, Oct. 29, 2024) and [Backgrounder: Stakeholders respond to passage of fifth Working for Workers Act](#) (Government, Oct. 29, 2024)

Canada — Ontario (new)

Status



Effective Jan. 1, 2025

Development

Wealth

Permanent target benefit pension plan framework regulations finalized

Ontario's government finalized regulations to establish a permanent framework for target benefit pension plans from Jan. 1, 2025. Multi-employer pension plans in Ontario that wish to convert to target benefits can apply to the Financial Services Regulatory Authority for consent. Target benefit pension plans aim to provide a monthly stream of income in retirement at a predictable cost for employers. The framework includes measures that aim to strengthen plan governance, enhance plan communication to members, and improve the management of plan funding.

Currently, there are 68 multiple-employer pension plans in Ontario, many of which were established for workers in the skilled trades. They have over one million participants and hold nearly C\$48 billion in assets.

Resources

[Ontario helping workers plan for retirement](#) (Government, Oct. 17, 2024) and [O. Reg. 388/24: Conversions to target benefits under section 81.0.2 of the act](#) (Government, Oct. 16, 2024)

Canada — Ontario (new)

Status



Effective July 1, 2025

Development

Career

Rights of digital platform workers enhanced

On July 1, 2025, the rights and protection of digital platform workers in Ontario will be strengthened under measures that amend the Digital Platform Workers' Rights Act, 2022 ('Act') and associated regulations. The measures will apply to workers (regardless of their employment status under the Employment Standards Act) and to digital platform operators. Highlights of the act include:

- Digital workers are individuals engaged in digital platform work (also known as "gig work"), and includes ridesharing, delivery services and courier tasks. Platform operators include any entity that facilitates digital platform work through a digital platform, such as app-based ride-share or delivery companies.
- Digital platform workers must be paid at least the minimum wage (C\$17.20/hour), not including the tips and gratuities received for each work assignment.
- The information that platform operators must give platform workers when offering and completing work assignments. It must specify when a "work assignment" starts and ends; the method used to calculate pay; the recurring pay period and pay day; the factors used to determine the allocation of work assignments to workers; and the evaluation methods and any performance rating systems used. Operators will also be subject to record keeping requirements.
- Platform work operators will generally be required to provide a written explanation and two weeks' notice before removing platform workers from the platform for any period of 24 hours or longer.
- Government-appointed compliance officers will enforce the Act, and the penalties for violations could include fines (up to \$500,000) and imprisonment. The government will also establish a complaint system to enable workers to report violations.

Resources

[Bill 149, Working for Workers Four Act, 2024](#) (Legislature) and [Digital Platform Workers' Rights Act, 2022](#) (Legislature)

Canada (previously covered, with upcoming effective date)	
Development	Career — Health
	• ‘Right-to-disconnect’ established for employees — key date: Slated to take effect in 2025
	Career
	• Employers face required disclosures regarding pay in Ontario — key date: Effective upon proclamation
	Wealth
	• Pension super priority federal legislation enacted — key date: April 27, 2027
Colombia (previously covered, with upcoming effective date)	
Development	Wealth
	• Pension reforms issued — key date: July 1, 2025

Peru (new)	
Status	 Effective date unknown.
Development	<p>Career — Wealth</p> <p>Pension system modernization law issued</p> <p>A new pension system based on four pillars will be introduced in Peru under measures included in Law No. 32123 on the Modernization of the Peruvian Pension System, published in the official journal on Sept. 24, 2024. The system — called the Peruvian Comprehensive Pension System (SIPP) — aims to guarantee the pension protection of all citizens, regardless of their employment status, that will be managed by public and private administration. Regulations that will give effect to the law will be issued by the Ministry of Economy and Finance within 180 working days of the law's publication. The government will also issue proposals on mandatory employer contributions for employees enrolled in the Public Pension System (SNP) or the Private Pension System (SPP). Highlights of the law include:</p> <ul style="list-style-type: none">• The four pillars of the SIPP are aimed at different types of members who fulfill the relevant criteria: noncontributory (publicly administered and financed and for individuals who have not contributed throughout their working life); semi-contributory (privately administered and financed and for individuals who have partially contributed to their pension); contributory (publicly administered and financed and for individuals who have contributed throughout their professional career) and voluntary (privately administered and financed with allowances and voluntary contributions).• Individuals must enroll in the SIPP from age 18, and they must also enroll in either the SNP or the SPP (the SNP will be the default option).• The early retirement age in case of unemployment will increase to age 55, up from 50. Normal retirement age will remain 65 (for both men and women).• The early withdrawal of pension benefits will not be allowed for individuals affiliated with the new pension system, or SPP members younger than age 40 on the law's effective date (currently, members can withdraw up to 95.5% of their total available fund). Members of the private pension system will no longer be allowed to withdraw accumulated funds from the mandatory contributions to the Individual Capitalization Account.• The minimum retirement and disability pension for the SNP will increase to 600 PEN/month. The amount of pension payable for the SPP has not been announced.• Companies will be responsible for withholding pension contributions, and will be jointly liable for unpaid contributions, including contributions for self-employed workers.• SIPP members can make an annual "consumption contribution," capped at 8 UIT (tax units) per year. The amount will be equal to 1% of the amount of consumption expenses made by the SIPP member, and it must be supported by electronic sales receipts.• Self-employed workers will have to contribute 5% to the new pension system, starting on Jan. 1, 2028. The first contribution amount will be 2%, and it will increase by one percentage point every two years up to 5%.
Resources	<p>david.cuervo@mercer.com</p> <p>Law No. 32123 on the Modernization of the Peruvian Pension System (Spanish) (Government, Sept. 24, 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

United States (US) (new)

Status



Effective Jan. 1, 2025

Development

Health

2025 health FSA, other health and fringe benefit limits now set

IRS Rev. Proc. 2024-40 gives the 2025 contribution and benefit limits for health flexible spending arrangements (FSAs), qualified small-employer health reimbursement arrangements (QSEHRAs), long-term care (LTC) policies, transportation fringe benefits and adoption assistance programs. The 2025 figures reflect the increase in the average chained Consumer Price Index for All Urban Consumers (C-CPI-U) for the 12 months ending Aug. 31, 2024, after applying statutory rounding rules.

Resources

dorian.smith@mercerc.com and katharine.marshall@mercerc.com
[GRIST](#), Oct. 24, 2024

US (new)

Status



Effective for payments made on or after Jan. 1, 2026.

Development

Wealth

Tax withholding rule for pension payments outside of the US finalized

IRS finalized a regulation clarifying the tax withholding rules for retirement plan payments to recipients located outside of the United States (US). Individuals residing in the US generally may elect no withholding under Internal Revenue Code Section 3405, but payments sent out of the country are subject to stricter rules. The regulation applies to payments made on or after Jan. 1, 2026, but taxpayers may apply it immediately. The final regulation, which is substantively the same as the 2019 proposal, provides the following:

- Withholding is required if the recipient provides a non-US residence address or fails to provide an address, even if the payment is sent to a financial institution or other individual located in the US.
- Withholding is required if the distribution is sent to a financial institution or other individual outside the US, even if the recipient has a US residence address.
- Military and diplomatic addresses are treated as within the US, so recipients at these addresses may elect no withholding.

These rules don't apply to certain expatriates or recipients who are not US citizens or resident aliens.

These recipients may elect no withholding even if the payments are sent outside of the US. Nonresident aliens are subject to separate withholding rules.

Resources

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[GRIST](#), Oct. 21, 2024

US (new)

Status  **Comments on the notice can be submitted until Dec. 20, 2024.**

Development**Wealth****Guidance on long-term, part-time worker rules for 403(b) plans**

IRS Notice 2024-73 provides guidance on the eligibility rules for long-term, part-time (LTPT) employees in ERISA-covered 403(b) plans under the SECURE 2.0 Act (Div. T of Pub. L. No. 117-328). The notice focuses primarily on how the new LTPT eligibility rules relate to the universal availability requirement for 403(b) plans. IRS also confirms that final regulations on the LTPT requirements for 401(k) plans — first added to the Internal Revenue Code (IRC) by the Setting Every Community Up for Retirement Enhancement Act of 2019 (Division O of Pub. L. No. 116-94) (SECURE 1.0) — won't apply before the 2026 plan year. IRS is accepting comments on the notice until Dec. 20, 2024.

Resources

brian.kearney@mercer.com, matthew.calloway@mercer.com and margaret.berger@mercer.com
[GRIST](#), Oct. 17, 2024

US

Status  **Comments can be submitted until Dec. 30, 2024.**

Development**Career — Health****Standard to protect indoor/outdoor workers from extreme heat's dangers proposed**


The Department of Labor's Occupational Safety Health Administration (OSHA) recently proposed a new standard intended to protect workers in indoor and outdoor work settings from the health risks of extreme heat. The standard would:


- Apply to all employers in all general industry, construction, maritime, and agriculture sectors where OSHA has jurisdiction, with some exceptions.
- Be a programmatic standard that would require employers to create a plan to evaluate and control heat hazards in their workplace.
- More clearly set forth employer obligations and the measures necessary to effectively protect employees from hazardous heat. OSHA requests comments on all aspects of the proposed rule.



