

Law & Policy Group

# Global Legislative Update

By Stephanie Rosseau and Fiona Webster  
January 2025



# 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.

1. Highlights.....

2. Global .....

3. Americas.....

4. Asia Pacific .....

5. Europe, Middle East and Africa (EMEA) .....

2

9

11

61

78

## Section 1

# Highlights

Global	
Artificial Intelligence	<a href="#">Global employer resources</a>
Minimum wage rates	<a href="#">Global employer resources</a>
Remote working	<a href="#">Global employer resources</a>
Reproductive rights	<a href="#">Global employer resources post <i>Dobbs</i> ruling</a>
Americas	
Brazil	<a href="#">Measures gradually reintroduce the payroll tax from 2025 to 2027</a>
Canada	<a href="#">Annual 2025 and 2026 pension limits now effective</a> <a href="#">New sick leave entitlement introduced in Nova Scotia</a> <a href="#">New leave entitlements introduced in Ontario</a> <a href="#">Permanent target benefit pension plan framework regulations now effective in Ontario</a> <a href="#">Employers' rights to request medical certificates for employees' absences limited in Quebec</a>
Colombia	<a href="#">Minimum wage increased</a>
Costa Rica	<a href="#">Minimum wage increased</a>
Dutch Caribbean	<a href="#">Minimum wage increased in Bonaire, Saba and Sint Eustatius</a>
Ecuador	<a href="#">Minimum wage increased</a>
Guatemala	<a href="#">Minimum wage increased</a>
Mexico	<a href="#">Minimum wage increased</a>

## Americas (continued)

### United States

[Final rule issued to increase seasonal worker flexibility, worker protection](#)

[H-1B visa rule revised to provide employers more flexibility in hiring foreign specialty occupation workers](#)

[Under NLRB ruling, employers face more collective bargaining over workplace changes](#)

[Guidance about pregnant worker accommodations issued to healthcare providers](#)

[Year-end spending bill does not extend the current relief for pre-deductible HDHP telehealth coverage or include new PBM reforms](#)

[2025 health FSA, other health and fringe benefit limits now effective](#)

[IRS sets 2025 for final required minimum distribution rules, extends 10-year rule relief](#)

[Mental health parity rules issued](#)

[Retirement plan limits for 2025 now effective](#)

[Proposed rule would abolish exception to paying federal minimum wage for certain workers with disabilities](#)

[Standard to protect indoor/outdoor workers from extreme heat's dangers proposed](#)

[Beyond COBRA: State laws add complexity to continuation coverage](#)

[Domestic partner benefits remain popular but present challenges](#)

[Group fixed-indemnity plans pose legal, tax issues](#)

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

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

[Transportation plans offer valued benefits, but pose compliance issues](#)

[Roundup: Employer resources on noncompete restrictions](#)

[Roundup: Employer DEI resources after SCOTUS' ruling on affirmative action](#)

[Roundup: Employer resources on DOL's expansion of overtime protections](#)

[Some states require group health plan reporting](#)

[Resources for tracking state and local retirement initiatives](#)

[Roundup: Employer resources on states' recent equal pay laws](#)

[Roundup: Employer resources on states' recreational marijuana laws](#)

[Roundup: Employer resources on minimum wage increases](#)

[Roundup: Employer resources on hairstyle nondiscrimination laws](#)

[Law provides temporary tax credit for employers that make payments to employees' child care facilities in Alabama](#)

[Pharmacy benefit managers reform law now effective in Alaska](#)

[FAQs updated to clarify paid sick and safe leave changes in California](#)

[Driver's license requirements prohibited in job postings in California](#)

## Americas (continued)

### United States

['Intersectionality' concept introduced into antidiscrimination law in California](#)  
[Employers face disclosure requirements if they conduct social compliance audits in California](#)  
[Ban on 'captive audience' meetings now effective in California](#)  
[Paid family leave regulations that clarify qualifying exigencies now effective in California](#)  
[Maternal and infant health equity program required in California](#)  
[New law requires dental plan disclosures in California](#)  
[Minimum standards for health plans complying with the Health Care Accountability Ordinance \(HCAO\) in San Francisco, California](#)  
[2025 healthcare expenditure rates now effective in San Francisco, California](#)  
[Contractor-lessee health plan, pay rules updated in San Francisco, California](#)  
[Paid sick and safe leave law expanded in Connecticut](#)  
[Third-party prescription drug payment law enacted in Colorado](#)  
[Health coverage mandates now effective in Colorado](#)  
[Paid family medical leave program implementation begins in Delaware](#)  
[2025 disability benefit rates now effective in Hawaii](#)  
[Prepaid Health Care Act Form HC-5 for 2025 now effective in Hawaii](#)  
[Pharmacy benefit manager law now effective in Idaho](#)  
[Law requiring pay transparency in job postings now effective in Illinois](#)  
[Law banning employers' captive audience meetings now effective in Illinois](#)  
[Law bans prior authorization for OB/GYN services in Illinois](#)  
[Artificial Intelligence in utilization review law now effective in Illinois](#)  
[Telehealth physical therapy permitted in Illinois](#)  
[Short-term, limited-duration insurance prohibited in Illinois](#)  
[Telehealth law effective for all plans in Louisiana](#)  
[Medically necessary fertility preservation law now effective for all plans in Louisiana](#)  
[Pharmacy benefit manager law bans spread pricing in Louisiana](#)  
[Paid family medical leave guidance now effective in Maine](#)  
[Law that addresses fully insured plans' use of prior authorization in Maryland in effect](#)  
[2025 individual mandate coverage dollar limits now effective in Massachusetts](#)  
[Gender-affirming care coverage mandate adopted in Minnesota](#)  
[Salary range and benefit disclosures required in job postings in Minnesota](#)  
[Two-tiered minimum wage system mostly eliminated in Minnesota](#)  
[Prescription cost-sharing limits law enacted in Minnesota](#)  
[Insurance law restricting prior authorization now effective in Mississippi](#)

## Americas (continued)

### United States

[Minimum Wage Initiative now effective in Missouri](#)  
[Prior authorization law now effective in New Hampshire](#)  
[Telehealth parity extended in New Jersey](#)  
[Ancillary plan exception now effective in New Mexico](#)  
[Paid prenatal leave law clarified in New York](#)  
[2025 paid family medical leave rates now effective in New York](#)  
[Paid prenatal leave now effective in New York](#)  
[2025 maximum paid family medical leave benefit now effective in New York](#)  
[Prescription benefit law now effective in North Dakota](#)  
[Fully insured plan reimbursement rates for ground ambulance services now effective in Oklahoma](#)  
[Fertility coverage required in certain circumstances in Oklahoma](#)  
[Prescription drug law now effective in Oregon](#)  
[Rule issued on paid family medical leave, pharmacy benefit managers and gender-affirming care in Oregon](#)  
[Paid family medical leave rates remain at 1% in Oregon](#)  
[Employer child-care tax credit law effective in Pennsylvania](#)  
[Benefit and leave laws sometimes differ from others in Puerto Rico](#)  
[Paid family medical leave rates issued in Rhode Island](#)  
[Temporary caregiver insurance coverage increased in Rhode Island](#)  
[Cost-sharing caps imposed on specialty drugs and epinephrine auto injectors \(EpiPens\) in Rhode Island](#)  
[Prescription law now effective in Rhode Island](#)  
[Prescription drug requirements now effective in Texas](#)  
[Telehealth law effective in Vermont](#)  
[Prior authorization law now effective in Vermont](#)  
[Benefit law now effective](#)  
[2025 paid family medical leave benefit limits now effective](#)  
[Health expenditure rates for hotel employees now effective in Seattle, Washington](#)  
[Fertility treatment law now effective in Washington, DC](#)  
[Telehealth compact now effective in Washington, DC](#)

## Asia Pacific

**Australia** [Proposals to improve transparency of beneficial ownership of unlisted companies issued](#)  
[Privacy bill receives Royal Assent](#)  
[Further details of financial advice reforms announced](#)  
[APRA Super Data Transformation, Phase 2 enhancements finalized](#)  
[Final regulations issued on option to exit legacy pensions, reserve allocation changes](#)  
[Consultation on reform of anti-money laundering/counter-terrorism financing rules issued](#)  
[Anti-money laundering, counter-terrorism legislation receives Royal Assent](#)  
[Bill on legislating for objective of superannuation receives Royal Assent](#)  
[Sustainability Reporting Standards finalized](#)

**China** [Nationwide private pension scheme begins](#)  
[Statutory retirement age to gradually increase](#)  
[Two new public holidays added in 2025](#)

**Malaysia** [Progressive wage policy to move forward in 2025](#)

**Singapore** [Shared parental leave entitlement, mandatory paternity leave introduced](#)  
[Central Provident Fund monthly salary cap, contributions to increase](#)  
[Employment Pass salary threshold increased](#)  
[Platform workers given more employment rights](#)

**South Korea** [Parental leave entitlement to expand](#)  
[Supreme Court ruling changes 'ordinary wage' definition](#)  
[Transition to 52-hour working week for certain employers ended](#)  
[Sanctions against employers habitually in wage arrears to be introduced](#)

**Taiwan** [Changes to National Health Insurance scheme participation issued](#)  
[Minimum wage increased](#)

**Thailand** [Minimum wage increased](#)

## EMEA

**European Union** [Digital Operational Resilience Act to impose compliance obligations for pension scheme trustees](#)

**Austria** [Teleworking law revised](#)

**Belgium** [Federal government's pension reforms effective](#)

**Bulgaria** [Minimum wage increased](#)

**Channel Islands** [Minimum wage to increase in Jersey](#)

**Croatia** [Minimum wage to increase](#)

**Czech Republic** [Labor code revised](#)

**Denmark** [Parental leave expanded in certain circumstances](#)  
[Additional employment deduction to be implemented](#)




EMEA (continued)	
<b>Estonia</b>	<a href="#">Minimum wage increased</a>
<b>France</b>	<a href="#">Social security ceiling for 2025 set</a> <a href="#">Mandatory profit-sharing measures now effective</a>
<b>Germany</b>	<a href="#">Minimum wage increased</a> <a href="#">Employment contract bureaucracy reduced</a> <a href="#">Statutory supplementary health insurance contribution rate increased</a>
<b>Greece</b>	<a href="#">Tax exemption for day care and kindergarten costs</a>
<b>Hungary</b>	<a href="#">Measures increase taxation on company cars</a> <a href="#">Changes to taxation of SZÉP card recreational fringe benefit now effective</a> <a href="#">Healthcare contribution increased</a>
<b>Ireland</b>	<a href="#">Minimum wage increased</a> <a href="#">Contributions to personal retirement savings accounts capped</a> <a href="#">Wage threshold for PRSI contributions to increase</a>
<b>Israel</b>	<a href="#">Health insurance contributions increased</a>
<b>Lithuania</b>	<a href="#">Employers must compensate for inability to shorten working day prior to public holiday</a> <a href="#">Minimum wage increased</a>
<b>Luxembourg</b>	<a href="#">Minimum wage increased</a>
<b>Malta</b>	<a href="#">Minimum wage increased</a>
<b>Moldova</b>	<a href="#">Minimum wage increased</a>
<b>Morocco</b>	<a href="#">Minimum wage increased</a>
<b>Namibia</b>	<a href="#">National minimum wage introduced</a>
<b>Netherlands</b>	<a href="#">Minimum wage introduced</a> <a href="#">Updates on occupational pension reforms</a>
<b>Poland</b>	<a href="#">Minimum wage increased</a>
<b>Portugal</b>	<a href="#">Minimum wage increased</a>
<b>Romania</b>	<a href="#">Minimum wage increased</a>
<b>Russia</b>	<a href="#">Minimum wage introduced</a>
<b>Serbia</b>	<a href="#">Minimum wage increased</a>
<b>Slovakia</b>	<a href="#">Meal and travel allowances adjusted</a> <a href="#">Most employers face sports activity contribution for employees' children</a> <a href="#">Minimum wage increased</a>
<b>Slovenia</b>	<a href="#">Minimum wage increased</a>
<b>South Africa</b>	<a href="#">New employment measures take effect</a>



EMEA (continued)	
<b>Spain</b>	<a href="#">Mandatory measures for protections of LGTBI individuals now effective</a> <a href="#">Social security basis for higher earners, employers increased</a>
<b>Switzerland</b>	<a href="#">Minimum wage ordinances struck down in Zürich and Winterthur</a>
<b>Turkey</b>	<a href="#">Minimum wage increased</a>
<b>United Arab Emirates</b>	<a href="#">Minimum health benefits for insurance policies updated in Dubai</a> <a href="#">Compulsory health insurance expands to Northern Emirates</a>
<b>Ukraine</b>	<a href="#">Minimum wage increased</a>
<b>United Kingdom</b>	<a href="#">Consultation on changes to banking remuneration regime issued</a> <a href="#">Consultation on delivering scale, consolidation and value in defined contribution workplace pensions issued</a>

## Section 2

# Global

Artificial Intelligence	
Status	 Ongoing initiatives
Development	<b>Career</b> <b>Roundup: Global employer resources on artificial intelligence</b> Artificial Intelligence (AI) has become more of a permanent feature of the workplace for many employees and employers around the world and poses numerous challenges and considerations as it reshapes work. To help employers consider the issues associated with AI, the roundup cited below provides links to general information about ongoing legislative and governance initiatives and trends. Sources include Marsh McLennan, organizations, government websites, third-party analysis, news articles and viewpoints.
Resources	<a href="#">Roundup</a> , regularly updated
Minimum wage	
Status	 Ongoing initiatives
Development	<b>Career</b> <b>Roundup: Global employer resources on minimum wage increases</b> To help multinational employers address the different minimum wage rates around the world, the roundup cited below provides links to resources from organizations, government websites, third-party resources, and news articles.
Resources	<a href="#">Roundup</a> , regularly updated
Remote working	
Status	 Ongoing initiatives
Development	<b>Career — Health — Wealth</b> <b>Roundup: Countries address remote-working issues</b> Remote working has become a more of permanent feature for many employees and employers after various countries introduced COVID-19 measures. Remote working poses challenges and considerations for employers devising or adjusting policies. Issues to consider include the definition of remote work, eligibility criteria, hybrid working arrangements, employee engagement and performance, cybersecurity, health and safety, the right to disconnect, the impact of employees relocating to a different country or state, and the post-pandemic return to the workplace. Several jurisdictions have introduced remote-working legislation that clarifies post-pandemic employer and employee requirements, and others are expected to follow suit. To help employers consider the issues associated with remote working, the roundup cited below provides links to resources from Marsh McLennan, organizations, government websites, third-party analysis, news articles and viewpoints.
Resources	<a href="#">Roundup</a> , regularly updated

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

## Section 3

# Americas

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

#### Development

#### Career

- [Minimum wage to increase](#) — key date: Jan. 1, 2025

### Brazil (new)

#### Status



**Currently effective**

#### Development

#### Career

#### Minimum wage increased

The new minimum monthly salary, effective Jan. 1, 2025, is 1,518 BRL, up from 1,412 BRL.

#### Resources

[Decree No. 12.342](#) (Portuguese) (Government, Dec. 30, 2024)

### Brazil (previously covered, partially effective)

#### Status



**Beginning in 2025**

#### Development

#### Career

#### Measures gradually reintroduce the payroll tax from 2025 to 2027



Measures included in Law No. 14,973/2024 retained the reduced payroll tax system applicable to 17 industry sectors until December 2024 and gradually reintroduce the payroll tax from 2025 to 2027. From 2028, the full tax of 20% will be levied. From Jan. 1, 2025, companies must collect contributions calculated on their payroll and gross revenues. The payroll tax is 5% in 2025 and will be 10% in 2026 and 15% in 2027. The revenue tax is 0.8% to 3.6% (80% of the rate provided for by the law) in 2025 and will be 0.6% to 2.7% (60% of the rate provided for by the law) in 2026 and 0.4% to 1.5% (40% of the rate provided for by the law) in 2028. From 2028, the payroll tax will be 20%, but no tax will be levied on company revenues.

To benefit from the payroll exemption, companies must maintain an average number of employees equal to, or greater than, 75% of their average headcount during the previous calendar year. Further details on this measure will be included in an Executive Power Act.

#### Resources

[nathalia.rossi@mmc.com](mailto:nathalia.rossi@mmc.com)

[Law No. 14.973/2024](#) (Portuguese) (Government, Sept. 16, 2024)

Canada (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Annual 2025 and 2026 pension limits now effective</b></p> <p>The updated pension limits for 2025 are now effective. Highlights include:</p> <ul style="list-style-type: none"> <li>• 2025 money purchase limit is C\$33,810</li> <li>• 2025 defined benefit limit is C\$3,756.67</li> <li>• 2025 deferred profit-sharing plan limit is C\$16,905</li> <li>• 2025 year's maximum pensionable earnings is C\$71,300</li> <li>• 2025 year's additional maximum pensionable earnings is C\$81,200.</li> <li>• 2026 registered retirement savings plan (RRSP) limit is C\$33,810</li> </ul>
Resources	<p><a href="mailto:patrick.hatzis@mercer.com">patrick.hatzis@mercer.com</a></p> <p><a href="#">MP, DB, RRSP, DPSP, ALDA, TFSA limits, YMPE and the YAMPE</a> (Government, Nov. 29, 2024)</p>
Canada — Nova Scotia (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Health</b></p> <p><b>New sick leave entitlement introduced</b></p> <p>New unpaid sick leave protections took effect on Jan. 1, 2025, and are included in The Stronger Workplaces for Nova Scotia Act under the Labour Standards Code.</p> <p>Employees can now take five additional days of unpaid leave per calendar year for an employee's own sickness or injury — this means that employees are now entitled to up to eight days of unpaid leave.</p> <p>Additionally, eligible employees who are diagnosed with a 'serious illness' or 'serious injury' can take unpaid leave of up to 27 weeks within any 52-week period. Employees must have been employed with their current employer for three months or more. They do not have to take periods of leave consecutively, but the leave must be no less than one week. Employees must provide medical confirmation of eligibility, if requested by their employer.</p>
Resources	<p><a href="#">Sick and serious illness or injury leaves: legislation changes for workplaces</a> (Government)</p>

**Canada — Ontario (new)****Status****Effective dates vary.****Development****Career — Health****New leave entitlements introduced**

New leave entitlements for employees are among the measures included in The Working for Workers Six Act, 2024 that received Royal Assent on Dec. 19, 2024. The Act passed parliament in only three weeks without any amendments. It amends several statutes including the Employment Standards Act, 2000 and the Occupational Health and Safety Act and the Workplace Safety and Insurance Act, 1997. The measures expand on “the ground-breaking actions” introduced since 2021 in five previous Working for Workers packages. Highlights of the Act include:

- Introduction of a new unpaid parental leave (16 weeks) for eligible employees who become parents through adoption or surrogacy. The Lieutenant Governor will proclaim the effective date.
- Codification of a long-term illness leave (up to 27 weeks) for eligible employees that have serious medical conditions, as defined by a medical practitioner. This leave will be effective from around June 19, 2025 — six months following Act’s Royal Assent.
- Certain workplace safety and health measures took effect on Dec. 19, 2024, such as the requirement for employers to ensure properly fitting personal protective equipment in all industry sectors, and the introduction of a new minimum fine of C\$500,000 for corporations convicted of repeated offences that result in employees’ death or serious injury.

**Resources**

[Working for Workers Six Act, 2024](#) (Legislature) and [Ontario Supporting Women and Families in the Trades](#) (Government, Nov. 26, 2024)

**Canada — Ontario (previously covered, now effective)****Status****Currently effective****Development****Wealth****Permanent target benefit pension plan framework regulations now effective**

Multiemployer 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 designed 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 — Quebec (new)****Status****Currently effective****Development****Career — Health****Employers' rights to request medical certificates for employees' absences limited**

From Jan. 1, 2025, employers in Quebec can no longer require employees to provide medical documentation or certificates to justify the first three short-term absences for sickness during any 12-month period. Short-term absences are defined as up to three days' duration, and the 12-month period starts from the date of the first absence. The measure is included in Bill 68, "An Act mainly to reduce the administrative burden of physicians" that also amends Quebec's Act Respecting Labour Standards (ARLS). Absences can be for sickness, an organ or tissue donation for transplant, accidents, domestic violence or sexual violence.

Employees must notify, and provide a reason for, their absence as soon as possible to their employer, and they must take reasonable steps to avoid, or limit the duration of, any absence due to family obligations.

Under the ARLS, employees can take up to ten days of absence per year to address the care, health, or education of their children, the child of the employee's spouse, or due to the health of a relative or a person for whom the employee acts as a caregiver. Employers can request the employee to provide a document to justify their absence in these circumstances, and they can impose disciplinary sanctions for unjustified employee absences.

**Resources**[Bill 68](#) (Legislature)**Canada (previously covered, with upcoming effective date)****Development****Career**

- [Employers face required disclosures regarding pay in Ontario](#) — key date: Jan. 1, 2026
- [Rights of digital platform workers enhanced in Ontario](#) — key date: July 1, 2025

**Career — Health**

- ['Right-to-disconnect' established for employees](#) — key date: Slated to take effect in 2025

**Wealth**





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

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



The monthly minimum wage increased to COP\$1,423,500, up from COP\$1,300,000 on Jan. 1, 2025 — a 9.54% increase on the 2024 rate. The transportation subsidy increased by 23.5% to COP\$200,000, up from COP\$162,000.


**Resources**[Notice](#) (Spanish) (Government, Dec. 24, 2024)**Colombia (previously covered, with upcoming effective date)****Development****Wealth**



- [Pension reforms issued](#) — key date: July 1, 2025

Costa Rica (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> The minimum wage for all categories in the private sector increased on Jan. 1, 2025, by 2.37% to between 12,236.95 CRC/day and 15,983.96 CRC/day; the monthly minimum wage range increased to between 376,108.55 CRC and 784,193.53 CRC. The monthly minimum wage for domestic workers increased to 258,376.22 CRC, up from 246,624.40 CRC.
Resources	<a href="#">Notice</a> (Spanish) (Ministry of Labor, Oct. 30, 2024)
Dutch Caribbean — Bonaire, Saba and Sint Eustatius (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> The gross hourly statutory minimum wage in Bonaire, Saba and Sint Eustatius increased on Jan. 1, 2025, to €14.06, up from €13.68 for employees aged 21 and older.
Resources	<a href="#">Announcement</a> (Dutch) (Government, Dec. 16, 2024)
Ecuador (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> From Jan. 1, 2025, the basic minimum monthly salary increased to US\$470, up from US\$460. Different minimum wage rates apply, depending on the industry sector.
Resources	<a href="#">Announcement</a> (Spanish) (Ministry of Labor, Dec. 17, 2024)
Guatemala (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> The government announced the minimum wage rates, effective Jan. 1, 2025. Different minimum wage rates and premiums apply, depending on industry sector and working conditions applicable to certain job types. In addition to the minimum monthly wage, workers must be paid a monthly “incentive bonus” (250 GTQ).
Resources	<a href="#">Announcement</a> (Spanish) (Government, Dec. 27, 2024)





Mexico (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> <p>The minimum wage increased on Jan. 1, 2025, to MXN\$278.80/day, up from MXN\$248.93/day — a 12% increase. In the Free Zone of the Northern Border, the minimum wage will be MXN\$419.87/day, up from MXN\$374.89/day.</p>
Resources	<a href="#">Announcement</a> (Spanish) (Government, Dec. 4, 2024)
Peru (previously covered, with upcoming effective date)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li>• <a href="#">Temporary early withdrawal of length-of-service compensation fund allowed</a> — key date: Dec. 31, 2024</li> </ul> <b>Career — Wealth</b> <ul style="list-style-type: none"> <li>• <a href="#">Pension system modernization law issued</a> — key date: unknown</li> </ul>
United States (US) (new)	
Status	 <b>Effective Jan. 17, 2025</b>
Development	<b>Career</b> <b>Final rule issued to increase seasonal worker flexibility, worker protection</b> <p>The Department of Homeland Security (DHS) has issued a final rule that will allow US companies to hire more temporary seasonal workers in agricultural and nonagricultural sectors under the H-2A and H-2B nonimmigrant visa programs, increase workers' protection and allow them to change jobs. A new version of Form I-129 will be issued for all petitions submitted from the rule's effective date of Jan. 17, 2025. Highlights of the final rule include:</p> <ul style="list-style-type: none"> <li>• The DHS will no longer issue annual lists of designated countries, which means that the US Citizenship and Immigration Services (USCIS) will no longer be restricted to approving petitions for H-2 nonimmigrant status for nationals from those countries.</li> <li>• Simplification of the rules for interrupted stay provisions. A uniform period of absence from the US will be required (a minimum of 60 days) to reset the three-year clock.</li> <li>• Revision and clarification of prohibited fees charged to H-2A and H-2B workers by employers. Employers will face new sanctions for breaching these rules.</li> <li>• Provision of whistleblower protections to H-2A and H-2B workers.</li> <li>• Permission will be given to H-2 workers to look for new qualifying employment or prepare to leave the US without violating their H-2 status. They will also be allowed to work immediately with a new employer after the employer files an "extension to stay petition," rather than having to wait until approval.</li> <li>• Workers will not be denied their H-2 status on the sole grounds of having taken steps to become lawful US residents.</li> </ul>
Resources	<a href="#">DHS helps companies fill more jobs, strengthens worker protections in the H-2 programs with final rule</a> (DHS, Dec. 17, 2024)

US (new)	
Status	 <b>Effective Jan. 17, 2025</b>
Development	<p><b>Career</b></p> <p><b>H-1B visa rule revised to provide employers more flexibility in hiring foreign specialty occupation workers</b></p> <p>The US Department for Homeland Security has issued a final rule for H-1B Specialty Occupation nonimmigrant category, and it will apply to all petitions submitted from Jan. 17, 2025. The H-1B nonimmigrant visa program allows U.S. employers to temporarily employ foreign workers in specialty occupations — these are occupations that require highly specialized knowledge and a bachelor's or higher degree in the specific specialty, or its equivalent. The number of new H-1B visas issued annually is currently capped at 85,000 per year, and demand for them far exceeds their availability. Highlights of the final rule include:</p> <ul style="list-style-type: none"> <li>• Provides greater flexibilities for employers and workers by modernizing the definition and criteria for specialty occupation positions and for nonprofit and governmental research organizations that are exempt from the annual statutory limit on H-1B visas.</li> <li>• Allows US Citizenship and Immigration Services (USCIS) to more quickly process applications for most individuals who had previously been approved for an H1B visa</li> <li>• Codifies the policy of “prior deference” when considering extensions of previously approved H-1B specialty occupation visas. The first Trump administration had dropped this policy, resulting in slower visa extensions.</li> <li>• Extends certain flexibilities available to students who have an F-1 visa if they seek change their status to H-1B. This change aims to avoid disruptions in their lawful status and employment authorization.</li> <li>• Strengthens the integrity of the program by codifying USCIS’ authority to conduct inspections and impose penalties for failure to comply by employers.</li> <li>• Requires that the employer must establish that it has a bona fide position in a specialty occupation available for the worker as of the requested start date</li> <li>• Clarifies that the Labor Condition Application must support and properly correspond with the H-1B petition</li> <li>• Requires that the petitioner has a legal presence and be subject to legal processes in US courts.</li> </ul> <p>USCIS will “soon” publish a new Form I-129, Petition for a Nonimmigrant Worker to be used for all petitions beginning Jan. 17, 2025.</p>
Resources	<a href="#">DHS strengthens H-1B program, allowing U.S. employers to more quickly fill critical jobs</a> (DHS, Dec. 17, 2024)

US (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Under NLRB ruling, employers face more collective bargaining over workplace changes</b></p> <p>The National Labor Relations Board has restored the “clear and unmistakable” waiver standard for evaluating if employers have unlawfully changed the working conditions of union-represented employees without first giving the union notice and an opportunity to bargain. A 2019 decision had overturned the standard and adopted the “contract coverage” test, which made it easier for employers to avoid engaging in collective bargaining over workplace changes. NLRB said that the return to the “clear and unmistakable waiver” standard better accomplishes the central statutory policy goal of the National Labor Relations Act — to promote industrial peace by “encouraging the practice and procedure of collective bargaining.”</p> <p>The decision makes clear that an employer has the obligation to bargain over changes to wages and working conditions, unless the union expressly yields its right to bargain over an employer’s decision.</p>
Resources	<a href="#">Board returns to ‘clear and unmistakable waiver’ standard</a> (NLRB, Dec. 10, 2024)
US (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Health</b></p> <p><b>Guidance on pregnant worker accommodations issued to healthcare providers</b></p> <p>The Equal Employment Opportunity Commission (EEOC) has issued guidance to healthcare providers about helping workers request pregnancy — and childbirth-related accommodations from their employers under the Pregnant Workers Fairness Act (PWFA).</p> <p>The PWFA is a bipartisan law that became effective in June 2023 and applies to employers with 15 or more employees. It requires employers to make reasonable accommodations to the known limitations of a qualified employee due to pregnancy, childbirth or related medical conditions. Highlights of the EEOC’s advice include:</p> <ul style="list-style-type: none"> <li>• Signposting advice on the PWFA to patients</li> <li>• Suggested approaches by healthcare providers when preparing documentation to support patients’ requests for reasonable accommodation. Employers may, but are not required to, seek supporting documents from healthcare providers in certain situations.</li> <li>• The physical and mental conditions that could allow patients to seek reasonable accommodation from their employers.</li> <li>• Examples of reasonable accommodations that patients could request. These include flexible working arrangements; adjusted food and drink workplace policies; arrangements for breastfeeding mothers; changing work schedules and duties; temporary suspension of a main job duty; teleworking; temporary reassignment; and leave to attend medical appointments or to recover from childbirth.</li> </ul>
Resources	<a href="#">Helping patients deal with pregnancy — and childbirth — related limitations and restrictions at work under the Pregnant Workers Fairness Act</a> (EEOC, Dec. 18, 2024)