Comments can be submitted until Dec. 30, 2024, and OSHA plans on holding a public hearing after the close of the comment period.



Resources

[Biden-Harris administration's proposed rule to protect indoor, outdoor workers from extreme heat's dangers opens for public comment](#) (OSHA, Aug. 30, 2024) and [Heat injury and illness prevention in outdoor and indoor work settings](#) (Federal Register, Aug. 30, 2024)



US	
Status	 Currently effective
Development	Career — Health 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. The GRIST cited below (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.
Resources	rich.glass@mercer.com and patty.cartwright@mercer.com GRIST , regularly updated




US	
Status	 Currently effective
Development	Health 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. The GRIST cited below 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.
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 <p>On Jan. 9, 2024, the DOL announced a final rule that revises how to determine if an individual is an independent contractor or an employee entitled to minimum wage, overtime and other protections under the federal Fair Labor Standards Act. The controversial rule took effect on March 11, 2024.</p> <p>To provide employers with some information about the rule and the varying aspects and issues to consider, this roundup provides links to government information, third-party analyses, news articles and viewpoints. The aggregated content in each section is organized in reverse chronological order and is by no means comprehensive. The content also does not necessarily reflect Mercer's or the authors' point of view on the subject.</p>
Resources	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 <p>A dizzying array of legislation affecting defined contribution (DC) and defined benefit (DB) plans became law on Dec. 29, 2022, as part of a fiscal 2023 government spending package. Capping several years of congressional efforts, the SECURE 2.0 Act of 2022 (Div. T of Pub. L. No. 117-328) is intended to build on changes made by the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019 (Div. O of Pub. L. No. 116-94).</p> <p>Navigating SECURE 2.0 is a formidable challenge. The statute consists of 120 pages of text and 90 individual sections — with no table of contents. To help employers and plan sponsors understand the legislation's implications, this guide provides a high-level summary of SECURE 2.0 provisions grouped topically, including separate treatment of provisions specific to DC and DB plans.</p> <p>The six tables in this guide describe statutory changes and their effective dates, identify whether the changes are mandatory or optional for employers, and provide initial observations, including implementation challenges for which agency guidance would be helpful. The act also includes several apparent drafting errors for which Congress intends to introduce technical corrections legislation. Those errors are noted in the relevant sections of the guide.</p> <p>This guide doesn't address SECURE 2.0's employee stock ownership plan (ESOP) provisions and a handful of other nonbenefit-related provisions. When referring to the original SECURE Act, this guide uses the term "SECURE 1.0" to avoid any confusion between the laws.</p> <p>This guide will be updated periodically to reflect additional information and guidance.</p>
Resources	margaret.berger@mercer.com , matthew.calloway@mercer.com and brian.kearney@mercer.com User's guide to SECURE 2.0 , periodically updated

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

US	
Status	 Currently effective
Development	<p>Career</p> <p>Roundup: Employer DEI resources after SCOTUS' ruling on affirmative action</p> <p>On June 29, 2023, the US Supreme Court, in <i>Students for Fair Admissions, Inc. v. President and Fellows of Harvard College</i>, ruled colleges' use of race as a factor in student admissions is unconstitutional under the Fourteenth Amendment's Equal Protection Clause.</p> <p>Since the decision, there have been various viewpoints on the effect of this ruling on companies' DEI programs. For example, the EEOC announced that the decision “does not address employer efforts to foster diverse and inclusive workforces or to engage the talents of all qualified workers, regardless of their background.” The EEOC said “[i]t remains lawful for employers to implement diversity, equity, inclusion, and accessibility programs that seek to ensure workers of all backgrounds are afforded equal opportunity in the workplace.” In July, state attorneys general wrote to Fortune 100 CEOs about the decision and took different positions based on political affiliation.</p> <p>To provide employers with some information about the decision and the varying aspects and issues to consider with respect to employers' DEI programs, this roundup provides links to government information, third-party analyses, news articles and viewpoints. The aggregated content in each section is organized in reverse chronological order and is by no means comprehensive. The content also does not necessarily reflect Mercer's or the authors' point of view on the subject.</p>
Resources	Roundup , regularly updated
US	
Status	 Currently effective
Development	<p>Career</p> <p>Roundup: Employer resources on DOL's expansion of overtime protections</p> <p>On April 23, 2024, the Department of Labor (DOL) issued a final rule for determining if certain salaried employees are exempt from minimum wage and overtime requirements under the Fair Labor Standards Act. The rule will expand overtime protections beginning July 1, 2024 — guaranteeing overtime pay for most salaried workers earning less than \$844/week or \$43,888/year (up from \$684/week or \$35,568 per year). This amount is down from the proposed rule, announced on Aug. 30, 2023, which would have guaranteed overtime pay for most salaried workers earning less than \$1,059/week, or about \$55,000/year. To provide employers with some information about the proposed rules and the varying aspects and issues to consider, this roundup provides links to government information, third-party analyses, news articles and viewpoints. The aggregated content in each section is organized in reverse chronological order and is by no means comprehensive. The content also does not necessarily reflect Mercer's or the authors' point of view on the subject.</p>
Resources	Roundup , regularly updated

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

US — States	
Status	 Effective dates vary.
Development	Career Roundup: Employer resources on states' recreational marijuana laws <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	Career Roundup: Employer resources on minimum wage increases <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	Career Roundup: Employer resources on hairstyle nondiscrimination laws <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 — Arkansas

Status



Comments can be submitted until Nov. 11, 2024.

Development

Health

Pharmacy benefit manager rules would regulate pharmacy reimbursements

Pharmacy benefit managers (PBMs) would be required to pay a “fair and reasonable” dispensing fee to pharmacies with the purpose of ensuring network adequacy under a proposed rule issued by the Arkansas Insurance Department (AID). AID’s rulemaking authority is permitted “without limitation” under the Arkansas PBM Licensure Act, which is the statute that was upheld in the Rutledge decision. Specifically, the Act authorizes AID to issue rules in 10 areas, including the two that are the focus of Rule 128: compensation and network adequacy.

The rule would apply to health benefit plans (i.e., fully insured plans) issued in Arkansas and in any other state, as well as healthcare payers, defined by law to include any “entity that provides or administers a self-funded health benefit plan, including a governmental plan.”

The rule would require PBMs to include a “fair and reasonable cost to dispense” in the administration of Rx benefits, prohibiting this cost from being passed on to participants. The rationale is that unfair and unreasonable dispensing fees negatively impact network adequacy and sustainability. Further, the proposed rule states that reimbursement rates based on National Average Drug Acquisition Cost (known as NADAC) or Maximum Allowable Cost (known as MAC) are insufficient to reasonably account for dispensing costs.

PBMs would need to report this information to the Insurance Department, which would have the power to review and approve the compensation program. The first report would be due Jan. 1, 2025. The “fair and reasonable cost to dispense” requirement would apply to the 2025 plan year. Reporting thereafter would have a March 1 deadline. The rule would have a penalty scheme (\$5,000 per violation) with possible license suspension/revocation for repeated violations.

A public hearing is Oct. 22, 2024, and the comment deadline is Nov. 11, 2024.

Resources

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[Proposed rule](#) (Register, Sept. 10, 2024); [Pharmacy benefits manager licensure act](#) (Government); Ark. [Code Section 23-92-509](#) (Government) and [GRIST](#), Dec. 10, 2020

US — California (new)

Status



Effective Jan. 1, 2025

Development

Career — Health

Employers face disclosure requirements if they conduct social compliance audits

AB 3234, signed by the governor on Sept. 22, 2024, will require California employers who voluntarily subject themselves to a social compliance audit — whether the audit is conducted in part, or in whole, to determine if child labor is involved in the employer’s operations or practices — to post a clear and conspicuous link on its internet website to a report detailing the findings of its compliance with child labor laws.

“Social compliance audit” means a voluntary, nongovernmental inspection or assessment of an employer’s operations or practices to evaluate whether the operations or practices comply with state and federal labor laws, including wage and hour and health and safety regulations, and those regarding child labor.

The report must:

- Include the year, month, day, and time the audit was conducted, and if the audit was conducted during a day shift or night shift
- Provide proof that the business does or does not engage in, or support the use of, child labor
- Include a copy of any written policies and procedures the business has regarding child employees
- Specify if the business exposes children to any workplace situations that are hazardous or unsafe to their physical and mental health and development
- Contain information about children who work within or outside regular school hours, or during night hours, for the business.

The law will be effective Jan. 1, 2025.

Resources

[AB 3234](#) (Legislature, Sept. 22, 2024)

US — California (new)

Status



Effective Jan. 1, 2025

Development



Career


‘Intersectionality’ concept introduced into antidiscrimination law

On Sept. 27, 2024, California’s governor signed SB 1137, which introduces the “intersectionality” concept into its antidiscrimination law — the first state to do so. Under the new law, the California Fair Employment and Housing Act (‘FEHA’), among other laws, prohibits discrimination not just on the basis of individual protected traits, but also on the basis of the intersectionality of two or more protected traits. Intersectionality is “an analytical framework that sets forth that different forms of inequality operate together, exacerbate each other, and can result in amplified forms of prejudice and harm.” The Legislature also recognized that federal law affords similar protection under EEOC interpretative guidance of Title VII of the Civil Rights Act of 1964 pertaining to discrimination and harassment. The law is effective on Jan. 1, 2025.