US (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>Year-end spending bill does not extend the relief for pre-deductible HDHP telehealth coverage or include new PBM reforms</b></p> <p>On Dec. 21, 2024, President Biden signed a government spending bill — The American Relief Act, 2025 — to avert a government shutdown and temporarily fund the federal government through March 15, 2025.</p> <p>Unfortunately, the spending bill does <b>not</b> extend the relief allowing health savings accounts (HSA)-qualifying high-deductible health plans (HDHPs) to cover telehealth and other remote care services on a pre- or no-deductible basis without interfering with an individual's eligibility to make or receive HSA contributions. That current relief now expires Dec. 31, 2024, for calendar year plans, and during 2025 for noncalendar-year plans unless further extensions are made. We will have to wait to see if the new Congress will pass legislation to either permanently or temporality extend this beneficial relief, potentially retroactively, in 2025. The incoming Congress could enact legislation to permanently or temporarily extend that relief (possibly retroactively) in 2025.</p> <p>The spending bill also does not include any provisions aimed at improving the transparency of pharmacy benefit manager (PBM) practices or require that PBMs pass through to employer group health plans 100% of rebates, fees, alternative discounts and other compensation they get from drug manufacturers.</p> <p>Both the above bi-partisan HDHP/HSA telehealth relief and the PBM reforms were part of the original 1,547-page funding bill. That bill was opposed by President-elect Trump and his advisors.</p>
Resources	<a href="mailto:dorian.smith@mercerc.com">dorian.smith@mercerc.com</a> <a href="#">The American Relief Act, 2025</a> (Legislature)
US (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>2025 health FSA, other health and fringe benefit limits now effective</b></p> <p>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.</p>
Resources	<a href="mailto:dorian.smith@mercerc.com">dorian.smith@mercerc.com</a> and <a href="mailto:katharine.marshall@mercerc.com">katharine.marshall@mercerc.com</a> <a href="#">GRIST</a> , Dec. 10, 2024 and <a href="#">GRIST</a> , Oct. 24, 2024

US (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Final required minimum distribution rules now effective, 10-year rule relief extended</b></p> <p>IRS Notice 2024-35 announces that final regulations on required minimum distributions (RMDs) under Internal Revenue Code (IRC) Section 401(a)(9) will apply starting in 2025. The notice also extends for a fourth year the relief available to defined contribution plans and beneficiaries for post-death distributions subject to the “10-year rule” under the Setting Every Community Up for Retirement Enhancement Act of 2019 (Div. O of Pub. L. 116-94) (SECURE 1.0).</p>
Resources	<p><a href="mailto:margaret.berger@mercer.com">margaret.berger@mercer.com</a> and <a href="mailto:brian.kearney@mercer.com">brian.kearney@mercer.com</a></p> <p><a href="#">GRIST</a>, April 19, 2024</p>
US (previously covered, partially effective)	
Status	 <b>Effective dates vary.</b>
Development	<p><b>Health</b></p> <p><b>Mental health parity rules issued</b></p> <p>Final mental health parity rules that significantly overhaul existing regulations have been released. The final rules establish a “meaningful” benefits standard, add new standards for nonquantitative treatment limitations (NQTLs), and outline the required content for an NQTL comparative analysis. Although litigation challenging these rules is expected, employers sponsoring self-funded plans have significant compliance obligations to consider, and in short order.</p> <ul style="list-style-type: none"> <li>• Most content requirements for the NQTL comparative analysis apply for plan years beginning on or after Jan. 1, 2025, including a new requirement that a plan fiduciary certify that the vendor responsible for preparing the analysis, was prudently selected and monitored as required by ERISA.</li> <li>• Other changes intended to reduce barriers to behavioral health services by focusing on benefit coverage and network adequacy take effect for plan years beginning on or after Jan. 1, 2026. One example — the final rules require plans to collect and evaluate relevant data to assess an NQTL’s impact on access to behavioral health benefits as compared to medical and surgical benefits and take action to address material differences.</li> </ul>
Resources	<p><a href="mailto:katharine.marshall@mercer.com">katharine.marshall@mercer.com</a> and <a href="mailto:jennifer.wiseman@mercer.com">jennifer.wiseman@mercer.com</a></p> <p><a href="#">GRIST</a>, Sept. 13, 2024</p>

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

**Status**  **Currently effective**

**Development** **Wealth**

**Retirement plan limits for 2025 now effective**

IRS Notice 2024-80 provides official 2025 limits for qualified defined benefit and defined contribution retirement plans and Internal Revenue Code (IRC) Section 403(b) plans, matching Mercer's earlier projections. The 2025 limits reflect increases in the Consumer Price Index for All Urban Consumers (CPI-U) from the third quarter of 2023 to the third quarter of 2024.

**Resources** [margaret.berger@mercer.com](mailto:margaret.berger@mercer.com) and [james.chakan@mercer.com](mailto:james.chakan@mercer.com)  
[GRIST](#), Dec. 10, 2024; [GRIST](#), Nov. 7, 2024; [2025 quick benefit facts](#) (Mercer, Nov. 6, 2024) and [2025 US retirement plan compliance calendars](#) (Mercer, Dec. 2, 2024)

**US**

**Status**  **Comments can be submitted until Jan. 17, 2025.**

**Development** **Career**

**Proposed rule would abolish exception to paying federal minimum wage for certain workers with disabilities**

The Department of Labor (DOL) would no longer issue section 14(c) certificates to allow employers to pay workers with disabilities at wage rates below the federal minimum wage under a proposed rule published in the federal register on Dec. 4, 2024.

The current law requires that such certificates can only be issued to the extent "necessary to prevent curtailment of opportunities for employment." The DOL concludes that subminimum wages are no longer necessary due to the expansion of employment opportunities for individuals with disabilities, and it expects that workers currently paid under a section 14(c) certificate would transition to full-wage employment. Highlights of the proposed rule include:

- The DOL would no longer issue new section 14(c) certificates to employers that submit an initial application on or after the effective date of a final rule.
- Current section 14(c) certificate holders would be allowed to continue paying below the federal minimum wage for up to three years after the effective date of a final rule, if they continue to fulfil the legal requirements.
- Impacted workers would remain in their current places of employment, and current section 14(c) certificate holders would not have to amend the type of services currently provide.

The DOL also invites input if it would be appropriate to introduce an extension period for current section 14(c) certificate holders who demonstrate a particular need.

**Resources** [Notice of Proposed Rulemaking: Employment of Workers with Disabilities Under Section 14\(c\) of the Fair Labor Standards Act](#) (DOL, Dec. 3, 2024) and [Proposed rule](#) (Federal Register, Dec. 4, 2024)

US (continued)	
Status	 Comments can be submitted until Jan. 14, 2024.
Development	<p><b>Career — Health</b></p> <p><b>Standard to protect indoor/outdoor workers from extreme heat’s dangers proposed</b></p> <p>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:</p> <ul style="list-style-type: none"> <li>• Apply to all employers in all general industry, construction, maritime, and agriculture sectors where OSHA has jurisdiction, with some exceptions.</li> <li>• Be a programmatic standard that would require employers to create a plan to evaluate and control heat hazards in their workplace.</li> <li>• More clearly outline employer obligations and the measures necessary to effectively protect employees from hazardous heat. OSHA requests comments on all aspects of the proposed rule.</li> </ul>
Resources	<a href="#">Biden-Harris administration’s proposed rule to protect indoor, outdoor workers from extreme heat’s dangers opens for public comment</a> (OSHA, Aug. 30, 2024) and <a href="#">Heat injury and illness prevention in outdoor and indoor work settings</a> (Federal Register, Aug. 30, 2024)
US	
Status	 Currently effective
Development	<p><b>Health</b></p> <p><b>Beyond COBRA: State laws add complexity to continuation coverage</b></p> <p>Though COBRA has endured for decades, state continuation laws are its less familiar sidekick. These laws (often referred to as “mini-COBRA” laws), fill in COBRA’s gaps, particularly for small employers offering fully insured group health plans as well as fully insured large-employer group health plans (often referred to as “post-COBRA” laws), where coverage is required beyond COBRA’s normal time frames. The GRIST cited below summarizes the major aspects of state continuation requirements.</p>
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">GRIST</a> , Nov. 12, 2024
US	
Status	 Currently effective
Development	<p><b>Career — Health</b></p> <p><b>Domestic partner benefits remain popular but present challenges</b></p> <p>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, an employer domestic partner checklist and two tables summarizing applicable state laws.</p>
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> and <a href="mailto:patty.cartwright@mercer.com">patty.cartwright@mercer.com</a> <a href="#">GRIST</a> , regularly updated

**US (continued)****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@mercero.com](mailto:jennifer.wiseman@mercero.com) and [cheryl.hughes@mercero.com](mailto:cheryl.hughes@mercero.com)  
[GRIST](#), Aug. 27, 2024

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

On Jan. 9, 2024, the DOL announced a final rule that revises how to determine if an individual is an independent contractor or an employee entitled to minimum wage, overtime and other protections under the federal Fair Labor Standards Act. The controversial rule took effect on March 11, 2024.

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

**Resources**

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



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

A dizzying array of legislation affecting defined contribution (DC) and defined benefit (DB) plans became law on Dec. 29, 2022, as part of a fiscal 2023 government spending package. Capping several years of congressional efforts, the SECURE 2.0 Act of 2022 (Div. T of Pub. L. No. 117-328) is intended to build on changes made by the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019 (Div. O of Pub. L. No. 116-94).

Navigating SECURE 2.0 is a formidable challenge. The statute consists of 120 pages of text and 90 individual sections — with no table of contents. To help employers and plan sponsors understand the legislation's implications, this guide provides a high-level summary of SECURE 2.0 provisions grouped topically, including separate treatment of provisions specific to DC and DB plans.

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

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

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

**Resources**

[margaret.berger@mercer.com](mailto:margaret.berger@mercer.com), [matthew.calloway@mercer.com](mailto:matthew.calloway@mercer.com) and [brian.kearney@mercer.com](mailto:brian.kearney@mercer.com)  
[User's guide to SECURE 2.0](#), periodically updated

**US****Status****Effective dates vary.****Development****Career — Health****Transportation plans offer valued benefits, but pose compliance issues**

Since 1998, employees have been able to pay for qualified transportation fringe benefits through pretax salary reductions under Internal Revenue Code (IRC) § 132(f), and these benefits have become quite popular. (Employers could provide this benefit on a tax-advantaged basis as early as 1992.) The tax exemption extends to commuting expenses for transit passes, qualified parking, van pools, and in certain years, bicycles.

While these benefits are not subject to cafeteria plan or ERISA rules, compliance difficulties exist, and a 2018 tax law that will expire at the end of 2025 added complexities. The federal monthly limits are adjusted every year, most recently for 2024. Some state and local jurisdictions have imposed employer mandates — including one that applies to Chicago-area employers starting in 2024 — leveraging the tax advantage of commuter benefits; other jurisdictions provide tax-related incentives.

**Resources**

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

**US (continued)****Status****Effective dates vary.****Development****Career****Roundup: Employer resources on noncompete restrictions**

Noncompete agreements prevent former employees from working for a competing employer or starting a competing business for a certain time period after their employment ends. At the federal level, President Biden, the FTC, the NLRB and Congress have recently attempted to ban or limit the use of noncompete agreements. The FTC's final rule banning noncompetes was scheduled to be effective Sept. 4, 2024, but on Aug. 20, 2024, a federal judge in Texas blocked the rule from taking effect nationwide. The decision means the FTC rule will remain on hold until a future judicial decision either permanently blocks the rule or upholds it as lawful. That decision, which could permanently invalidate the rule, may take several months.

At the state level, several states have generally banned noncompete agreements. Numerous other states have enacted restrictions, such as only allowing noncompete agreements for employees above a certain salary threshold. This roundup focuses on recent federal and state actions to restrict noncompete provisions and provides links to federal and state resources from organizations, government websites, third-party resources and news articles.

**Resources**[Roundup](#), regularly updated**US****Status****Currently effective****Development****Career****Roundup: Employer DEI resources after SCOTUS' ruling on affirmative action**

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

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

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

**Resources**[Roundup](#), regularly updated

**US (continued)****Status**  **Currently effective****Development****Career****Roundup: Employer resources on DOL's expansion of overtime protections**

This roundup provides some information on the US Department of Labor's (DOL) final rule that would have significantly expanded overtime protections. This rule has been challenged in multiple lawsuits, and on Nov. 15, 2024, a Texas federal district court judge vacated and set aside the final rule on a nationwide basis — holding that it exceeded the DOL's statutory authority under the Fair Labor Standards Act (FLSA). As a result, the 2025 increases will not go into effect, and the July 2024 increases were revoked. The DOL has appealed this decision, but the incoming Trump administration will likely forgo pursuing the appeal and instead let the decision stand. This roundup provides links to government information, third-party analyses, news articles and viewpoints. The aggregated content in each section is organized in reverse chronological order and is by no means comprehensive. The content also does not necessarily reflect Mercer's or the authors' point of view on the subject.

**Resources**[Roundup](#), regularly updated**US — States****Status**  **Compliance dates vary.****Development****Health****Some states require group health plan sponsor reporting**

Several states and localities have group health plan reporting requirements. This GRIST summarizes key reporting mandates in three categories: individual health coverage mandates, health plan assessments and surcharges and other types of reporting. This year, a new table has been added to describe individual tax liability for failure to maintain minimum essential coverage (MEC) in the five states (plus Washington, DC) that impose MEC mandates.

**Resources**

[rich.glass@mercer.com](mailto:rich.glass@mercer.com) and [dorian.smith@mercer.com](mailto:dorian.smith@mercer.com)  
[GRIST](#), 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](mailto:margaret.berger@mercer.com) and [brian.kearney@mercer.com](mailto:brian.kearney@mercer.com)  
[GRIST](#), regularly updated

**US — States (continued)****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**

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.

**Resources**[Roundup](#), regularly updated

**US — States (continued)****Status**  **Effective dates vary.****Development****Career****Roundup: Employer resources on minimum wage increases**

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.