Resources

[SB 1137](#) (Legislature, Sept. 27, 2024)

US — California (new)	
Status	 Effective Jan. 1, 2025
Development	Career Driver's license requirements prohibited in job postings On Sept. 28, California's governor signed SB 1100, which makes it unlawful for an employer to state, in various employment materials, that an applicant must have a driver's license. There is an exception if the employer reasonably expects the duties of the position to require driving, and the employer reasonably believes that satisfying that job function using an alternative form of transportation would not be comparable in travel time or cost to the employer, as specified. The law takes effect on Jan. 1, 2025.
Resources	SB 1100 (Legislature, Sept. 28, 2024)
US — California (new)	
Status	 Currently effective
Development	Career Amendments to CROWN Act enacted On Sept. 26, 2024, California's governor signed AB 1815, which amends the definition of race and protective hairstyles under its 2019 CROWN Act. Under the amendments, race is "inclusive of traits associated with race, including but not limited to hair texture and protective hairstyles" — the term "historically" is removed. Protective hairstyles "include but are not limited to such hairstyles as braids, locs, and twists." The law is applied retroactively as it is a declaration of existing law.
Resources	AB 1815 (Legislature, Sept. 26, 2024)

US — California (new)	
Status	 Effective Jan. 1, 2025
Development	<div><div>Career</div><div><div>Ban on ‘captive audience’ meetings enacted</div><div>Effective Jan. 1, 2025, employers in California cannot require employees to attend mandatory meetings (known as “captive audience” meetings) involving religious or political matters — including union organization — under Senate Bill (SB) 399. Highlights of the measures include:</div><div><ul style="list-style-type: none">• Employers may continue to hold such meetings if attendance is voluntary — they will not be allowed to discipline or discharge employees for failing to attend such meetings.• Employees protected by the statute include individuals “under the control and direction of an employer for wages or other remuneration.”• “Political matters” include matters relating to elections for political office, political parties, legislation, regulation, and joining or supporting any political party or political or labor organization.• Employers will be allowed to communicate with employees about matters they are legally required to do, or that are necessary for them to perform their duties.• The statute will not apply to certain employers, such as religious institutions that are exempt from some employment laws, political organizations, educational institutions, tax-exempt training programs, employers training employees to comply with legal obligations and certain employers holding workplace orientations.• Employers will face penalties of up to \$500 per employee, per violation. The statute may be enforced either by the Labor Commissioner or through civil lawsuits.</div><div>California joins other states —including Connecticut, Hawaii, Illinois, Maine, Minnesota, New York, Oregon, Washington and Vermont — in banning ‘captive audience’ meetings</div></div></div>
Resources	Senate Bill 399 (Legislature, Sept. 30, 2024)

US — California (new)

Status



Likely to be adopted as written, with an anticipated date of Jan. 1, 2025.

Development

Career — Health

Paid family leave regulations clarify qualifying exigencies

California's Employment Development Department finalized regulations related to a 2018 law that added qualifying exigencies as a permitted use of paid family leave (PFL) benefits under the state's family temporary disability insurance program. The regulations made other technical changes. Here is a summary of the regulations:

- Requires the completion of a content-specific military assist certification (Part E of the Claim for PFL Benefits Form DE 2501F) for qualifying exigencies
- Clarifies that no more than one care provider may claim PFL benefits for a qualifying exigency in an eight-hour period, and no more than three care providers in a 24-hour period
- Eliminates the requirement for claimants to verify Social Security numbers.

Technically, these regulations will remain under review by the Office of Administrative Law until early November. Given that the regulations received no opposition, they will likely be adopted as written, with an anticipated effective date of Jan. 1, 2025.

Resources

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[Regulations](#) (Office of Administrative Law, Sept. 26, 2024)

US — Delaware (new)

Status



Effective for plan years starting in 2026.

Development

Health

Doula coverage mandated

A new Delaware law requires fully insured plans to cover doula services. The scope of 2024 Ch. 84:420 (HB 362) includes support and assistance during labor and childbirth, prenatal and postpartum support and education and support for a mother after pregnancy loss. The law requires a minimum of six 90-minute visits (three each for prenatal and postpartum) and attendance during labor and birth. Plans may apply deductibles and other standard cost sharing and limit coverage to certified or registered doulas under standards similar to those applicable to the state's Medicaid program, which already covers doulas.

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

It is not clear if Delaware applies its insurance laws on an extraterritorial basis to fully insured plans issued in another state. The law does not apply to affect self-funded ERISA plans.

Resources

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[2024 Ch. 84:420 \(HB 362\)](#) (Legislature, Sept. 24, 2024))

US — Maine (new)**Status****Effective Jan. 1, 2025****Development****Career — Health****Department of Labor clarifies paid family medical leave provisions**

Maine's Department of Labor (MDOL) has provided important updates on its upcoming paid family and medical leave (PFML) law, where contributions start on Jan. 1, 2025, and benefits start on May 1, 2026. In its one-page 'What Employers Need to Know: Program Contributions document,' MDOL stated that the 15-employee threshold for determining if employers must contribute is based on employees working in Maine, not in the US. MDOL set out a four-step process for determining if employees are included (if the answer to all four questions is "no," the employee is not included in the count):

- Is the work performed in Maine?
- Does some work occur in Maine *and* is the physical base of operations in Maine?
- Does some work occur in Maine *and* is the service directed and controlled from Maine?
- Does some work occur in Maine *and* does the employee live in Maine?

MDOL reminded employers that even if they have only one Maine employee, they must register when the portal goes live sometime this winter. Another important reminder applies to employers intending to substitute a substantially equivalent private plan. Because MDOL has not finalized proposed rules, these employers must collect and remit premiums (by April 30) for at least the first quarter of 2025. Private plan applications will not be accepted until April 1, 2025. Employers will be exempt from collecting premiums for the quarter in which they apply for a private plan. The collection of first-quarter 2025 premiums by private-plan employers is nonrefundable.

An employer's private plan that is not approved must pay the employee portion if they stopped payroll deductions.

Conversely, if the private plan is approved and the employee continued payroll deductions for an exempt quarter, the employer must refund the contributions to employees within 30 days of the approval.

These private plan provisions and other requirements are based on proposed rules that could change when finalized. In addition, the poster is now available, and FAQs have been updated.

Resources

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[What employers need to know: program contributions document](#) (MDOL)

US — Massachusetts (new)**Status****Effective Nov. 22, 2024****Development****Career — Health****Permitted use for paid sick and safe leave added**

A new Massachusetts law primarily addressing midwifery care and out-of-hospital birth options also amended the state's paid sick and safe leave (PSSL) law.

Under 2024 Ch. 186 (HB 4999), covered employers must provide leave to address an employee's or spouse's physical and mental health needs due to pregnancy loss or a failed assisted reproduction, adoption or surrogacy. The law will take effect on or about Nov. 22, 2024.

Resources

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[2024 Ch. 186 \(HB 4999\)](#) (Legislature, Aug. 23, 2024))

US — Michigan (new)**Status****Effective Feb. 21, 2025****Development****Career — Health****FAQs clarify upcoming paid sick and safe leave changes**

Michigan's Department Labor and Economic Opportunity issued an FAQ addressing changes to the state's paid sick and safe leave (PSSL) law — now known as the Earned Sick Time Act (ESTA) — following a July state supreme court ruling. Changes will take effect on Feb. 21, 2025. An informational poster is now available, and highlights of the FAQ updates include:

- Covered employees. Only W-2 employees may receive the PSSL benefit.
- Usage cap. Employing just one Michigan employee triggers the employer obligation, but employers with fewer than 10 employees have a lower annual usage cap (40 hours paid, 32 hours unpaid). An employer with 10 or more employees in 20 or more workweeks in the current or previous calendar year has a higher usage cap (72 hours paid). It is not clear if out-of-state employees count. The 20 workweeks need not be consecutive. The calculation must include part-time and temporary employees, including those working for a staffing firm.
- Accrual rate/frontloading. Accrual (one hour of PSSL per 30 hours worked) starts on the effective date or hire date, if later. ESTA has no accrual cap. Frontloading is permissible if an employer follows the accrual, use, carryover and other ESTA rules.
- Carryover. All unused time must be carried over.
- Leave increments. Leave must be in the smallest increment used by the payroll system for tracking absence. The highest increment is one hour. An FAQ example indicates this could be as little as 1/10 of an hour.
- Employee notice. Employers may require advance notice of not more than seven days for foreseeable PSSL. If unforeseeable, an employer may require notice as soon as practicable. An employer may not require a description of the underlying illness, domestic violence or sexual assault.
- Poster. Must be displayed at the place of business and provided upon hire.
- Benefit amount. Must equal an employee's regular pay rate or the state minimum wage, whichever is higher.