**Resources**[Roundup](#), regularly updated**US — States****Status**  **Effective dates vary.****Development****Career****Roundup: Employer resources on hairstyle nondiscrimination laws**

The Creating a Respectful and Open World for Natural Hair (CROWN) Act movement in the United States aims to prohibit discrimination based on natural hair texture or hairstyles normally associated with race, such as braids, locks, twists, curls, cornrows, Afros, head wraps or bantu knots. The official campaign of the CROWN Act is led by the CROWN Coalition. Federal legislation, supported by the Biden administration, passed the House during the last session of Congress — but was not enacted. Many states have already passed CROWN Acts, and many others are considering legislation. To help employers ensure their employee handbooks and appearance policies are nondiscriminatory and comply with federal, state, and local laws, the roundup cited below provides links to federal and state resources from organizations, government websites, third-party analysis, news articles and viewpoints.

**Resources**[Roundup](#), regularly updated

**US — Alabama (previously covered, now effective)****Status**  **Effective for the 2025–2027 tax years****Development****Health****Law providing temporary tax credit for employers that make payments to employees' child care facilities now effective**

A new Alabama law gives employers a tax credit for making payments to child care facilities for employees' children. For the 2025–2027 tax years, Act No. 2024-303 (SB 358) authorizes an employer tax credit equal to 75% of eligible expenses incurred by an employer (100% for employers with fewer than 25 employees in the state). Eligible expenses fall into three categories:

- Payments to child care facilities or employees for child care of their children
- Payments to child care facilities to reserve services for employees' children
- Construction, renovation, expansion or repair of a child care facility.

Available funding for the tax credit is limited to \$15 million for 2025, increasing by \$2.5 million in each of the next two years.

**Resources**

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
 Act No. 2024-303 (SB 358) (Legislature)

**US — Alaska (previously covered, now effective)****Status**  **Currently effective****Development****Health****Pharmacy benefit managers reform law now effective**



Alaska enacted a law that restricts pharmacy benefit managers (PBM) activities for fully insured plans. Per 2024 Ch. 61 (HB 226), registered PBMs will be subject to these limitations:



- 100% pass-through of all manufacturer volume- or market share-based payments to the plan sponsor
- A duty of care to the plan sponsor, benefits administrator and participants, based on standards of prudence and acting in the best interest of those entities and individuals
- An extensive list of insurers' unfair trade practices related to administering prescription drug benefits
- Transparency requirements owed to the plan sponsor.

The law took effect for plans issued or renewed on or after Jan. 1, 2025. Alaska generally applies its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state. The law does not affect self-funded ERISA plans.

**Resources**

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
 2024 Ch. 61 (HB 226) (Legislature, Sept. 24, 2024)

US — California (new)	
Status	 <b>Currently effective</b>
Development	<b>Health</b> <b>FAQs updated to clarify paid sick and safe leave changes</b> <p>California's Department of Industrial Relations modified an FAQ on the state's paid sick and safe leave (PSSL) statute to incorporate changes from a law enacted in September 2024 and effective on Jan. 1, 2025.</p> <p>The 2024 law contains discrimination and retaliation prohibitions protecting violence victims (whether the employee or a family member) and expands the permitted uses for PSSL. The law applies more expansive requirements on employers with 25 or more employees; it is unclear if that threshold is based on a state or national headcount. Here is a summary:</p> <ul style="list-style-type: none"> <li>• All employers. PSSL is permitted for obtaining or attempting to obtain any relief, like a restraining order or injunction, to help ensure the health, safety, or welfare of the victim or their child.</li> <li>• Employers with 25 or more employees. Nine other PSSL reasons are provided, including seeking medical attention, obtaining services from a domestic violence shelter or similar entity, psychological counseling, safety planning, relocation to a new residence and finding a new school or child care for affected children.</li> </ul>
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">California paid sick leave: Frequently Asked Questions</a> (Department of Industrial Relations); Article 1.5 — Paid sick days (California Code) and <a href="#">AB 2499</a> (Legislature, Sept. 30, 2024)
US — California (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Driver's license requirements prohibited in job postings</b> <p>On Sept. 28, 2024, California's governor signed SB 1100, which made 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 took effect on Jan. 1, 2025.</p>
Resources	<a href="#">SB 1100</a> (Legislature, Sept. 28, 2024)

US — California (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>‘Intersectionality’ concept introduced into antidiscrimination law</b> 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 because of individual protected traits, but also based on 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 became effective on Jan. 1, 2025.
Resources	<a href="#">SB 1137</a> (Legislature, Sept. 27, 2024)
US — California (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<b>Career — Health</b> <b>Employers face disclosure requirements if they conduct social compliance audits</b> 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 website to a report detailing the findings of its compliance with child labor laws. The measures are included in AB 3234, signed by the governor on Sept. 22, 2024 and effective on Jan. 1, 2025. “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: <ul style="list-style-type: none"><li>• Include the year, month, day, and time the audit was conducted, and if the audit was conducted during a day shift or night shift</li><li>• Provide proof that the business does not engage in, or support the use of, child labor</li><li>• Include a copy of any written policies and procedures the business has regarding child employees</li><li>• Specify if the business exposes children to any workplace situations that are hazardous or unsafe to their physical and mental health and development</li><li>• Contain information about children who work within or outside regular school hours, or during night hours, for the business.</li></ul>
Resources	<a href="#">AB 3234</a> (Legislature, Sept. 22, 2024)



**US — California (previously covered, now effective) (continued)****Status****Currently effective****Development****Career****Ban on ‘captive audience’ meetings now effective**

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:

- Employers may continue to hold such meetings if attendance is voluntary — they are not 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 are 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 does 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 face penalties of up to \$500 per employee, per violation. The statute may be enforced either by the Labor Commissioner or through civil lawsuits.

California joins other states — including Connecticut, Hawaii, Illinois, Maine, Minnesota, New York, Oregon, Washington and Vermont — in banning “captive audience” meetings.

**Resources**

[Senate Bill 399](#) (Legislature, Sept. 30, 2024)

**US — California (previously covered, now effective)****Status****Currently effective****Development****Career — Health****Paid family leave regulations clarifying qualifying exigencies now effective**

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.

The regulations became effective on Jan. 1, 2025.

**Resources**

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

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

**US — California (previously covered, now effective) (continued)****Status**  **Currently effective****Development****Health****Maternal and infant health equity program required**

Effective Jan. 1, 2025, California health care plans are required to provide a maternal and infant health equity program addressing racial health disparities in maternal and infant health outcomes by using doulas. Generally, doulas are individuals who provide guidance and support during pregnancy; the law does not define the term. Previously the law required fully insured and managed care plans (including HMOs) to cover maternal mental health services.

**Resources**

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[2023 Ch. 349 \(AB 904\)](#) (Legislature)

**US — California (previously covered, now effective)****Status**  **Plan years starting in 2025****Development****Health****New law requires dental plan disclosures**

Law 2023 Ch. 25 (AB952), effective for plan years starting in 2025, requires plans to disclose whether dental covered is state regulated. This notice must appear on identity cards as well as the insurer's member portal.

**Resources**

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[2023 Ch. 125 \(AB 952\)](#) (Legislature, July 27, 2023)

**US — California — San Francisco (previously covered, now effective)****Status**  **Currently effective****Development****Health****Minimum standards for health plans complying with the Health Care Accountability Ordinance (HCAO) revised**

HCAO minimum standards changed on Jan. 1, 2025 and now requires most city contractors to provide health benefits meeting 16 minimum standards, including at least one plan option where self-only medical coverage is free to employees. Alternatively, employers can make a payment to the San Francisco General Hospital based on an hourly rate for each covered employee. Here are the changes:

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

**Resources**

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

**US — California — San Francisco (previously covered, now effective) (continued)**

**Status**  **Currently effective**

**Development**

**Health**

**2025 healthcare expenditure rates now effective**

The 2025 healthcare expenditure (HCE) rates under the city's Health Care Security Ordinance (HCSO) are now effective. The rates are as follows:

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

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

**Resources**

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

[Health Care Security Ordinance](#) (Government, July 30, 2024)

**US — California (San Francisco) (previously covered, now effective)**

**Status**  **Currently effective**

**Development**

**Health**

**Contractor-lessee health plan, pay rules updates now effective**

Starting in 2025, San Francisco contractors and lessees (and their subcontractors and subtenants) must comply with new health plan standards for covered employees under the Health Care Accountability Ordinance (HCAO). The GRIST cited below includes other recent HCAO changes posters, along with information on the Healthy Airport Ordinance and Minimum Compensation Ordinance. The Roadmap for employers with San Francisco-area employees is also updated.

**Resources**

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

[GRIST](#), Sept. 3, 2024 and [Roadmap for employers with San Francisco-area employees](#) (Mercer, Sept. 3, 2024)

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

### Status



Currently effective

### Development

#### Career — Health

##### **Paid sick and safe leave law expanded**

Connecticut's Pub. Act No. 24-8 (HB 5005) law modifies its existing paid sick and safe leave (PSSL) law in several ways. Highlights include:

- Covered employees/employers. Current law only provides PSSL to “service workers” or to employers with 50 or more employees working in Connecticut. As of Jan. 1, 2025, the law applies to all employees, except seasonal employees. The employer size threshold will be reduced over three years: 25 or more employees (Jan. 1, 2025), 11 or more (Jan. 1, 2026) and one or more (Jan. 1, 2027).
- Accrual. It changes from one hour per 40 hours worked to one hour per 30 hours worked. The annual maximum remains at 40 hours per benefit year.
- Waiting period. It changes from 680 working hours to 120 days of employment.
- Permitted uses. New reasons are a public health emergency or risk of exposure to a communicable disease at work or school, as well as a family member being a victim of family violence or sexual assault.
- Prohibitions. Employers may not require: (1) employees to search for or find a replacement, or (2) employee documentation if PSSL is for a permitted use.
- Notice. Employers must provide a written notice of their rights at the time of hiring or Jan. 1, 2025, whichever is later. Employers must also add accrued sick leave hours and sick leave hours used to each employee's wage record information.
- Frontloading. The new law confirms that frontloading at the start of the year eliminates the need for carryover.
- Equivalent policies. An employer's existing sick leave policy complies with the law if it not only has the same (or more) permitted uses but also is subject to the same conditions (e.g., documentation and discipline for misuse of leave).
- Transfers. Employees transferred to another division, entity or worksite of the same employer retain their paid sick leave balance.

Except for the employer-size phase-in, all of the provisions took effect on Jan. 1, 2025.

### Resources

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

[Pub. Act No. 24-8](#) (HB 5005) (Legislature, May 21, 2024)

**US — Colorado (previously covered, now effective)****Status**  **Effective for the 2025 plan year****Development****Health****Third-party prescription drug payment law now effective**

SB 23-195 requires fully insured individual and group health plans to apply third-party prescription drug payments to participant cost sharing — including deductibles and out-of-pocket maximums — if they meet any of these criteria:

- A drug without a generic equivalent
- A biological drug with no biosimilar drug or interchangeable biological product
- Any drug previously approved through prior authorization/step therapy protocol (to the extent otherwise permitted) or the pharmacy benefit manager's exceptions, appeal, or review process.

This law has a health savings account (HSA) exception to the extent the cost-sharing mandate would jeopardize HSA eligibility for fully insured high-deductible health plans. Practically, this would prohibit a plan's accumulator adjustment program, a popular Rx cost-saving plan feature. Colorado does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state. This law does not apply to self-funded ERISA plans. SB 23-195 took effect for the 2025 plan year.

**Resources**

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

[SB 23-195](#) (Legislature, June 5, 2023)

**US — Colorado (previously covered, now effective)****Status**  **Currently effective****Development****Health****Health coverage mandates now effective**

2023 Ch. 69 (SB 189) imposes three new coverage mandates. First, fully insured large group market plans must cover abortion without cost sharing, with limited exceptions for governmental employers, grandfathered plans and plans sponsored by employers with sincerely held religious beliefs. The law also provides an exception for high-deductible health plans (HDHPs) if compliance would jeopardize eligibility to make or receive health savings account (HSA) contributions. This provision takes effect for plan years starting in 2025. The law could apply to small group and individual insured coverage if HHS approves the state's request to include this requirement as an essential health benefit.

Second, all fully insured plans must cover counseling, prevention and screening for sexually transmitted infections without cost sharing, including HIV prevention drugs. This provision takes effect for plan years starting in 2025.

Finally, all fully insured and Medicaid plans can no longer require step therapy or prior authorization for FDA-approved HIV drugs. This provision took immediate effect on April 14, 2023, and extends through June 30, 2027.

Colorado does not apply its laws on an extraterritorial basis to fully insured plans issued in another state. The law does not apply to self-funded plans.

**Resources**

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

[Ch. 69](#) (Legislature, April 14, 2023)

**US — Delaware (previously covered, partially effective)****Status**  **Implementation began on Jan. 1, 2025.****Development****Career — Health****Paid family medical leave program begins implementation**

Legislation (SB 1) that approves a paid family and medical leave (PFML) program took effect on Jan. 1, 2025. Employees who qualify for leave under the federal Family and Medical Leave Act (FMLA) can take time off for the same purposes under the state program with partial wage replacement. Leave to care for an employee's own or a family member's serious health condition, or for a military qualifying exigency, is available for up to six weeks in a 24-month period. Parental leave is available for up to 12 weeks in a 12-month period, with an overall cap of 12 weeks per year.

The law exempts employers with fewer than 10 employees in the state in the prior 12 months and any business that entirely closes for 30 consecutive days or more per year. Employers with 10-24 employees in Delaware are subject only to the parental leave requirement. Employers can opt out of the program with an approved private plan covering one or more types of leave.

Starting on Jan. 1, 2025, employers must remit contributions to fund the benefits but can deduct up to 50% of the required contribution from employee wages. A contribution rate of 0.4% of Social Security wages applies for an employee's own health condition. Contributions are 0.32% for parental leave and 0.08% for family caregiving. Indexing of the rates will begin in 2027 but cannot exceed 125% of the prior year's rate. Waivers from the required contribution are available for employees not expected to qualify for the leave program.

Starting on Jan. 1, 2026, weekly benefits will be 80% of the covered individual's average weekly wages, subject to a minimum of \$100 and a maximum of \$900 in the first two years — 2026 and 2027 — and indexed thereafter.

**Resources**[rich.glass@mercer.com](mailto:rich.glass@mercer.com)[SB 1](#) (Legislature, May 10, 2022) and [Delaware paid leave is coming](#) (Delaware Department of Labor)**US — Hawaii (previously covered, now effective)****Status**  **Currently effective****Development****Career — Health****2025 disability benefit rates now effective**

Hawaii's Department of Labor and Industrial Relations posted the state's 2025 Temporary Disability Insurance (TDI) rates. Hawaii does not have a paid family leave mandate. Here are the rates:

- Maximum weekly wage base: \$1,441.72 (2025); \$1,374.78 (2024)
- Maximum weekly employee contributions (0.5% of wages): \$7.21 (2025); \$6.87 (2024)
- Maximum weekly benefit: \$837 (2025); \$798 (2024)

**Resources**[rich.glass@mercer.com](mailto:rich.glass@mercer.com)[2025 maximum weekly wage base and maximum weekly benefit amount](#) (Government, Dec. 2, 2024)

## US — Hawaii (previously covered, now effective) (continued)

**Status**  **Currently effective**

### Development

#### Health

##### **Prepaid Health Care Act Form HC-5 for 2025 now effective**

Hawaii's Prepaid Health Care Act (PHCA) requires employers to offer health coverage to all eligible employees in the state. An employee may waive coverage under the employer's health plan if certain conditions apply, including having other health coverage. To claim an exemption, the employee must complete and provide Form HC-5 (Employee Notification to Employer) to the employer. This notice is binding for only one year, so exempt employees must annually complete a new form by Dec. 31, using the current calendar year's form. The employer must keep this form on file.