Resources


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[FAQs](#) (Labor and Economic Opportunity)

US — Puerto Rico**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. The GRIST cited below 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

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[GRIST](#), Aug. 12, 2024

US — Washington, DC (new)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Paid leave-short-term disability coordination provision extended</p> <p>Washington, DC continued its extension of an employee protection under its Universal Paid Leave (UPL) law — the District’s paid family and medical leave mandate — as it relates to insured short-term disability (STD) benefits.</p> <p>As background, a permanent provision in existing law prohibits STD insurance from offsetting benefits based on an employee’s estimated or actual UPL benefits. (This permanent provision does not apply to self-insured STD or other temporary disability benefits.) However, this permanent provision does not apply to STD insurance policies issued outside of Washington, DC.</p> <p>As a result, the DC Council and Mayor periodically enact temporary legislation applying the STD insurance offset prohibition to policies issued elsewhere. The latest law is Act A25-0536 (B 870), which extends the extraterritorial prohibition to May 1, 2025.</p>
Resources	<p>rich.glass@mercer.com</p> <p>DC Act 25-536 (Legislature, July 25, 2024)</p>

US (previously covered, with upcoming effective dates)

Development

Career

- [Law requiring pay transparency in job postings enacted in Illinois](#) — key date: Jan. 1, 2025
- [Law bans employers' captive audience meetings in Illinois](#) — key date: Jan. 1, 2025
- [Salary disclosures, wage data reporting to be required in Massachusetts](#) — key date: July 31, 2025
- [Salary disclosures to be required in job advertisements in Vermont](#) — key date: July 31, 2025
- [Hourly minimum wage to increase to \\$18 in Hawaii](#) — key date: Jan. 1, 2026
- [Artificial Intelligence law focused on employment laws enacted in Illinois](#) — key date: Jan. 1, 2026
- [Artificial intelligence law enacted; will significantly affect employers in Colorado](#) — key date: Feb. 1, 2026

Career — Health

- [Paid sick and safe leave law expanded in Connecticut](#) — key date: Jan. 1, 2025
- [2025 paid family medical leave rates effective in New Jersey](#) — key date: Jan. 1, 2025
- [Prenatal leave enacted in New York](#) — key date: Jan. 1, 2025
- [2025 paid family medical leave rates effective in New York](#) — key date: Jan. 1, 2025
- [Temporary caregiver insurance coverage increased in Rhode Island](#) — key date: Jan. 1, 2025
- [2025 paid family medical leave benefit limits issued in Washington](#) — 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

Health

- [New rule increases HIPAA privacy protections for reproductive healthcare](#) — key date: Dec. 23, 2024
- [Telehealth parity requirement extended in New Jersey](#) — key date: Dec. 31, 2024
- [Mental health parity rules issued](#) — key date: Jan. 1, 2025
- [High-deductible health plan COVID-19 testing predeductible flexibility ends](#) — key date: Jan 1, 2025
- [Law provides temporary tax credit for employers that make payments to employees' child care facilities in Alabama](#) — key date: 2025–2027 tax years
- [Pharmacy benefit manager reform law enacted in Alaska](#) — 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
- [Minimum standards for health plans complying with the Health Care Accountability Ordinance revised in San Francisco, California](#) — key date: Jan. 1, 2025
- [Contractor-lessee health plan, pay rules updated in San Francisco, California](#) — key date: Jan. 1, 2025
- [2025 healthcare expenditure rates announced in San Francisco, 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
- [Prepaid Health Care Act Form HC-5 for 2025 posted in Hawaii](#) — key date: Jan. 1, 2025
- [Pharmacy benefit manager law enacted in Idaho](#) — key date: Jan. 1, 2025
- [Law bans prior authorization for OB/GYN services in Illinois](#) — key date: Jan. 1, 2025
- [Short-term, limited-duration insurance prohibited in Illinois](#) — key date: Jan. 1, 2025

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

Development

Health (continued)

- [Artificial Intelligence in utilization review law enacted in Illinois](#) — key date: Jan. 1, 2025
- [Telehealth physical therapy permitted in Illinois](#) — key date: Jan. 1, 2025
- [Insulin cost-sharing law enacted in Illinois](#) — key date: July 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
- [2025 individual mandate coverage dollar limits set in Massachusetts](#) — 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
- [Prescription cost-sharing limits law enacted in Minnesota](#) — key date: Jan. 1, 2025
- [Prior authorization law enacted in New Hampshire](#) — 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
- [Employer child-care tax credit law enacted in Pennsylvania](#) — key date: 2025 tax year
- [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
- [Data protection law enacted in Tennessee](#) — key date: July 1, 2025
- [Prescription drug requirements enacted in Texas](#) — key date: Jan. 1, 2025
- [Telehealth law enacted in Vermont](#) — key date: Jan. 1, 2025
- [Prior authorization 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
- [Dependent coverage law enacted in Illinois](#) — key date: Plan years starting in 2026
- [Fertility treatment law enacted in Washington, DC](#) — key date: Jan. 1, 2025
- [Cybersecurity insurance rules adopted in Puerto Rico](#) — key date: March 10, 2025
- [Multiemployer welfare arrangements laws enacted in California](#) — June 1, 2025

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

Development

Health (continued)


- [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
- [Abortion coverage required in Delaware](#) — key date: Plan years starting on or after Jan. 1, 2026
- [Colonoscopy coverage mandate enacted in Illinois](#) — key date: Plan years starting in 2026
- [Fertility-related insurance laws enacted in Illinois](#) — key date: Plan years starting in 2026
- [Pregnancy-related services coverage mandate enacted in Illinois](#) — key date: Jan. 1, 2026
- [Paid family and medical leave law enacted in Minnesota](#) — key date: Jan. 1, 2026
- [Pharmacy benefit manager law enacted in Pennsylvania](#) — 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

Wealth

- [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	 Currently effective
Development	<p>Wealth</p> <p>Delivering Better Financial Outcomes advice fee request and consent changes information issued</p> <p>The Australia Securities and Investments Commission (ASIC) published new and updated information sheets that provide guidance on:</p> <p>Ongoing advice fee arrangements and requests/consents on or after Jan. 10, 2025. These new information sheets include FAQs for financial advisers who must get a client's written consent to enter into or renew an ongoing fee arrangement (Info 286), and to charge non-going fees to the client's superannuation account (Info 287).</p> <p>Requests or consents to deduct ongoing and non-ongoing advice fees or costs from a superannuation account before Jan. 10, 2025. These updated information sheets include minor changes to Info 256 and Info 280 that provide guidance for financial advisers who must secure a client's written consent before Jan. 10, 2025.</p> <p>The new and updated information sheets are required to advise on fee obligations included in legislation to deliver the first tranche of the Delivering Better Financial Outcomes (DBFO) package. More details on the DBFO changes and information on ASIC's response is included in ASIC's DBFO Package webpage.</p>
Resources	<p>paul.shallue@mercer.com</p> <p>FAQs: Ongoing fee arrangements and consents (ASIC, October 2024) and FAQs: Non-ongoing fee requests or consents (ASIC, October 2024)</p>

Australia (new)**Status****Effective for financial years beginning on or after Jan. 1, 2025.****Development****Career — Wealth****Sustainability Reporting Standards finalized**

The Australian Accounting Standards Board (AASB) released the final versions of the first Australian Sustainability Reporting Standards (standards). The new standards follow the enactment of Treasury Laws Amendment (Financial Market Infrastructure and other measures) Bill 2024 that will establish mandatory financial reporting disclosures regarding climate risks and opportunities. The Act requires Australia's largest entities and high greenhouse gas emitters to make climate disclosures in accordance with AASB S2 for financial years beginning on or after Jan. 1, 2025. Highlights of the standards include:

- AASB S1 General Requirements for Disclosure of Sustainability-related Financial Information is a voluntary standard that entities can use to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect their cash flows, access to finance or cost of capital over the short, medium- or long-term.
- AASB S2 Climate-related Disclosures is a mandatory standard that entities subject to the new legislation (Reporting Entities) must use to disclose information about climate-related risks and opportunities that could reasonably be expected to affect their cash flows, access to finance or cost of capital over the short-, medium-or long-term.

The mandatory climate disclosures must be included in an annual sustainability report that will be phased-in over a number of years, depending on the size and type of the Reporting Entity. Super funds and registered schemes with assets under management of AU\$5 billion or more will be required to make climate disclosures starting with the financial year commencing on or after July 1, 2026; smaller funds will start one year later.

The Australian Auditing Standards Board recently invited feedback on an Exposure Draft of a Proposed Australian Standard on Sustainability Assurance (ASSA), and invites comments through Nov. 16, 2024. The Exposure Draft includes a timeline setting out the disclosures that would have to be included in sustainability reports prepared in accordance with AASB S2, and which would be subject to audit and/or review.

Resources

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[Australian Sustainability Reporting Standards AASB S1 and AASB S2 are now available on the AASB Digital Standards Portal \(AASB, Oct. 8, 2024\)](#)

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

- [Superannuation contributions on paid parental leave legislation enacted](#) — key date: July 1, 2025

Wealth

- [Final rules and guidance for Financial Accountability Regime issued](#) — key date: March 15, 2025
- [Updated guidance on strategic planning and member outcomes issued](#) — key date: July 1, 2025
- [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 — Shanghai (new)**Status**  **Currently effective****Development****Career****Temporary job expansion subsidy offered to hire recent graduates and other young people**

Effective Sept. 30, 2024, Shanghai's municipal government issued a one-time employment expansion subsidy that aims to boost the hiring of recent graduates and other unemployed young people during the period from Jan. 1, 2024, until Dec. 31, 2024. The subsidy will be paid to employers that hire students graduating in 2024, unemployed graduates from regular universities within two years of their graduation and registered unemployed youth in the city aged 16 to 24. Eligible employers must sign labor contracts and pay unemployment, work injury and employee pension insurance for at least three months. The benefit policy stipulates that qualifying enterprises can receive a one-time subsidy of 1,500 CNY for each eligible hire which will be distributed through a "no application required" method. Policies for 2025 will be formulated separately.

Resources [Notice](#) (Chinese) (Human Resources and Social Security Bureau, Sept. 30, 2024)**China — Zhejiang province (new)****Status**  **Currently effective****Development****Career — Health****Statutory marriage leave increased**


Effective Sept. 27, 2024, employees in the Zhejiang Province who legally register their marriage can now take 13 days of paid marriage leave (excluding national statutory holidays and rest days), up from three days. Employees are entitled to their wage, bonuses and other benefits, paid for by their employer. Employees can choose to take their total leave or, split the leave subject to their employer's agreement. Employees generally must take their marriage leave within one year of registering their marriage but, if their work prevents them from taking the leave during this period, the leave can be postponed by up to six months.



Resources [Zhejiang extends marriage leave to 13 days](#) (Government, Sept. 30, 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

Wealth

- [Statutory retirement age to gradually increase](#) — key date: Phase-in begins in 2025

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 (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 (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Details of public housing savings program, contributions and registration issued — key date: May 20, 2027
Japan (previously covered, with upcoming effective date)	
Development	<p>Wealth</p> <ul style="list-style-type: none"> • Defined contribution reforms enacted — key date: Dec. 1, 2024
Malaysia (new)	
Status	 Effective Feb. 1, 2025
Development	<p>Career</p> <p>Minimum wage to increase</p> <p>The national minimum wage will increase to 1,700 RM/month on Feb. 1, 2025, up from 1,500 RM/month. The government reviews the minimum wage at least once every two years.</p>
Resources	<p>Announcement (Malay (Government))</p>
Malaysia (previously covered with upcoming effective dates)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Progressive wage policy to be implemented — key date: expected in 2024

New Zealand (new)	
Status	 Proposal
Development	<p>Career</p> <p>Work travel expense deduction rules proposed</p> <p>The New Zealand Inland Revenue issued a consultation that aims to clarify income tax and fringe benefit tax (FBT) rules for work travel expense deductions. Comments on Exposure Draft No. PUB00453, draft interpretation statements and fact sheets can be submitted through Nov. 6, 2024. The exposure draft includes:</p> <ul style="list-style-type: none"> • The tax deductions that individuals can claim for motor vehicle travel between home and work. • When employer-provided transport between home and work by motor vehicle is considered a fringe benefit and subject to FBT • Income tax deduction claims for motor vehicle expenditures incurred by shareholder-employees.
Resources	Income tax and FBT — deducting costs of travel by motor vehicle between home and work (Inland Revenue, Sept. 26, 2024)
Singapore (updated)	
Status	 Effective date unknown.
Development	<p>Health — Wealth</p> <p>Platform workers to have more employment rights</p> <p>The Platform Workers Act 2024 passed parliament at the end of September 2024, and the President gave his assent on Sept. 30, 2024. The Act will take effect on a date that will be notified by the Minister. The law will apply to platform workers who are under the management of a “platform service” providing on-demand delivery and ride-hailing services and will create a distinct third category of worker. Highlights include:</p> <ul style="list-style-type: none"> • Requirement for platform service providers and their workers to contribute to the Central Provident Fund (CPF). Currently, platform workers — like self-employed individuals — contribute up to 10.5% of their income to the CPF, but platform service providers do not have to contribute. Increased CPF contributions by both platform workers and platform operators will be phased-in over a five-year period to align with the current CPF rates for employees and employers. • Platform workers will be compensated for injuries “arising out of and in the course of their provision of platform services for platform operators.” • The Ministry of Manpower will provide conciliation to resolve collective disputes before their referral to the Industrial Arbitration Court. • Platform workers will be allowed to join representative bodies, but not trade unions because they are not employees.
Resources	Platform Workers Act 2024 (Legislature, Sept. 30, 2024)

Singapore (previously covered with upcoming effective dates)

Development

Career

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

Career — Health

- Guidelines for flexible work arrangements issued — key date: Dec. 1, 2024
- Parental leave entitlement expanded — key date: April 1, 2025

Career — Wealth

- Retirement and reemployment ages to increase — key date: July 1, 2026

Wealth

- Central Provident Fund monthly salary cap for calculating contributions increased — December 2024

South Korea (previously covered, with upcoming effective date)

Development

Wealth

- Minimum wage to increase — key date: Jan. 1, 2025

Taiwan (previously covered, with upcoming effective date)

Development

Career — Wealth

- Employees and employers can negotiate post-retirement age employment — key date: Effective date unknown

Career

- Minimum wage to increase — key date: Jan. 1, 2025

Section 5

Europe, Middle East and Africa (EMEA)

European Union (EU) (new)

Status



Effective Jan. 17, 2025.

Development

Wealth

Digital Operational Resilience Act to impose compliance obligations for pension scheme trustees

Effective Jan. 17, 2025, the Digital Operational Resilience Act (DORA) will be effective in member states of the European Union and the European Economic Area. DORA will apply to 20 different types of financial entities and ICT third-party service providers (including pension scheme trustees) with regards to their management of cyber security and information and communication technology (ICT) risks.


DORA harmonizes the rules concerning the operational resilience of the financial sector and aims to strengthen digital resilience of in-scope entities in the event of a serious disruption (including cyberattacks). It focuses on five key issues: ICT risk management; the management and reporting of ICT-related incidents; digital operational resilience testing; outsourced third party risk; and information sharing. Trustees will have to:

- Be responsible for their scheme's compliance with DORA. Pension schemes with more than 15 but fewer than 100 members will be subject to a simplified ICT risk management framework. They will not have to conduct advanced testing of ICT systems or adopt a strategy on ICT third-party risk.
- Carry out risk assessments to identify their schemes ICT risks. They must adopt internal governance arrangements, including disaster recovery procedures and continuity plans; communication policies; conduct adequate reviews following significant issues; and periodically test their ICT risk frameworks, and adjust them accordingly.
- Review their outsourcing contracts with third-party ICT providers, and they will have to exercise greater due diligence (such as reviewing their outsourced contracts), develop a monitoring and reporting system for third-party risks and regularly assess their providers.
- Assess their potential ICT exposures by testing and assessing the effectiveness of their digital operational resilience.
- Develop an incident management policy that includes early warning mechanisms and a classification of issues. They will also have to share cyber-threat-related information and intelligence.

National authorities can impose sanctions of up to 2% of a firm's total annual worldwide turnover. ICT third-party service providers that are designated as "critical" by the European Supervisory Authorities (such as the European Insurance and Occupational Pensions Authority) could face penalties of up to €5 million.

Resources

[Digital Operational Resilience Act](#) (European Union, Dec. 14, 2022)

EU (new)	
Status	 Currently effective
Development	<div>Career European Court of Justice rules on overtime pay of part-time workers National laws that restrict the payment of overtime hours to part-time workers only if their time worked exceeds the standard working hours of full-time workers in same or similar roles are discriminatory, the European Union’s European Court of Justice (ECJ) ruled on July 29, 2024. The ECJ ruled that such provisions may also indirectly discriminate on grounds of gender because it disadvantaged significantly more women than men among the part-time workforce. The employer’s workforce was covered by a collective agreement that required the payment of overtime only if the hours worked exceeded the average full-time working hours of 38.5 hours per week. The care assistants also claimed gender discrimination because approximately 85% of the part-time employees were women. The July ruling confirmed the ECJ’s ruling issued in October 2023 that part-time employees can claim overtime bonuses if they exceed their individual working hours, even if the applicable collective agreement provides for overtime pay only if part-time workers exceed the normal working hours of full-time employees.</div>
Resources	Ruling (European Union, July 29, 2024) and Ruling (European Union, Oct. 19, 2023)

EU (updated)

Status



Effective date unknown.