### Resources

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
Form HC-5 (Government, July 2024)

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

**Status**  **Currently effective**

### Development

#### Health

##### **Pharmacy benefit manager law now effective**

Effective Jan. 1, 2025, HB 596 is a comprehensive pharmacy benefit manager (PBM) bill that:

- Requires 100% of all manufacturer rebates to the plan for the sole purpose of offsetting cost sharing or reducing participant premiums
- Bans spread pricing
- Prohibits a PBM from charging a plan a dispensing fee that exceeds the amount the pharmacy receives
- Sets network adequacy standards that meet or exceed the Medicare Part D standard
- Limits a PBM's ability to set up a specific network with additional accreditation requirements (not applicable to specialty drugs), unless it is designed to meet US Food and Drug Administration limited distribution requirements
- Bars PBMs from taking adverse actions against a pharmacy when it discloses information to a participant
- Imposes various disclosure and reporting requirements on PBMs

The application of HB 596 to self-funded ERISA plans is unclear, given that the statute broadly defines PBMs to include those that work on behalf of third-party administrators. Idaho applies its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state.

### Resources

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[HB 596](#) (Legislature, April 1, 2024)

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

**Status**  **Currently effective**

**Development**

**Career — Health**

**Law requiring pay transparency in job postings now effective**

Effective Jan. 1, 2025, employers with 15 or more employees must include the pay scale and benefits in all job postings going forward. The measures feature in House Bill 3129 that amends the Equal Pay Act of 2003.

**Resources**

[tauseef.rahman@mercercorp.com](mailto:tauseef.rahman@mercercorp.com)

[GRIST](#), Aug. 28, 2023

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

**Status**  **Currently effective**

**Development**

**Career**

**Law banning employers' captive audience meetings now effective**

Effective Jan. 1, 2025, employers in Illinois cannot discharge or discipline employees:

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

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

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

The measures are included in Senate Bill 3649 signed by the governor on July 31, 2024. The law does not limit the rights of an employer to conduct meetings or to engage in communications involving religious or political matters as long as attendance by the employees is voluntary. Employers must post notice of employees' rights under this law by Jan. 30, 2025 — 30 days after the law takes effect.

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

**Resources**

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



**US — Illinois (previously covered, now effective) (continued)****Status**  **Currently effective****Development** **Health****Law banning prior authorization for OB/GYN services now effective**

Fully insured plans are prohibited from requiring prior authorization for obstetrical or gynecological (OB/GYN) care from a licensed obstetrician or gynecologist under a new law (2024 Pub. Act 103-0718, HB 5493) that took effect on Jan. 1, 2025.

**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
 2024 Pub. Act 103-0718 (Legislature, July 19, 2024)

**US — Illinois (previously covered, now effective)****Status**  **Currently effective****Development** **Health****Artificial Intelligence in utilization review law now effective**

Fully insured plans need to meet minimum requirements to the extent they use artificial intelligence (AI) (called “automated processes”) in utilization review under a new law (2024 Pub. Act 106-0656, HB 2472). Specifically, any initial adverse benefit determination must be made by a clinical peer (i.e., a healthcare professional). The automated processes must use objective, evidence-based criteria compliant with the accreditation standards. Plans’ procedures must include all criteria set by licensed physicians and a program integrity system. The law became effective Jan. 1, 2025.

**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
 2024 Pub. Act 106-0656, HB 2472 (Legislature, July 19, 2024)

**US — Illinois (previously covered, now effective)****Status**  **Currently effective****Development** **Health****Telehealth physical therapy permitted**

A new law (2024 Pub. Act 103-0849) now permits physical therapy via telehealth if in-person care is available and there is documented clinical justification. The Act took effect on Jan. 1, 2025.

**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
 2024 Pub. Act 103-0849 (HB 5087, Aug. 9, 2024)

**US — Illinois (previously covered, now effective)****Status** **Currently effective****Development** **Health****Short-term, limited-duration insurance (STLDI) prohibited**

Under 2024 Pub. Act 103-0649 (HB 2499), insurers are no longer be able to provide STLDI policies to any state residents, effective Jan. 1, 2025. The law appears to apply on an extraterritorial basis to policies issued in another state.

**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
 2024 Pub. Act 103-0649 (HB 2499, July 10, 2024)

**US — Louisiana (previously covered, now effective)**

**Status**



**Currently effective.**

**Development**

**Health**

**Telehealth law effective for all plans**

Under 2023 Act No. 336, HB 41, telehealth services must be reimbursed at the same rate as in-person services, unless the parties contractually agree otherwise. Telehealth services must be charged the same cost sharing as in-person services.

An in-person patient-provider relationship is not required. This law applied to the 2024 plan year and beyond for new health plans; otherwise, it took effect starting with the 2025 plan year.

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

**Resources**

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

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

**US — Louisiana (previously covered, now effective)**

**Status**



**Currently effective.**

**Development**

**Health**

**Medically necessary fertility preservation law now effective for all plans**

With the enactment of 2023 Act No. 299, HB 186, plans must cover fertility preservation services when cancer treatment or any other medically necessary treatment could cause infertility. Plans may not impose preauthorization. HB 186 applies to a “health coverage plan,” which includes fully insured plans, HMOs, the state’s governmental plan and any “employee welfare benefit plan.” HB 186 does not apply to excepted benefits or short-term, limited-duration insurance.

This law took effect for new plans on and after Jan. 1, 2024. For existing plans, the effective date was on the earlier of the renewal date or Jan. 1, 2025. Louisiana applies its insurance laws on an extraterritorial basis to fully insured plans issued in another state, to the extent they cover state residents.

**Resources**

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

[2023 Act No. 299, HB 186](#) (Legislature, June 13, 2023)

**US — Louisiana (previously covered, now effective) (continued)**

**Status**



**Currently effective**

**Development**

**Health**

**Pharmacy benefit manager law bans spread pricing**

Louisiana enacted a pharmacy benefit manager (PBM) law that effectively prohibits ban pricing in the state as of Jan. 1, 2025.

Under 2024 Act No. 768 (SB 444), PBMs must reimburse a pharmacy at least an amount equal to the acquisition cost for the covered drug, device or service. An exception exists if the pharmacist or pharmacy does not own more than five shares or a 5% interest in a pharmaceutical wholesale group purchasing organization or vendor of any covered drug, device or service. The law also does not apply to the state governmental plan. However, the Office of Group Benefits must report on the potential impact of this law on the state governmental plan by March 31, 2025.

The law's application to self-funded ERISA plans is unclear. PBMs operating in the state — including Caremark, Express Scripts and OptumRx — are already subject to state licensing and transparency requirements on their book of business. Louisiana generally applies its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state. The law does not affect self-funded ERISA plans.

**Resources**

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

[2024 Act No. 768 \(SB 444\)](#) (Legislature, June 19, 2024)

**US — Maine (previously covered, now effective)****Status**  **Currently effective****Development****Career — Health****Paid family medical leave guidance now effective**

The Maine Department of Labor (MDOL) finalized its paid family and medical leave (PFML) regulations and updated its FAQs just in time for the contribution start date of Jan. 1, 2025. Highlights of the regulations include:

- Previous versions included those with an affinity relationship as family members. That term has been replaced by those with a “significant personal bond,” a term in the original law. A nonexhaustive list of six factors is provided.
- “Good cause” is used throughout the rules; MDOL provided five examples.
- The rules were clarified for undue hardship determinations related to the duration and timing of leave.
- Premium liability (based on a 15-employee threshold) is determined based on FEINs.
- Withholdings start on wages for the first pay period with a payment date in January 2025.
- Private plan applications can be filed starting April 1, 2025. Contributions to the state are not required as of the first day of the quarter in which the substitution of a private plan is approved, if the application is received at least 30 days before the end of the quarter. Otherwise, the contribution exemption is effective the first day of the next quarter, assuming it is approved.
- A private plan’s failure to annual reports may result in loss of the private plan substitution.
- All covered employers must register online for the PFML program.
- The regulations outline a process for requesting an advisory ruling.
- The FAQ update addresses the private plan application process and review and provides additional clarifications about contributions. MDOL previously published a four-step flyer detailing what employers should do to prepare for contributions.

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

[Regulations](#) (MDOL); [FAQs](#) (MDOL, December 2024) and [What employers need to know: program contributions document](#) (MDOL)

**US — Maryland (previously covered, now effective)****Status**  **Currently effective****Development****Health****Law that addresses fully insured plans’ use of prior authorization in effect**

Under 2024 Ch. 847/848 (HB 932/SB 791), fully insured plans must establish an online prior authorization and e-prescribing system by July 1, 2026, at no charge to providers or participants. Prior authorization approvals will be valid for the lesser of 90 days or the course of treatment. The law also imposes additional notice and reporting requirements. All these provisions took effect on Jan. 1, 2025. Maryland generally does not apply its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state. The law does not affect self-funded ERISA plans.

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

2024 Ch. [847/848](#) (HB 932/SB 791) (Legislature, May 16, 2024)

**US — Massachusetts (previously covered, now effective)****Status**  **Currently effective****Development****Health****2025 individual mandate coverage dollar limits now effective**

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

**Resources**

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
GRIST, July 23, 2024

**US — Minnesota (previously covered, now effective)****Status**  **Currently effective****Development****Health****Gender-affirming care coverage mandate now effective**

An omnibus commerce policy bill (2024 Ch. 114, SF 4097) requires fully insured plans to cover medically necessary gender-affirming care. The term “medically necessary” is defined consistent with generally accepted practice parameters. The term “gender-affirming care” means all medical, surgical, counseling, or referral services, including telehealth services, that support and affirm gender identity or expression, as long as they are legal under state law.

The law took effect on Jan. 1, 2025. Minnesota generally applies its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state, unless the plan covers fewer than 25 state residents. The law does not affect self-funded ERISA plans.

**Resources**

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
2024 Ch. 114, SF 4097 (Legislature, May 21, 2024)

**US — Minnesota (previously covered, now effective)****Status**  **Currently effective****Development****Career — Health — Wealth****Salary range and benefit disclosures required in job postings**

Effective Jan. 1, 2025, employers with 30 or more employees at one or more sites in Minnesota must disclose salary, other compensation and benefits information in job postings. The measures are included in SF 3852 signed on May 17, 2024. Beginning on Jan. 1, 2024, Minnesota prohibited inquiries into the pay history of job applicants.

**Resources**

[tauseef.rahman@mercer.com](mailto:tauseef.rahman@mercer.com)  
GRIST, May 23, 2024

**US — Minnesota (previously covered, now effective)****Status**  **Currently effective****Development****Career****Two-tiered minimum wage system mostly eliminated**

Minnesota eliminated its two-tiered minimum wage system under a bill (SF 3852), signed by the governor on May 17, 2024. The minimum wage for larger employers (currently \$10.85/hour) now generally applies for all employers and employees beginning on Jan. 1, 2025. However, a lower wage rate (currently \$8.85/hour) may still be paid to an employee under the age of 20 years for the first 90 consecutive days of employment. Previously, Minnesota had a minimum wage rate for larger employers, and a lower rate for small employers, minors, some newly hired employees, and some employees with visas.

**Resources**

[SF 3852](#) (Legislature, May 17, 2024)

**US — Minnesota (previously covered, now effective)****Status**  **Effective for plan years starting in 2025.****Development****Health****Prescription cost-sharing limits law now effective**

As a result of 2023 Ch. 57, SF 2744, fully insured health plans must limit enrollee prescription drug cost sharing for chronic diseases (limited to diabetes, asthma and allergies requiring an epinephrine auto-injector). Cost-sharing limits may not exceed \$25 for a one-month Rx supply and \$50 for one month of related medical supplies. Cost sharing is not subject to deductibles, except for health savings accounts-eligible high-deductible health plans.

SF 2744 took effect for plan years starting in 2025. Minnesota applies its laws on an extraterritorial basis to fully insured plans issued in another state if either the employer is based in Minnesota or has 25 or more employees residing in the state. This law does not apply to self-funded ERISA plans.

**Resources**

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

[2023 Ch. 57, SF 2744](#) (Legislature, May 24, 2023)

**US — Mississippi (previously covered, now effective)****Status**  **Currently effective****Development****Health****Insurance law restricting prior authorization now effective**

SB 2140 — known as the Mississippi Prior Authorization Reform Act — requires insurers to make prior authorization requirements and restrictions readily accessible by posting them on a website. Related statistics must also be publicly available. Insurers were required to have a standard electronic process in place by Jan. 1, 2025. Approvals are valid for the lesser of six months or the length of treatment. An insurer's failure to comply with deadlines and other requirements will result in automatic authorization.

**Resources**

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

[SB 2140](#) (Legislature, Feb. 29, 2024)

**US — Missouri (previously covered, now effective) (continued)****Status**  **Currently effective****Development****Career — Health****Minimum Wage Initiative now effective**

The Minimum Wage and Earned Paid Sick Time Initiative (Proposition A), which changes the state's minimum wage, was approved by voters on Nov. 5, 2024. The minimum wage increased to \$13.75/hour on Jan. 1, 2025 — up from \$12.30 — and it will increase to \$15/hour on Jan. 1, 2026. Increases in later years will take effect on Jan. 1, based on the Consumer Price Index for Urban Wage Earners and Clerical Workers.

Several business groups — including the Missouri Chamber of Commerce and Industry — have filed a lawsuit seeking to invalidate Proposition A.

**Resources**

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

[Proposition A](#) (Ballotpedia) and [Business groups file legal challenge to overturn Proposition A](#) (Missouri Chamber of Commerce, Dec. 9, 2024)

**US — New Hampshire (previously covered, now effective)****Status**  **Currently effective****Development****Health****Prior authorization law now effective**

Effective Jan. 1, 2025, fully insured plans' use of prior authorization (PA) is limited under measures signed in July 2024. The primary aim of 2024 Ch. 172 (SB 561) is the establishment of criteria for PA imposed by fully insured managed care health benefit plans. Typically, insurers were allowed to set this criteria. Specifically, the law accomplishes the following:

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

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

**Resources**

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

[2024 Ch. 172 \(SB 561\)](#) (Legislature, July 10, 2024)

**US — New Jersey (previously covered, now effective)**

**Status**  **Currently effective**

**Development** **Career — Health**

**2025 paid family medical leave rates now effective**

New Jersey's paid family and medical leave (PFML) rate changes for 2025 are now effective. Temporary disability insurance (TDI) and family leave insurance (FLI) constitute PFML in the state. Employers must collect and remit contributions up to the \$165,400 taxable wage base for 2025, up from \$161,400 in 2024. The 2025 maximum TDI/FLI weekly benefit rate of \$1,081 reflects an increase from \$1,055 in 2024.