Development

Career — Health

Platform Worker's Directive moves forward


The EU Platform Workers Directive was finally agreed to on Oct. 14, 2024, and must now be signed by the EU's Council of Ministers and the European Parliament. Member states must introduce national laws within two years of the directive's publication in the Official Journal (this likely will be during 2026). Highlights include:

- Member states must have appropriate and effective procedures to determine the correct employment status of persons performing platform work. The directive includes a presumption of employment status when there are facts concerning control and direction, and it will be for the employer or platform to prove that the worker is not an employee. Member states must issue guidance to digital platforms and national authorities.
- Digital labor platforms will be subject to increased transparency about their use of algorithms in human resource management.
- Workers must be informed about the use of automated monitoring or decision making in their recruitment, working conditions and earnings, among other issues.
- Automated systems must be monitored by qualified staff, and workers will be allowed to challenge automated decisions made about them — these could include access to and organization of work assignments; earnings; the pricing of individual assignments; and restriction, suspension or termination of their account. Furthermore, digital labor platforms will have to evaluate every two years the impact of automated decisions.
- Automated monitoring or decision-making systems will be banned for processing certain types of personal data of workers performing platform work (for example, the processing of individuals' biometric data, emotional or psychological state).
- Member states must take measures to address digital labor platforms' use of intermediaries. Individuals performing platform work, and who have a contractual relationship with an intermediary, must have the same protection as individuals who have a direct contractual relationship with a digital labor platform.

Resources

[Platform workers: Council adopts new rules to improve their working conditions](#) (European Council of the European Union, Oct. 14, 2024)

EU (previously covered, now effective)

Status	 Effective Nov. 15, 2024
Development	<p>Career</p> <p>Directive on promoting statutory minimum wages enters into force</p> <p>The directive on promoting adequate statutory minimum wages will take effect on Nov. 15, 2024. Under the directive, member states were given two years to transpose the directive into national laws. Highlights include:</p> <ul style="list-style-type: none">• Adequacy of statutory minimum wages. The directive does not prescribe a minimum wage that member states must implement, but the states must have procedural frameworks, and clear criteria, to set and update minimum wages. Minimum wages must generally be updated at least every two years — countries that use an automatic indexation mechanism must update at least every four years.• Promotion of collective bargaining on wage setting. The directive intends to boost the number of workers covered by collective bargaining agreements, for example, member states should establish an action plan (including timeline and specific measures) where coverage is less than 80%.• Effective access to minimum wage protection. Member states must provide for labor inspection controls and enforcement against noncompliant employers and ensure that information on minimum wage protections is easily accessible to workers.

Resources	Council adopts EU law on adequate minimum wages (European Council, Oct. 4, 2022) and GRIST , Dec. 15, 2021
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EU (previously covered, now effective)**Status****Effective Nov. 18, 2024****Development****Career****Reforms to Blue Card coming for highly skilled workers now effective**

Reforms to the European Union's (EU) Blue Card on the entry and residence of highly skilled workers from outside of the EU will ease the admission conditions for, and enhance the rights of, Blue Card holders to and work in, and move around, EU member states. The measures feature in Directive (EU) 2021/1883 introduced under the EU's New Pact on Migration and Asylum. Highlights include:

- The qualifying salary threshold will be reduced to between one and 1.6 the average gross annual national salary. Currently, Blue Card holders' annual gross salary must be at least 1.5 times the average national salary.
- Blue Card applicants will need to have a work contract, or a binding job offer for a minimum period of six months (down from 12 months).
- New rules will apply to the recognition of professional skills for occupations in the information and communication technologies sectors. Applicants with professional experience that is equivalent to a higher education qualification in some sectors will also be eligible to apply for a Blue Card.
- Blue Card holders will have more flexibility to change employers. During the first 12 months, Blue Card holders will only have to complete a new labor market test if they wish to change position or employer, and they may have to notify a change in their situation to the relevant national authorities after this period. Currently, Blue Card holders generally cannot change jobs during the first two years.
- Blue Card holders and their family members will be allowed to move to a second EU member state after 12 months of employment in the first member state — currently, this is permitted only after 18 months. Periods of time spent working in different member states will also be considered for individuals applying for EU long-term residency status.

The EU Blue Card applies to 25 of the 27 EU member states — it does not apply in Denmark and Ireland.

Resources

[Blue Card on the entry and residence of highly skilled workers](#) (European Commission); [Directive \(EU\) 2021/1883](#) (Europa, Oct. 21, 2021) and [New Pact on Migration and Asylum](#) (Europa)

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

- [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

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

- [Teleworking law revised](#) — key date: Jan. 1, 2025

Belgium (previously covered, with upcoming effective date)

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

Bulgaria (new)

Status  **Effective Jan. 1, 2025**

- Development** **Career**
- Minimum wage to increase**
- The monthly minimum wage will increase to 1,077 BGN (up from 933 BGN), effective Jan. 1, 2025.

Resources [Announcement](#) (Bulgarian) (Government, Oct. 11, 2024)

Czech Republic (previously covered, with upcoming effective date)

- Development** **Career**
- [Labor code revised](#) — key date: Jan. 1, 2025

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


Guernsey, Channel Islands (new)

Status  **Currently effective**

- Development** **Career**
- Minimum wage increased**
- Effective Oct. 1, 2024, Guernsey's hourly minimum wage increased to £12, up from £10.65 for employees aged 18 years or older. The hourly minimum wage rate for employees aged 16 and 17 is £10.80, up from £9.65. The tax offset for employer-provided accommodation increased to £109/week (up from £103), and the offset for accommodation and food increased to £152 (up from \$144/week).

Resources [Minimum wage](#) (Government)

Hungary (new)	
Status	 Effective Jan. 1, 2025
Development	Health Healthcare contribution to increase The Social Security Healthcare Service Contribution paid by individuals will be 11.800 HUF/month (390 HUF/day) effective Jan. 1, 2025.
Resources	tamas.fekete@mercermarshbenefits.com Information on healthcare contribution (Hungarian) (Government, Oct. 14, 2024)
Hungary (new)	
Status	 Currently effective
Development	Career — Health Court rulings clarify treatment of daily rest periods Two court rulings have clarified the treatment of daily rest periods in Hungary. In the first decision (Mfv.II.10.025/2024/6), daily rest periods must be allocated after work that precedes the weekly rest period of 11 uninterrupted hours, and failure to do so is contrary to the Labor Code. 104(1). In the second decision (Mfv.IV.10.044/2024/6), any requirement for an employee to work during the daily rest period prior to the weekly rest period must be treated as work during “extraordinary working hours,” and could result in the employer being required to pay a specific wage supplement.
Resources	tamas.fekete@mercermarshbenefits.com Ruling (Hungarian) (Government, July 9, 2024) and Ruling (Hungarian) (Government, Sept. 18, 2024)
Hungary (new)	
Status	 Consultation closes on Nov. 15, 2024.
Development	Career Consultation on increasing wages, strengthening economy The Ministry of Economy launched a national consultation on economic policy to comply with EU legal obligations that addresses, among other issues: achieving a decent living standard, reducing in-work poverty, promoting social cohesion and upward social convergence, and reducing the gender pay gap. The consultation is open until Nov. 15, 2024.
Resources	tamas.fekete@mercermarshbenefits.com

Hungary (new)	
Status	 Proposal
Development	<p>Career — Health — Wealth</p> <p>Employee benefit tax changes proposed</p> <p>The Ministry of Finance recently issued legislative proposals to change certain tax laws that impact employee benefits, such as:</p> <ul style="list-style-type: none">• Corporate gym reimbursement. Facilities maintained by employer or other providers, as well as related sports equipment, could be used by employees and other private individuals free of charge or at a discounted price without tax implications.• Social contribution tax. The social contribution tax benefit would be restricted to individuals who newly enter the labor market. The benefit could only be claimed for individuals who have worked for another employer for a maximum of three months during the previous 12-month period. The employer could only reduce the basis for the social contribution tax by the minimum wage amount for one year (down from two years), and by 50% for an additional six months.
Resources	<p>tamas.fekete@mercermarshbenefits.com</p> <p>News release (Hungarian) (Government, Oct. 23, 2024)</p>

Ireland (updated)

Status



Effective Sept. 20, 2025

Development

Wealth

More details on Auto Enrolment scheme published

On Oct. 10, 2024, Minister Humphries signed a commencement order to launch the new Auto Enrolment (AE) retirement savings scheme effective on Sept. 30, 2025. The order clarifies several issues, but the previously announced original core design features of the new regime are unchanged. Mercer's view remains that for most employees, saving in an occupational pension plan or 'Personal Retirement Savings Accounts' (PRSA) will be a better total retirement benefits solution than My Future Fund. Highlights of the measures include:

- The new AE retirement savings system will be known as "My Future Fund."
- The new AE supervisory authority, NAERSA, will be established on March 31, 2025, and will oversee the implementation of AE.
- A major communications campaign will begin soon to inform the public about the system.
- Tata Consultancy Services will act as the Administrator of My Future Fund.
- A tender will be issued to appoint up to four investment managers to invest contributions for My Future Fund.


The Finance Bill 2024 also confirmed more details in relation to the taxation of the new AE system:

- Employee contributions to My Future Fund will not qualify for tax relief (the state top-up contribution, equivalent to 25% tax relief, is paid in lieu.)
- Employer contributions to My Future Fund will be treated as a deductible expense for corporation tax purposes.
- Income and gains from investments in My Future Fund will be tax exempt.
- At retirement, 25% of a participant's fund can be taken as a tax-free lump sum (subject to usual limits); the remainder will be subject to income tax under the Pay-As-You-Earn system.
- The value of the fund will be taxable upon an individual's death. Further clarification is required due to inconsistency with certain other preretirement pension products.
- Funds accumulated within My Future Fund will count towards the individual's overall benefits for the purposes of the Standard Fund Threshold (SFT).

Resources

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[Budget 2024](#) and [Finance Bill 2024](#)

Ireland (new)	
Status	 Effective dates vary.
Development	<p>Wealth</p> <p>Pension-related issues included in Finance Bill Aside from information on the new Auto Enrolment (AE) system, the Finance Bill contained several other pension-related changes — some of which were not anticipated.</p> <p>Standard Fund Threshold (SFT). The Bill confirms previous government announcements with regards to the limits on tax-relieved pension funds. Highlights of these announcements include:</p> <ul style="list-style-type: none">• The SFT limit is currently set at €2 million but, from 2026 it will increase incrementally by €200,000 per year until 2029 when it will be €2.8 million.• From 2030, the SFT will increase in line with the average weekly earnings as published by the Central Statistics Office. In 2030, the SFT will be the higher of the 2029 SFT limit (€2.8 million) and the 2029 SFT limit will be adjusted to take account of wage growth from 2025 to 2029.• From 2031 onwards, the SFT will be adjusted annually based on the difference in average weekly earnings from the previous year.• The delayed and incremental increase of the SFT creates complexities for impacted employees who will retire over the next five years, and for those employees who had previously opted out of the pension scheme but who wish to opt back in. <p>Contributions to Personal Retirement Savings Accounts. The removal of Benefit-in-Kind (BIK) on employer contributions to PRSAs in January 2023 meant that individuals could fund unlimited employer contributions (up to the Standard Fund Threshold) in any given year. The Finance Bill 2024 amends the tax treatment of PRSAs by capping employer contributions at 100% of an employee's earnings under Schedule E. Employer contributions that exceed an employee's earnings will be liable to income tax. The changes will take effect on Jan. 1, 2025 and it is possible that some employees could seek to maximize the current rule before year-end.</p> <p>Unvested/Vested PRSA transfers. The Finance Bill 2024 ended a loophole used by individuals who had exceeded the SFT cap to avoid paying chargeable excess tax. Transfers from unvested PRSAs (these are PRSAs that have not been accessed) into vested PRSAs (these are PRSAs that have been accessed) will now be treated as a benefit crystallization event, meaning that these transfers will trigger chargeable excess tax in the future.</p>
Resources	<p>lorna.white@mercer.com</p> <p>Finance Bill 2024</p>
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
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Kenya (previously covered, now effective)	
Status	 Currently effective
Development	Career Minimum wage increased The minimum wage increased by 6% effective Nov. 1, 2024. Different wage rates apply, depending on the job role and industry sector.
Resources	News release (Federation of Kenya Employers, Oct. 16, 2024)
Lithuania (previously covered, with upcoming effective date)	
Development	Career <ul style="list-style-type: none"> Minimum wage to increase — key date: Jan. 1, 2025
Namibia (previously covered, with upcoming effective date)	
Development	Career <ul style="list-style-type: none"> National minimum wage to be introduced — key date: Jan. 1, 2025
Netherlands (previously covered, with upcoming effective date)	
Development	Wealth <ul style="list-style-type: none"> Parliament agrees to significant occupational pension reforms — key date: Jan. 1, 2025
Nigeria (previously covered, with upcoming effective date)	
Development	Health <ul style="list-style-type: none"> Health insurance coverage to significantly expand — key date: unknown
Oman (previously covered, with upcoming effective date)	
Development	Career — Health <ul style="list-style-type: none"> Social protection for foreign employees expanded — key date: July 2025
Poland (previously covered, with upcoming effective date)	
Development	Career <ul style="list-style-type: none"> Minimum wage to increase — key date: Jan. 1, 2025



Saudi Arabia (new)**Status****Effective Feb. 19, 2025****Development****Career — Health****Labor law expanded**

Several changes to Saudi Arabia's labor law were agreed to in August 2024 and will take effect on Feb. 19, 2025 — 180 days after its publication in the Legal Gazette. The measures support implementation of Saudi Vision 2030 and aim to modernize the labor market and diversify the economy. They include changes to leave entitlements, probation periods, compensation and allowances, resignation and notification procedures, termination, nondiscrimination, training of Saudi nationals and increased penalties for labor law breaches. Executive Regulations will be published and are expected to clarify some of the measures. Highlights include:

- Paid maternity leave will be expanded to 12 weeks, up from 10. Six weeks must be taken immediately following the birth, and leave may start from four weeks before the expected due date.
- A woman will be entitled to up to one month of paid leave starting from the end of her maternity leave if she gives birth to a child who is sick or disabled and requires constant care.
- Men will be entitled to five days of paid leave on marriage, and fathers can take three days of paternity leave within seven days of their child's birth. Employers can request supporting documentation from employees.
- Employees will be allowed three days of paid bereavement leave on the death of a sibling. Currently, leave is provided only on the death of an ascendent or descendent relative.
- The maximum probation period will be increased to 180 days, up from 90 days. The probation period duration must be included in the employment contract. Implementing regulations will clarify the holidays that can be taken during the probation period.
- Employers will be allowed to provide paid leave to compensate for employees' overtime hours, subject to agreement. Currently, overtime is paid, calculated on the employee's hourly wage plus 50% of the basic salary.
- Employers must either provide housing and transportation to and from the employee's residence and workplace or pay cash allowances instead.
- Employees will have to give 30 days' notice when resigning from an indefinite term contract. The regulations will address resignation procedures, including time periods.
- Employers must ensure that employees and job applicants are equally treated, and are not discriminated against on grounds of race, color, gender, age, disability, social status or any other form of discrimination.
- Employers will have to have a policy for training a percentage of their Saudi employees. A ministerial decision will provide further information about the training requirements, including the provision of training contracts and work placements.
- The employment contract for a non-Saudi employee must be in writing and for a fixed-term. If no duration is specified, the contract will be assumed to be for one year.
- A new penalty will apply to employers who do not obtain proper work authorizations, and the renewal of work permits could be refused for violations of the new measures.

Resources

[Information on the law](#) (Arabic) (Government, Aug. 28, 2023)

Serbia (previously covered, with upcoming effective date)	
Development	Career <ul style="list-style-type: none"> Minimum wage to increase — key date: Jan. 1, 2025
Slovakia (new)	
Status	 Effective Jan. 1, 2025
Development	Career <p>Minimum wage to increase</p> <p>From Jan. 1, 2025, the minimum wage will increase to €816/month (up from €750), and to €4.69/hour (up from €4.31). Different rates will apply to employees depending on their job grades.</p>
Resources	Minimum wage information (Slovak) (Government)
Spain (new)	
Status	 Effective Jan. 10, 2025
Development	Career <p>Mandatory measures for protections of LGTBI individuals</p> <p>Companies with 51 or more employees in Spain are now subject to new measures concerning equality and nondiscrimination of LGTBI employees. and they will generally have to negotiate such measures by Jan 10, 2025 for inclusion in their collective bargaining agreements (CBAs). A regulation published on Oct. 8, 2024, expands on Law 4/2023 of Feb. 28, 2024, on the real and effective equality of transgender individuals and guaranteed rights of LGTBI individuals; the law has been in effect since March and requires companies to introduce equality measures, including a protocol against harassment of LGTBI individuals. Highlights of the law and regulation include:</p> <ul style="list-style-type: none"> Employers must negotiate the required measures by Jan. 10, 2025, for inclusion in the applicable CBA (the deadline can be extended to April 10, 2025 in certain circumstances). The measures can be negotiated with other employee representative bodies in certain cases. Employers must negotiate a protocol to prevent harassment and/or violence to be incorporated into the company's antiharassment procedures, where they exist. The measures must include equal treatment and nondiscrimination measures, including employee selection procedures; job classification; promotion opportunities; training and awareness-raising plans for all staff; and actions to ensure the use of respectful language regarding diversity and other issues. <p>In cases where the negotiations exceed three months without agreement, companies must implement at least the measures included in the regulation and expand them on completion of their negotiations.</p>
Resources	Regulation 1026/2024 (Spanish) (Government, Oct. 8, 2024) and Law 4/2023 of Feb. 28, 2024 (Spanish) (Government)

Spain (new)**Status**  **Effective Jan. 1, 2025****Development****Health — Wealth****Social security basis for higher earners, employers to increase**

Effective Jan. 1, 2025, employers and employees will have to pay the new “additional solidarity contribution” (ASC) included in the General Social Security Law. The ASC will be implemented progressively until 2045 through a gradual contribution rate increase, payable by employers and higher paid employees whose earnings exceed the maximum contribution base set annually by the General State Budget Law. The 2025 maximum contribution base has not been determined, but it is €4,720.50 for 2024.

The calculation of the ASC amount will use different percentage amounts applicable to three tiers: 5.5% for the first tier (applicable to 10% of earnings that exceed the maximum contribution base); 6% for the second tier (applicable to the excess amount between 10% and 50%); and 7% for the third tier (applicable to the amount exceeding 50%). The ASC will be divided between the employer and the employee using the same ratio that applies to the contribution rate for common contingencies — employers will pay 83.4% and employees will pay 16.6%. However, in 2025, the initial contribution rates will be set at 0.92% for the first tier, 1% for the second tier, and 1.17% for the third tier.