**Resources** [rich.glass@mercerc.com](mailto:rich.glass@mercerc.com)  
[Rate information, contributions and due dates](#)

**US — New Jersey (updated)**

**Status**  **Extended until July 1, 2026**

**Development** **Health**

**Telehealth parity extended**

New Jersey's telehealth parity mandate — requiring reimbursement parity between in-person and telehealth providers — was extended beyond Dec. 31, 2024, to July 1, 2026, under 2024 Ch. 105 (AB 3853). This requirement applies to fully insured plans. New Jersey generally does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state. The law does not affect self-funded ERISA plans.

**Resources** [rich.glass@mercerc.com](mailto:rich.glass@mercerc.com)  
[2024 Ch. 105 \(AB 3853\) \(Legislature\)](#)



**US — New Mexico (previously covered, now effective)****Status**  **Plans issued on or after Jan. 1, 2025****Development****Health****Ancillary plan exception now effective**

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

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

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

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

**Resources**

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

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

**US — New York (new)****Status**  **Currently effective****Development****Career — Health****Paid prenatal leave law clarified**

The New York Department of Labor (NYDOL) issued an explanatory FAQ on the paid prenatal leave law enacted in April 2024. This law amended the state's paid sick and safe leave law and took effect on Jan. 1, 2025. Highlights include:

- Other policies. An employer's more generous sick leave or paid time off (PTO) policy will not satisfy the 20-hour leave mandate because the law requires a separate benefit from other leave policies and laws. Further, employees may not be required to exhaust other available PTO benefits before using paid prenatal leave.
- Permitted uses. These include fertility treatment (e.g., in vitro fertilization) and end-of-pregnancy care appointments but not post-natal or postpartum appointments.
- Documentation. Employers cannot require verification of an employee's eligibility. Employers are not required to show leave allotments on paystubs, but NYDOL indicated it is a best practice to maintain clear records in a manner accessible to employees.
- Applicability. The law applies to all private-sector employers in the state, regardless of size. This benefit is available to all New York employees, effective on the hire date, regardless of length of service or full-time status. Leave is available only for the person seeking to become pregnant.

**Resources**

[Frequently Asked Questions](#) (Government) and [Paid prenatal leave law](#) (Legislature)

**US — New York (previously covered, now effective)****Status**  **Currently effective****Development** **Career — Health****2025 paid family medical leave rates now effective**

The 2025 paid family leave (PFL) benefits took effect on Jan. 1, 2025.

Employee PFL contributions increased from 0.373% (2024) to 0.388% (2025) of an employee's wages. The maximum annual employee contribution is \$354.53 (2025), up from \$333.25 (2024). Employers do not contribute to the PFL fund. New York also has a disability benefits law, where employee contributions are set by statute at 0.5% of wages up to a maximum of \$0.60 per week.

**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[Rate information](#) (Department of Financial Services)

**US — New York (previously covered, now effective)****Status**  **Currently effective****Development** **Career — Health****Paid prenatal leave now effective**

Effective Jan. 1, 2025, a provision in SB 8306 amends Sec. 206-C of the Labor Code (addressing the right of nursing employees to express breast milk) to allow up to 30 minutes of break time for lactation purposes. This is in addition to any other paid break or meal time the employee might already have. Previously, the law only required reasonable unpaid break time to express milk. The law continues to allow employees this lactation right for up to three years following childbirth.

**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[2024 Ch. 55](#) (AB 8805) (Legislature, April 20 2024); [2024 Ch. 56](#) (SB 8306) (Legislature, April 20, 2024) and [Paid leave for COVID-19](#) (Government)

**US — New York (previously covered, now effective)****Status**  **Currently effective****Development** **Career — Health****2025 maximum paid family medical leave benefit now effective**

New York's Department of Financial Services announced that the maximum weekly paid family and medical benefit for 2025 is \$1,177.32, up from \$1,151.16 in 2024.

**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[New York paid family leave updates for 2025](#) (Government)

## US — North Dakota (previously covered, now effective)

**Status**  **Effective for plan years starting in 2025.**

### Development

#### Health

##### **Prescription benefit law now effective**

Effective for plan years starting in 2025, fully insured health plans must offer selected participants a comprehensive medication-management program that ensures an individual assessment of prescription and nonprescription medications under law HB 1095. The assessment must account for each medication's appropriateness, safety and comorbidities. Health carriers must at least annually provide a notice of eligibility for this medication-management program to certain enrollees — such as those diagnosed with a heart condition or taking five or more drugs for chronic conditions — and their primary care physicians. The services can be available in person, at home or via telehealth. North Dakota does not apply its insurance laws on an extraterritorial basis to fully insured plans located elsewhere.

### Resources

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

[HB 1095](#) (Legislature, 13 April 2023)

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

**Status**  **Currently effective**

### Development

#### Health

##### **Fully insured plan reimbursement rates for ground ambulance services now effective**

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

The law took effect on Jan. 1, 2025. Oklahoma generally applies its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state. The law does not affect self-funded ERISA plans.

### Resources

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

[HB 2872](#) (Legislature)

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

**Status**  **Currently effective**

### Development

#### Health

##### **Fertility coverage required in certain circumstances**

Effective Jan. 1, 2025, "Corinne's Law" (SB 1334) requires fully insured plans and the state's Employees Insurance Plan to cover standard fertility preservation services when a person's cancer treatment may directly or indirectly cause iatrogenic infertility. This term refers to a fertility impairment caused by medical treatment with a potential side effect of impaired fertility. Plans may not use prior authorization but can impose cost sharing and reasonable limitations and exclusions on these services.

Oklahoma generally applies its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state. The law does not affect self-funded ERISA plans, other than the state's plan.

### Resources

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

[SB 1334](#) (Legislature, May 28, 2024)

## US — Oregon (new)

### Status



Effective for plan or policy years starting on or after Jan. 1, 2025.

### Development

#### Health

##### Prescription drug law now effective

An Oregon law requires insured plans and all multiple-employer welfare arrangements (MEWAs) to apply third-party financial assistance to cost sharing in defined circumstances, effective for plan years starting on or after Jan. 1, 2025.

As a result of 2024, Ch. 35 (HB 4113), MEWAs (both self-funded and fully insured) and fully insured plans will have to include amounts paid from any third party when calculating a participant's contribution to the deductible, out-of-pocket maximum and other cost sharing, subject to these conditions:

- There is no generic equivalent.
- There is a generic equivalent, but the participant has obtained prior authorization, completed step therapy or otherwise received plan approval.
- The mandate does not apply to an HSA-qualified high-deductible health plan until the participant meets the minimum statutory HDHP deductible under § 223(c)(2) of the Internal Revenue Code.

Oregon generally does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state. The law does not affect self-funded ERISA plans.

### Resources

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

[2024 Ch. 35](#) (HB 4113, March 27, 2023) (Legislature)

**US — Oregon (new)****Status**  **Currently effective****Development****Career — Health****Rule issued on paid family medical leave, pharmacy benefit managers and gender-affirming care**

Final regulations on paid family and medical leave (PFML), pharmacy benefit managers (PBMs) and gender-affirming treatment took effect on Jan. 1, 2025. Highlights include:

- **PFML.** The Batch 12 regulations, which took effect on Jan. 1, address a variety of issues in the Paid Leave Oregon program, which took full effect in September 2023. Three main areas of focus were confidentiality, benefits and self-employment with the intent to align regulations with a law (2024 Ch. 20, SB 1515) enacted in March 2024.
- **PBMs.** The Department of Consumer and Business Services (DCBS) issued a temporary administrative order, which primarily clarifies PBMs' licensure, transparency and reporting requirements. The order also adds market conduct requirements, including a prohibition on mandatory mail-order program and rules on use of maximum allowable cost lists. The rules took effect on Jan. 1 and expire on June 29. The rules appear to be limited to PBMs working on behalf of fully insured plans.
- **Gender-affirming treatment.** DCBS also issued a permanent administrative order (effective Jan. 1) clarifying how fully insured plans must comply with a coverage mandate that took effect last year, 2023 Ch. 228 (HB 2002). Specifically, the rules define the term "accepted standards of care" to include the World Professional Association for Transgender Health standards, version 8 (known as WPATH-8). Adverse benefit determinations require review by someone with experience prescribing or delivering gender-affirming treatment, including WPATH-8 and related training. Insurers may use utilization review to verify adherence to standards. Oregon generally does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state. The coverage mandate does not affect self-funded ERISA plans.

**Resources**

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

[Batch 12 regulations](#) (Secretary of State; Jan. 1, 2025); [2024 Ch. 20](#), SB 1515 (Legislature); [Temporary Administrative Order](#) (Secretary of State, Dec. 23, 2024); [Permanent administrative order](#) (Secretary of State, Jan. 23, 2024) and [2023 Ch. 228](#) (HB 2002) (Legislature)

**US — Oregon (previously covered, now effective)****Status**  **Currently effective****Development****Career — Health****Paid family medical leave rates remain at 1%**

The Oregon Employment Department has posted its 2025 rates for paid family and medical leave (PFML), keeping the overall contribution rate at the statutory maximum of 1% of wages.

Under the Paid Leave Oregon program, employees pay 0.6% and employers with 25 or more employees (including out-of-state workers) pay 0.4%. Employers with fewer than 25 employees are not required to contribute; employees do not make up the difference in that event. The taxable wage base continues to align with the Social Security maximum taxable wage base (\$176,100 in 2025).

**Resources**

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

[OED announces 2025 tax rates for UI and Paid Leave Oregon](#) (Government, Nov. 15, 2024)

**US — Pennsylvania (previously covered, now effective)****Status**  **Effective with the 2025 tax year.****Development** **Health****Employer child-care tax credit law effective**

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

**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
 2024 Pub. Act 56, SB 654 (Legislature, July 11, 2024)

**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 and 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** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[GRIST](#), Aug. 12, 2024


**US — Rhode Island (new)****Status**  **Currently effective****Development** **Career — Health****Paid family medical leave rates now effective**

Rhode Island's Department of Labor and Training increased the taxable wage base and contribution rate for 2025 under its Temporary Disability Insurance (TDI) program. TDI is the nonwork-related disability portion of the state's paid family and medical leave (PFML) program.

For 2025, the taxable wage base is \$89,200, an increase from \$87,000 in 2024. The 2025 contribution rate is 1.3%, up from 1.2% in 2024. As a result, the maximum 2025 TDI contribution is \$1,159.60, an increase from \$1,044 in 2024.

Previously, DLT announced the maximum weekly benefit through June 30, 2025

**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[2025 tax rates for unemployment insurance and temporary disability insurance](#) (Department of Labor and Training, Dec. 20, 2024)

**US — Rhode Island (previously covered, now effective)****Status**  **Currently effective****Development****Career — Health****Temporary caregiver insurance coverage increased**

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

**Resources**

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

**US — Rhode Island (previously covered, now effective)****Status**  **Effective for 2025 plan years****Development****Health****Cost-sharing caps imposed on specialty drugs and epinephrine auto injectors (EpiPens)**

Under Pub. Act 233, SB 871, participants in fully insured plans may not pay more than \$150 for a 30-day supply of specialty drugs, as defined by law for Medicare Part D purposes (the Centers for Medicare and Medicaid Services set its specialty-drug tier threshold at \$830 for calendar year 2023). EpiPens are subject to a \$35 cap for a 30-day supply because of 2023 Pub. Act 263, SB 575.

Both laws took effect for plan years starting Jan. 1, 2025. Rhode Island applies its insurance laws on an extraterritorial basis to fully insured plans issued in another state, when applied to state residents. These laws do not apply for self-funded plans.

**Resources**

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[Pub. Act 233, SB 871](#) (Legislature)

**US — Rhode Island (previously covered, now effective)****Status**  **Currently effective****Development****Health****Prescription law now effective**

Rhode Island's law related to fully insured plans' reimbursement of clinician-administered prescription drugs took effect on Jan. 1, 2025.

HB 7365/SB 2086 prohibits insurers from interfering with a patient's right to obtain a clinician-administered drug from an in-network provider or pharmacy of choice, a practice commonly called "white bagging." Pharmacy reimbursements must be at a rate equal to payments between the insurer and a preferred pharmacy. Rhode Island generally applies its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state. The law does not affect self-funded ERISA plans.

**Resources**

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

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

**Status**  **Effective for plan years starting in 2025.**

### Development

#### Health

##### **Prescription drug requirements now effective**

Effective for plan years starting in 2025, SB 622 requires fully insured group health plans, self-funded professional employer organization plans and all types of multiple-employer welfare arrangements to provide Rx disclosures to plan participants and their prescribing providers upon request. This disclosure must include information on:

- Eligibility
- Cost sharing
- Utilization management requirements

In addition, affected plans may not restrict or prohibit prescribing providers from telling participants about lower cost options or clinically alternative drugs.

Insurers with fewer than 10,000 enrollees may request a 12-month extension of the effective date and a temporary exception from the requirements. Texas applies its insurance laws on an extraterritorial basis to fully insured plans issued in other states to the extent they cover Texas residents.

### Resources

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

[SB 622](#) (Legislature, May 29, 2023)

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

**Status**  **Currently effective.**

### Development

#### Health

##### **Telehealth law effective**

HB 861 repeals the expiration date for required parity between audio-only telephone and in-person healthcare services — it was set to expire on Jan. 1, 2026. The law still provides a parity exception where the insurer and healthcare provider enter into a value-based contract for audio-only telephone services. The law took effect on Jan. 1, 2025.

### Resources

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

[HB 247](#) (Legislature, May 23, 2024) and [HB 861](#) (Legislature, May 13, 2024)



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

### Status



**Currently effective**

### Development

#### Health

##### **Prior authorization law effective**

For fully insured plans, prior authorization is prohibited for at least one readily available asthma controller medication and all healthcare services provided by an in-network primary care provider. Effective Jan. 1, 2025, prior authorization for urgent claims must occur within 24 hours and for nonurgent claims within two business days. Prior authorizations remain valid for the greater of course of treatment (which can be up to five years) or one year. The requirements apply to prescription drugs. Step-therapy exception standards are also established. Most of the nontime frame provisions took effect for plans issued or renewed, and claims processed, on or after Jan. 1, 2025.

Vermont generally does not apply its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state. The laws do not affect self-funded ERISA plans.