Resources[General Social Security Law](#) (Spanish) (Government, Oct. 30, 2024)**South Africa (previously covered, with upcoming effective date)****Development****Career**

- [Expanded remuneration and pay gap disclosures required](#) — key date: Upon proclamation

Sweden (new)**Status**  **Effective Oct. 1, 2025, for private sector salaried employees and Jan. 1, 2026, for private sector blue collar workers****Development****Wealth****Flexibility of receiving occupational pension benefit payments increased**

Individuals will be able to temporarily pause payments of benefits from occupational pension insurance and pension savings accounts under measures that unanimously passed parliament on Oct. 23, 2024. The increased flexibility for receiving pension benefits “pausad tjänstepension” — aims to encourage retirees to resume work, for example.

Currently, occupational pension benefits cannot be paid out for fewer than five years — including the first five-year period after individuals start receiving their pension. During the five-year periods, benefit payments cannot decrease. The new measures will also allow individuals to extend the payment period beyond five years.

The social partners are negotiating the terms of collectively agreed occupational pensions, and it is anticipated that the measures will be effective for private sector salaried employees from Oct. 1, 2025, and for private sector blue-collar workers from Jan. 1, 2026. The national pension system already allows for a break in payments.

Resources[News release](#) (Swedish) (Government, Oct. 23, 2024)**Switzerland (previously covered, with upcoming effective date)****Development****Career — Health**

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

United Arab Emirates (UAE) (new)

Status



Currently effective

Development

Health

New deadline to upload, update health insurance policies

Effective Oct. 24, 2024, the Insurance Coverage and Personal Records of all insured members must be uploaded to the Shafafiya Platform within three business days of the policy's issuance or updating of the policy's cover or the insured person's details. The new deadline is included in a Department of Health circular issued on Sept. 29, 2024, and will apply to additions, deletion, amendment or cancelation of health insurance cover. The new mandate applies to:

- All UAE Nationals, or those of similar status, who are members of the Thiqa program.
- All residents of the Emirate of Abu Dhabi who are members of the Basic health insurance Policy, Flexi Health Insurance Policy, or the enhanced health insurance policy.
- All residents of the Emirate of Abu Dhabi who are members of the Aounak Program.
- All residents of the Emirate of who are nationals of countries suffering from crisis, as specified in circulars issued by the Department of Health.
- All visitors to the country who are insured by health insurance companies licensed to operate in the Emirate of Abu Dhabi.

Resources

[Circular No. 2024/176](#) (Department of Health, Sept. 24, 2024)

UAE (previously covered, with upcoming effective date)

Development

Health

- [Mental health benefits for insurance policies updated](#) — key date: Jan. 1, 2025
- [Compulsory health insurance to expand to Northern Emirates](#) — key date: Jan. 1, 2025

United Kingdom (UK) (new)**Status**  **Effective dates vary****Development****Career — Health — Wealth****Autumn Budget increases National Insurance, National Minimum Wage Rates and includes pension changes**

The UK's Autumn budget was published on Oct. 30, 2024, and includes planned increases to National Insurance Contributions and National Minimum Wage Rates.

National Insurance Contributions. Effective on April 6, 2025, employers will pay increased National Insurance Contributions (NICs) of 15%, up from 13.8%, and the salary threshold at which employers start paying NICs for their staff will be reduced to £5,000, down from £9,100.

However, smaller businesses will not have to pay any NICs on annual salaries of less than £10,500 because the “employment allowance” will more than double from £5,000 currently. It is estimated that 850,000 smaller employers will pay no NICs effective on April 6, 2025.

The NIC changes are expected to raise £23.7 billion for the government by the end of the forecast period — 2029/2030 — of the Office for Budget Responsibility.

National Minimum Wage Rates. Effective on April 1, 2025, the top rate of the national minimum wage (the National Living Wage) will increase by 6.7% to £12.21/hour, up from £11.44/hour, and is payable to all staff aged 21 years and older.

The minimum wage for individuals aged 18 to 20 years will increase by 16.3% to £10/hour, up from £8.60/hour, and it will increase again until it is the same as the National Living Wage. The rate for individuals younger than 18 and for apprentices will be £7.55/hour, up from £6.40/hour.

Pension changes. Defined benefit and defined contribution pension death benefits will be brought within the Inheritance Tax (IHT) regime. Pension death benefits will be included in a deceased member's estate and tested against current IHT thresholds which will remain frozen until 2030. The government has launched a technical consultation on how (and crucially not if) its proposals would be implemented from April 2027.

The government also confirmed that the state pension triple lock would be maintained for the duration of this parliament. No announcement was made on progressing the Government's Pensions Review, although this could be addressed by the chancellor in her Mansion House speech on Nov. 14, 2024.

Resources

[Autumn Budget 2024](#) (HM Treasury, Oct. 30, 2024) and [Autumn Budget 2024: A summary](#) (Government, Oct. 31, 2024)

UK (new)**Status**  **Effective Dec. 1, 2024****Development****Career****Operations of international maritime services face national minimum wage requirements**

From Dec. 1, 2024, operators of international maritime services that call at UK ports at least 120 times a year must comply with The Seafarers' Wages Regulations 2024 (SI 2024/1015). Harbor authorities will have to ask the operator of a service for a declaration that seafarers on board are being paid the equivalent of the UK national minimum wage (this is known as the “equivalence declaration”).

Resources

[Seafarers' Wages Regulations 2024](#) (Legislature, Oct. 10, 2024)

UK (new)

Status



Proposal

Development

Career — Health

Employment Rights Bill published

Publication of the Employment Rights Bill ('bill') on Oct. 10, 2024, fulfilled the government's pledge to introduce proposed reforms of workers' rights within 100 days of the general election. The government's "Next Steps to Make Work Pay Policy Paper" provides additional information on the proposed reforms, and addresses matters that are not included in the bill but which will be "delivered through alternative routes" (these include ethnicity and disability pay gap reporting and the right for employees to disconnect outside of working hours). Stakeholder consultation on the proposed measures will start in 2025, and further detail will be provided in regulations to be issued after the bill receives Royal Assent. The measures are therefore unlikely to take effect before 2026; the government also confirmed that the proposed changes to unfair dismissal protection would be effective no earlier than autumn 2026. Highlights of the bill include:

- Employees would be entitled to "day 1" rights of statutory sick pay; parental, paternity and bereavement leave entitlements; and unfair dismissal protection. Secondary legislation would allow employers to dismiss an employee during the "initial" period of employment, and a modified test for unfair dismissal would apply in such cases. Statutory bereavement leave would also be expanded to more types of bereavement.
- The dismissal and reengagement of employees (or "fire and rehire") would be automatically unfair unless employers could show that their financial difficulties require changes to contractual employment terms.
- Enhanced rights to request flexible work. Employers could only refuse an employee's request for flexible work by relying on one or more of the current eight business reasons for refusal. Individuals returning from shared parental leave or adoption leave would also have additional protection from dismissal.
- Workers on zero hours contracts would have the right to guaranteed hours if they regularly work hours calculated over a reference period (this is likely to be set at 12 weeks). Employers would be subject to new notification requirements regarding shifts and provide reasonable notice, and payments for, cancelled or delayed shifts. The government would consult on how these measures could also apply to agency workers.
- Large employers (with 250 or more employees) would have to develop and publish "equality action plans" to show the steps taken to enhance gender equality (including measures to address the gender pay gap and the support provided to employees during menopause). In addition, the bill allows the government to introduce new obligations for employers to publish details of the service providers they contract with for outsourced services with regards to gender pay gap reporting.
- Collective consultation duties would be expanded to require employers to consult collectively when 20 or more employees are proposed for redundancy across a whole organization (currently, the duty to consult collectively is triggered when redundancy proposals concern 20 or more employees at one site or location).
- New rights and protections for trade unions include: informing workers of their right to join a trade union at the start of employment; revised conditions for union recognition; rights for unions to access workplaces to meet, represent, recruit and organize workers, and to facilitate collective bargaining; reduced ballot thresholds for industrial action; simplified information and shorter notice requirements for the industrial action ballot; repeal of the Minimum Service Levels (Strikes Act); and use of the Central Arbitration Committee to challenge employers' responses.
- Enforcement of labor market legislation. A new "Fair Work Agency" would bring together current enforcement bodies.

Resources

[Employment Rights Bill](#) (Legislature) and [Next steps to make work pay](#) (Government, October 2024)

UK (previously covered, with upcoming effective date)

Development	<div><div>Career — Health</div><div><ul style="list-style-type: none">Paternity leave to be expanded to bereaved partners — key date: Effective date unknownEmployees to be allowed neonatal care leave — key date: expected April 2025Benefits-in-kind digitization reporting confirmed — key date: April 2026</div><div>Wealth</div><div><ul style="list-style-type: none">Pension auto enrollment to expand, reducing eligible age and abolishing earnings threshold — key date: unknownGuidance sets staging date for schemes to connect to Pensions Dashboard — key date: April 30, 2025</div></div>
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