### Resources

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

[HB 766](#) (Legislature, May 20, 2024)

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

### Status



**Currently effective**

### Development

#### Health

##### **Benefit law effective**

Effective Jan. 1, 2025, Ch. 325 (SB 5300) prohibits insured plans from taking the following actions related to a refill of an antipsychotic, antidepressant, antiepileptic or other drug to treat a serious mental illness:

- Substituting a nonpreferred drug with a preferred drug in a given therapeutic class
- Increasing an enrollee's cost-sharing during a plan year

These protections apply only if a participant is medically stable on the drug and the provider continues to prescribe it. However, plans may require a generic equivalent during the current plan year, among other exceptions in the law. SB 5300 does not apply to self-funded ERISA plans. Washington generally applies its insurance laws on an extraterritorial basis to fully insured plans located elsewhere.

### Resources

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

[Ch. 325](#), SB 5300 (Legislature, May 4, 2023); [Ch. 58](#), HB 1069, and [Ch. 53](#), HB 1001 (Legislature, April 13, 2023)

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

**Status**  **Currently effective**

### Development

#### Career — Health

##### 2025 paid family medical leave benefit limits now effective

The paid family and medical leave (PFML) maximum weekly benefit amount for 2025 are now effective.

PFML benefits are calculated at 90% of an employee's average weekly wage (AWW) up to 50% of the state AWW (updated to \$1,714 for 2025, almost a 6% increase from \$1,618 in 2024), and 50% for AWW over 50% of the state's AWW. As a result, the maximum weekly benefit amount for 2025 is \$1,543, up from \$1,456; the minimum weekly benefit amount stays at \$100 for 2025.

### Resources

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

[Washington's average wage increases 5.9% in 2023](#) (Employment Security Department, June 13, 2024)

## US — Washington — Seattle (new)

**Status**  **Currently effective**

### Development

#### Health

##### Health expenditure rates for hotel employees now effective

The 2025 monthly rates that covered hotel industry employers must make to or on behalf of each covered employee for medical care are now effective. Rates will increase based on family status:

- Employee only (no children, spouse/domestic partner) — \$561
- Employee + dependent(s) — \$902 and \$955
- Employee + spouse/domestic partner — \$1,062 and \$1,124
- Employee + spouse/domestic partner + dependent(s) — \$1,592 and \$1,686

The ordinance (Mun. Code Ch. 14.28) applies to most businesses that own, control, or operate a Seattle hotel or motel with 100 or more guest rooms and to “ancillary hotel businesses” with 50 or more employees worldwide.

### Resources

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

[Municipal Code Ch. 14.28](#) (Government)

**US — Washington, DC (previously covered, now effective)**

**Status**  **Effective for individual and large group health plans as of Jan. 1, 2025.**

**Development**

**Health**

**Fertility treatment law now effective**

The Expanding Access to Fertility Treatment Amendment Act — DC Act 25-0173 (B25-0034) — requires fully insured individual and large group health plans to cover infertility diagnosis and treatment, including in vitro fertilization and standard fertility preservation services, consistent with a medical provider's plan of care. This mandate also applies to coverage under the DC Healthcare Alliance program. In addition, the Department of Health Care Finance is authorized to seek CMS approval for inclusion in Medicaid.

The effective date for individual and large group health plans is Jan. 1, 2025. Washington, DC defines large group market coverage as over 50+ employees. It also applies its insurance laws on an extraterritorial basis to fully insured plans issued in another state to the extent that DC residents are covered.

**Resources**

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

[DC Act 25-0173](#) (DC Council, July 14, 2023)

**US — Washington, DC (previously covered, now effective)**

**Status**  **Currently effective**

**Development**

**Health**

**Telehealth compact now effective**

The law (2024 Act A25-0616, B25-0287) authorizes the state to join an interstate counseling compact, which enables out-of-state providers to practice in the state without obtaining a separate license. Services can be delivered via telehealth technology to facilitate increased access to professional counseling services. The law becomes operative when the 10th member state joins the compact.

**Resources**

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

[2024 Act A25-0616, B25-0287](#) (DC Council)

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

### Development

#### Career

- [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 initiative approved in Missouri](#) — key date: May 1, 2025
- [Law will require promotion opportunity disclosures, pay transparency in job postings in New Jersey](#) — June 2025
- [Paid family medical leave effective dates delayed in Maryland](#) — key date: July 1, 2025
- [Pharmacy benefit manager regulations finalized in New York](#) — key date: July 1, 2025
- [Paid sick leave initiative approved in Nebraska](#) — key date: Oct. 1, 2025
- [Paid family and medical leave mandated in Minnesota](#) — key date: Jan. 1, 2026

### Development

#### Health

- [Paid sick and safe leave initiative approved in Missouri](#) — key date: May 1, 2025
- [Doula coverage mandated in Delaware](#) — key date: plan years beginning in 2026
- [Insulin cost-sharing law enacted in Illinois](#) — key date: July 1, 2025
- [Data protection law enacted in Tennessee](#) — key date: July 1, 2025
- [Dependent coverage law enacted in Illinois](#) — key date: Plan years starting in 2026
- [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

- [Tax withholding rule for pension payments outside of the US finalized](#) — key date: Jan. 1, 2026
- [IRS delays SECURE 2.0's Roth catch-up mandate](#) — key date: 2026

## Section 4

# Asia Pacific

### Australia (new)

#### Status



Proposal

#### Development

#### Wealth

##### **Proposals to improve transparency of beneficial ownership of unlisted companies**

Australia's government has released proposals for the first phase of its commitment to improve information on the beneficial ownership of unlisted companies. They will form the basis of the next stage of the reform that will involve a public consultation on exposure draft amendments to the Corporations Act.

The reforms aim to ensure that unlisted companies maintain an accurate, up-to-date register of their real owners.

The first stage of unlisted changes would affect unlisted proprietary companies, unlisted public companies (including companies limited by guarantee and no liability companies) and unlimited liability companies. Together these would be the "regulated entities." Highlights of the new regulatory regime would include:

- A requirement for unlisted companies to collect, verify and record information about their beneficial owners
- A requirement for beneficial owners to self-identify to unlisted companies
- Powers for the Australian Securities and Investments Commission to enforce the new obligations.

Registrable beneficial owners that would not require trace-through include super funds, managed investments schemes (MIS) and corporate collective investment vehicles (CCIV). However, the responsible entities of registered MIS, corporate trustees of unregistered MIS and corporate directors of CCIV would have to maintain a beneficial ownership register, due to the corporate nature of the entities.

#### Resources

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

[Beneficial ownership reforms affecting unlisted companies](#) (The Treasury, Dec. 5, 2024)

**Australia (updated)**

**Status**



**Effective dates vary.**

**Development**

**Career**

**Privacy bill receives Royal Assent**

The Privacy and Other Legislation Amendment Bill 2024 that aims to implement the first tranche of agreed recommendations from the Privacy Act Review received Royal Assent (assent) on Dec. 10, 2024.

Most of the measures took effect the day after assent, but those measures that address automated decisions will become effective 24 months after assent; Schedule 2 (that deals with the statutory tort for serious invasions of privacy) will commence on the earlier of a date be proclaimed, or six months after assent.

The measures include:

- A new statutory tort to address serious invasions of privacy
- Increased transparency for individuals regarding automated decisions that affect them
- Streamlined information-sharing in the event of an emergency or eligible data breach that would ensure the appropriate protection of information
- Development of a Children's Online Privacy Code to better protect children from a range of online harms, supported by an additional AU\$3 million over three years to the Office of the Australian Information Commissioner to develop the code
- Stronger enforcement powers for the Australian Information Commissioner
- New criminal offences to outlaw “doxing” (the malicious release of personal data online).

**Resources**

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

[The Privacy And Other Legislation Amendment Bill 2024 \(Legislature\)](#)

## Australia (new)

**Status**  **Timing of legislation has not been announced.**

**Development**

**Wealth**

**Further details of financial advice reforms announced**

The government has released the “final policy specifications” for Tranche 2 of its Delivering Better Financial Outcomes (DBFO) response to the Quality of Advice Review, which include further details of the proposed rules for the new class of adviser. The Tranche 2 reforms aim to ensure Australians have access to quality and affordable financial advice.

Highlights include:

- The new class of adviser would be restricted to advising only on products issued by prudentially regulated entities (i.e., banks, insurers and super funds) and cannot provide advice on more complex and high-risk areas such as establishing a self-managed superannuation fund.
- They could only advise current customers of a licensee, along with new customers where the new customer initiates the advice request (this measure will prevent cold-calling).
- Licensees employing the new class of adviser would be permitted to charge a fee for their advice, but the new class of advisers could not charge ongoing fees or receive commissions.


The timing of the release of exposure draft legislation has not been announced, only that it is being developed “based on these announced parameters.”


**Resources**



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


[Ensuring Australians can access safe, quality and affordable financial advice](#) (Treasury, Dec. 4, 2024); [Ensuring access to quality and affordable financial advice](#) (Treasury, December 2024) and [Delivering Better Financial Outcomes \(DBFO\) package](#) (Australian Securities & Investments Commission)



Australia (new)	
Status	 <b>First reporting is due in December 2025.</b>
Development	<p><b>Wealth</b></p> <p><b>APRA Super Data Transformation, Phase 2 enhancements finalized</b></p> <p>The Australian Prudential Regulation Authority (APRA) released its final response to the November 2023 Superannuation Data Transformation (SDT) Phase 2 consultation that concerns new superannuation data collections covering investments, trustee licensee profile and trustee profile (the first reporting is due in December 2025).</p> <p>APRA said the final response enhances its data collections because it:</p> <ul style="list-style-type: none"><li>• Addresses a key gap in current investment data on liquidity and valuation risk to assess investment governance of, and exposure to, these risks.</li><li>• Enhances the reporting on trustee boards for a comprehensive understanding of governance practices and effectiveness of superannuation trustees.</li><li>• Completes the picture of trustee’s business operations by including product distribution arrangements.</li></ul> <p>APRA substantially revised parts of the data collection, including the reduction and simplification of reporting requirements for certain components of the investments data collection, and provided clarity on implementation requirements.</p> <p>APRA intends to determine the reporting standards and release the accompanying APRA Connect taxonomy artefacts by early 2025. The first reporting period will be June 30, 2025, for annual reporting and September 2025 for quarterly reporting, with the first submissions in respect of all new reporting due in December 2025.</p>
Resources	<p><a href="mailto:paul.shallue@mercer.com">paul.shallue@mercer.com</a></p> <p><a href="#">APRA finalises enhancements to superannuation data collections</a> (APRA, Dec. 6, 2024)</p>

Australia (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Final regulations issued on option to exit legacy pensions, reserve allocation changes</b></p> <p>The government has issued the Treasury Laws Amendment (Legacy Retirement Product Commutations and Reserves) Regulations 2024 (regulations) following a consultation in September 2024. The regulations commenced on Dec. 7, 2024, and they allow individuals a five-year period to exit certain legacy retirement pension products and provide more favorable tax treatment for some types of allocations from a superannuation fund reserve to a member's account.</p> <p>As a result, individuals can exit products no longer suitable for their circumstances, and barriers that previously prevented the closure of obsolete funds and legacy products have been removed.</p> <p>Previously, the only way to voluntarily exit these products (prior to death or expiry of term) was conversion to another legacy product (most of which are closed to new members). If an individual were to commute their legacy product without meeting one of the exceptional circumstances, it would result in tax and regulatory consequences. Now, commutation restrictions are relaxed for five-years for a specified range of legacy lifetime, life expectancy and market-linked superannuation income stream products, subject to meeting certain conditions. The resulting capital can be used to commence another retirement phase interest, or left in an accumulation interest account, or completely withdrawn from superannuation. The commutation must occur in full within the designated five-year grace period. The Regulations provide more flexible pathways to make allocations from a reserve.</p>
Resources	<p><a href="mailto:paul.shallue@mercer.com">paul.shallue@mercer.com</a></p> <p><a href="#">Treasury Laws Amendment (Legacy Retirement Product Commutations and Reserves) Regulations 2024</a> (Government)</p>

Australia (new)	
Status	 Consultation open through Feb. 14, 2025.
Development	<p><b>Wealth</b></p> <p><b>Consultation on reform of anti-money laundering/counter-terrorism financing rules issued</b></p> <p>The Australian Transaction Reports and Analysis Centre (AUSTRAC) has released a consultation on draft new anti-money laundering and counter-terrorism financing (AML/CTF) rules, inviting comments through Feb. 14, 2025. They would support reforms included in the AML/CTF Amendment Bill, that will apply to new entities subject to the ALM/CTF regime from March 31, 2026.</p> <p>The rules aim to provide current and future reporting entities with more detail on their upcoming AML/CTF obligations, allowing them greater flexibility as to how they meet their obligations, reducing regulatory impacts and providing more support to better detect and prevent financial crime. Highlights include:</p> <ul style="list-style-type: none"> <li>• New requirements for AML/CTF programs and customer due diligence</li> <li>• A new “reporting group” framework to manage ML/TF at the group level</li> <li>• Updated travel rule obligations</li> <li>• “Keep open notices” to replace Chapter 75 notices.</li> </ul> <p>AUSTRAC plans to issue a consultation on a second exposure draft of the rules in early 2025, which will include updates made in feedback response to the first exposure draft, along with additional topics. AUSTRAC also intends to release further guidance and educational materials in mid-2025 to help regulated entities understand and meet their changed obligations.</p>
Resources	<p><a href="mailto:paul.shallue@mercero.com">paul.shallue@mercero.com</a></p> <p><a href="#">Public consultation open on new draft AML/CTF rules</a> (AUSTRAC, Dec. 12, 2024) and <a href="#">Anti-money laundering and counter-terrorism financing amendment bill 2024</a> (Legislature, Dec. 10, 2024) and</p>
Australia (updated)	
Status	 Will generally take effect on March 31, 2026.
Development	<p><b>Wealth</b></p> <p><b>Anti-money laundering, counter-terrorism legislation receives Royal Assent</b></p> <p>The Anti-Money Laundering and Counter-Terrorism Financing Amendment Bill 2024 received Royal Assent on Dec. 10, 2024. The measures will generally take effect on March 31, 2026 and aim to reform Australia’s anti-money laundering and counter-terrorism financing (AML/CTF) regime and align Australia with international requirements.</p> <p>A key measure will expand Australia’s AML/CTF regime to certain high-risk services provided by “gatekeeper professions” (including real estate professionals, dealers in precious metals and precious stones, and professional service providers, including lawyers, conveyancers, accountants and trust and company service providers — these are also known as “tranche two” entities). These types of services are recognized globally as “high risk” for money laundering, but they are not currently captured by the AML/CTF regime. Other reforms in the law aim to improve the effectiveness of the AML/CTF regime by making it simpler and clearer for businesses to comply with their obligations, and modernizing the regime to reflect changing business structures, technologies and illicit financing methodologies.</p>
Resources	<p><a href="mailto:paul.shallue@mercero.com">paul.shallue@mercero.com</a></p> <p><a href="#">Anti-Money Laundering and Counter-Terrorism Financing Amendment Bill 2024</a></p>

Australia (updated)	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>Bill on legislating for objective of superannuation receives Royal Assent</b></p> <p>The Superannuation (Objective) Bill 2023 received Royal Assent on Dec. 10, 2024, and took effect on Jan. 7, 2025 (28 days after assent). The bill’s objective is identical to the definition included in Exposure Draft Consultation issued in September 2023, namely “to preserve savings to deliver income for a dignified retirement, alongside government support, in an equitable and sustainable way.”</p> <p>Policy makers must assess future changes to superannuation legislation for compatibility with the objective, and include a statement of compatibility in the explanatory materials accompanying all Commonwealth bills and regulations concerning superannuation (unless an exception applies).</p> <p>The goal is to provide stability and confidence to policy-makers, regulators, industry, and the community. Changes to the superannuation policy will be aligned with the purpose of the superannuation system and ensure that members and funds have more certainty over future changes through the accumulation and retirement phases.</p>
Resources	<p><a href="mailto:paul.shallue@mercero.com">paul.shallue@mercero.com</a></p> <p><a href="#">Superannuation (Objective) Bill 2023 (Legislature)</a> and <a href="#">Exposure Draft Consultation</a></p>

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

**Status**  **Effective for financial years beginning on or after Jan. 1, 2025, for largest entities and high greenhouse gas emitters.**

**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 invited feedback on an Exposure Draft of a Proposed Australian Standard on Sustainability Assurance (ASSA), and invited 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**

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

[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
- [Changes to Operational Risk Financial Requirement finalized](#) — key date: July 1, 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 (new)

### Status



**Roll out started on Dec. 15, 2024.**

### Development

#### Wealth

##### Nationwide private pension scheme begins

China started a nationwide roll out of its voluntary private supplementary pension insurance scheme on Dec. 15, 2024. The rollout follows a pilot program in 36 cities and regions launched in November 2022 and is the so-called “third pillar” private pension sector that will supplement public pension benefits. In September 2024, China also announced that the statutory retirement age for both men and women will gradually increase over a 15-year period starting in 2025 (see the below entry). More than 400 million individuals are expected to be age 60 and older by 2035, and the pension reforms aim to improve retirees’ incomes. Highlights of the program:

- Individuals enrolled in either the urban employee basic pension insurance or the urban-rural resident basic pension insurance can choose to open private pension accounts.
- Annual permitted contributions are capped at 12,000 CNY into qualifying pension products (including government bonds, designated pension savings and index funds) offered by five designated institutions.
- Participants can open a personal pension account via the National Social Insurance Public Service Platform; the electronic social security card; a mobile app; or an eligible commercial bank. Participants are allowed to change the bank associated with their pension account up to twice annually.
- The tax benefits of private pensions that were previously introduced in the pilot program are now available nationwide.
- Early withdrawal of accrued pension contribution will be allowed subject to meeting fulfilling eligibility criteria (for example, in case of severe illness, receipt of unemployment insurance benefits under certain conditions or and receipt of the minimum subsistence allowance). Specific rules on early redemption will be issued.

### Resources

[mario.li@mercer.com](mailto:mario.li@mercer.com)

[Announcement](#) (Chinese) (Ministry of Human Resources and Social Security, Dec. 12, 2024)

**China (previously covered, partially effective)****Status**  **Phase-in begins in 2025****Development****Wealth****Statutory retirement age to gradually increase**

China will gradually increase the statutory retirement age for both men and women over a 15-year period starting in 2025, according to a decision adopted on Sept. 13, 2024, by the Standing Committee of the 14th National People's Congress. These measures will be the first increase to retirement age since 1978, and they follow an analysis of average life expectancy, health conditions, population structure, education levels and workforce supply. Highlights include:

- The statutory retirement age for men will gradually increase to 63, up from 60. Women working in white collar jobs will retire at age 58 (up from 55), and women working in blue collar roles will retire at age 55 (up from 50).
- From 2030, the minimum contribution period required to receive monthly pension benefits will increase by six months annually to 20 years, up from 15.
- Voluntary retirement will be permitted but no earlier than three years prior to achieving the minimum number of contribution years. Individuals cannot take early retirement before their previous statutory retirement age.
- Individuals can postpone their retirement by up to three years beyond their statutory retirement age, subject to their employers' agreement.
- Other policy measures will address the old-age insurance incentive mechanism, implement the employment-first strategy, ensure the basic rights and interests of workers who have passed their statutory retirement age and improve elder- and child-care services. specific provisions on the welfare of unemployed old-age workers and on earlier retirement for those in special professions are also included.

**Resources** [China to gradually raise retirement age](#) (Government, Sept. 13, 2024)**China (previously covered, soon to be effective)****Status**  **Beginning in 2025****Development****Career****Two new public holidays added in 2025**



In 2025, China will add two new public holidays — Lunar New Year's Eve (Jan. 28 in 2025) and Labor Day on May 2 — making a total of 13 public holidays. Employees are entitled to three times their daily wage if they must work on these days, regardless of their working time system.

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

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

Hong Kong (previously covered, with upcoming effective date)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li>• <a href="#">Statutory minimum wage to be reviewed annually</a> — key date: January 2025</li> <li>• <a href="#">Number of statutory holidays increased</a> — key date: 2026</li> </ul> <b>Wealth</b> <ul style="list-style-type: none"> <li>• <a href="#">Mandatory pension fund offsetting to end</a> — key date: May 2025</li> </ul>
India (previously covered, with upcoming effective date)	
Development	<b>Career — Health — Wealth</b> <ul style="list-style-type: none"> <li>• <a href="#">Labor and employment laws reformed</a> — key date: effective date delayed</li> </ul>
Indonesia (previously covered, with upcoming effective date)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li>• <a href="#">Details of public housing savings program, contributions and registration issued</a> — key date: May 20, 2027</li> </ul>
Japan (previously covered with upcoming effective dates)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li>• <a href="#">Employers will have to offer flexible working arrangements</a> — key date: April 2025</li> </ul>
Malaysia (updated)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <p><b>Progressive wage policy to move forward in 2025</b></p> <p>The progressive wage policy (PWP) will be fully enforced in 2025 — according to the 2025 budget speech, the pilot phase began in June 2024. In 2023, Malaysia’s cabinet approved the (PWP) that aims to complement the minimum wage policy and reduce the economic gap between certain states. The PWP will have accompanying guidelines setting out annual progressive salaries for every sector, occupation and level. Initially, the PWP will be voluntary for private sector employers. The government has prioritized the states as follows:</p> <ul style="list-style-type: none"> <li>• Priority states: Sarawak, Sabah, Kelantan, Terengganu, Kedah, Perlis</li> <li>• Progressive states: Penang, Selangor, Federal Territory of Kuala Lumpur</li> <li>• Moderate states: Perak, Johor, Negeri Sembilan, Melaka</li> </ul>
Resources	<a href="#">Budget Speech 2025</a> (Ministry of Finance) and <a href="#">Cabinet to fine-tune progressive salary policy for implementation — PM Anwar</a> (Prime Minister’s Office, Aug. 7, 2023)
Malaysia (previously covered with upcoming effective dates)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li>• <a href="#">Minimum wage to increase</a> — key date: Feb. 1, 2025</li> <li>• <a href="#">Progressive wage policy to be implemented</a> — key date: expected in 2025</li> </ul>



Singapore (new)	
Status	 <b>Phase-in to start from April 1, 2025.</b>
Development	<p><b>Career — Health</b></p> <p><b>Shared parental leave entitlement, mandatory paternity leave introduced</b></p> <p>Parents in Singapore will be entitled to a total of 30 weeks of paid leave under changes that will be phased in from April 1, 2025, and employers will have to grant four weeks of mandatory paternity leave. The measures were announced during the National Day Rally on August 18, 2024, and passed parliament on Nov. 13, 2024. Currently, mothers can share up to four of their sixteen weeks of maternity leave entitlement with fathers. Highlights of the new scheme:</p> <ul style="list-style-type: none"> <li>• From April 1, 2025, six weeks of paid shared leave will be divided equally between the parents, increasing to 10 weeks on April 1, 2026. The leave entitlement can be reallocated between the parents within four weeks of the child's birth; any changes after this period will require mutual agreement between the parents and employers.</li> <li>• The shared leave will be additional to 16 weeks of maternity leave. It must be taken within 12 months of the child's birth, and in one block, unless otherwise agreed to between the employer and employee.</li> <li>• The government payment for shared leave will be capped at SG\$2,500 per week.</li> <li>• From April 1, 2025, employers will have to grant four weeks of government-paid mandatory paternity leave to fathers for children born on or after this date. Currently fathers are entitled to two weeks of government-paid paternity leave, and they can take a further two weeks on a voluntary basis that is reimbursed by the government.</li> <li>• Employees must notify their employers at least four weeks before taking leave under any scheme.</li> <li>• Employers will be able to check their employees' leave sharing arrangement via the Ministry of Social and Family Development from April 1, 2025.</li> </ul>
Resources	<a href="#">Amendments to Child Development Co-Savings Act: Enhanced paternity leave and new shared parental leave scheme from 1 April 2025 to strengthen support for working parents</a> (Ministry of Social and Family Development, Nov. 13, 2024)
Singapore (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Central Provident Fund monthly salary cap, contributions increase</b></p> <p>The Central Provident Fund (CPF) salary caps for calculating CPF contributions and employer and employee contribution rates increased, effective Jan. 1, 2025.</p> <p>The CPF monthly salary cap for calculating contributions increased to SG\$7,400, up from SG\$6,800. It will then increase to SG\$8,000 on Jan. 1, 2026.</p> <p>Also, the contribution rates for employees older than 55 to age 65 increased by 0.5% to 12% for employers, and by 1% to 17% for employees.</p>
Resources	<a href="#">CPF contribution changes from Jan. 1, 2025</a> (CPF)

**Singapore (previously covered, now effective)****Status**  **Currently effective****Development****Career****Employment Pass salary threshold increased**

From Jan. 1, 2025, the Employment Pass (EP) qualifying salary for new applications increased to SG\$5,600 per month, and SG\$6,200 in the financial services sector. The increased salary threshold will also apply to EP renewals from Jan. 1, 2026.

The EP qualifying salary thresholds are benchmarked to the top one-third of wages of professional, managers, executives and technicians (PMET). In addition to meeting the minimum salary, from Sept. 1, 2023, EP applicants must pass the points-based Complementarity Assessment Framework (COMPASS). Certain roles are exempt from COMPASS including individuals earning a fixed minimum monthly salary of SG\$22,500, overseas intra-corporate transferees, and individuals who are filling a role for up to one month.

**Resources**

[Eligibility for employment pass](#) (Ministry of Manpower)

**Singapore (previously covered, now effective)****Status**  **Currently effective****Development****Health — Wealth****Platform workers given more employment rights**

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 took effect on Jan. 1, 2025. The law applies to platform workers who are under the management of a “platform service” providing on-demand delivery and ride-hailing services and creates a distinct third category of worker. Highlights include:

- 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 must be compensated for injuries “arising out of and in the course of their provision of platform services for platform operators.”
- The Ministry of Manpower must provide conciliation to resolve collective disputes before their referral to the Industrial Arbitration Court.
- Platform workers can 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 — Health**

- [Parental leave entitlement expanded](#) — key date: April 1, 2025

**Career — Wealth**

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

South Korea (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> The minimum hourly wage for 2025 increased to 10,030 KRW, up from 9,860 KRW (a 1.7% increase). The revised rate took effect on Jan. 1, 2025.
Resources	<a href="#">Announcement</a> (Korean) (Minimum Wage Commission, July 12, 2024)

## South Korea (new)

### Status



Generally will take effect Feb. 23, 2025.

### Development

#### Career — Health

#### Parental leave entitlement expanded

Measures that expand parental leave will take effect on Feb. 23, 2025, and aim to increase parents' flexibility. The measures are included in amendments to the Gender Equal Employment and Work-Family Balance Act, and the Labor Standards Act. Highlights include:

- Parents who each take parental leave for periods longer than three months will be allowed to extend their leave period to one year and six months, up from one year. Parents can divide their leave into four installments.
- Paternity leave will be extended to 20 days. The government's wage support will be expanded to 20 days, up from five, for employees in companies eligible for priority support. The leave can be used up to 120 days after the birth (up from 90), and it can be taken in four installments. Employers eligible for priority support are small and medium enterprises with 100 or fewer employees as set out in Schedule 1 of the Enforcement Decree of the Employment Insurance Act).
- Employees will be allowed to reduce their working hours to enable them to care for their children up to age 12 years (increased from eight). Unused parental leave periods will be doubled and could be used to reduce working hours for child care purposes. If parental leave is not taken, reduced working hours could be used for up to three years. The minimum period for taking reduced hours will be one month (down from three) — the change aims to help accommodate short-term child care needs, such as during school breaks.
- The period for taking reduced working hours during pregnancy will be during the first 12 weeks of pregnancy, or after 32 weeks (currently, reduced hours can only be taken during the first 12 weeks of pregnancy or after 36 weeks). Pregnant women at high risk — such as those with early contractions or who expect multiple births — can reduce their working hours for the entire period of pregnancy, upon receipt of a doctor's diagnosis.
- Maternity leave will be expanded to 100 days (up from 90) for premature babies requiring admission to a neonatal intensive care unit.
- Infertility treatment leave will be expanded to six days, up from three. The paid leave will be two days (up from one), and wage support will be paid for employees in companies that are eligible for priority support.
- Child care leave is increased from one year to 18 months for single parents, parents of a child with a severe disability, or if each parent takes more than three months of child care leave. Child care leave can also be split into four separate periods, up from three.
- Employees who have used one year of combined child care leave and reduced hours for child care prior to Oct. 1, 2019, will be allowed to use the enhanced reduced working hours for child care.
- Reduced working hours during child care and pregnancy must now be included when calculating of years of service (previously, such periods of service were prorated). This measure took effect on Oct. 22, 2024.

### Resources

[miyoung.kim@mercer.com](mailto:miyoung.kim@mercer.com)

[Announcement](#) (Korean) (Ministry of Labor, Nov. 4, 2024) and [Announcement](#) (Korean) (Ministry of Labor, Dec. 31, 2024)

**South Korea (new)****Status** **Currently effective****Development****Career****Supreme Court ruling changes ‘ordinary wage’ definition**

A December 2024 Supreme Court ruling has significantly changed the “ordinary wage” definition as of Dec. 19, 2024 — it also applies to cases that were previously under review by the courts.

In 2013, the court had ruled that “ordinary wage” should be defined as compensation paid on a regular, uniform and fixed basis. However, the recent ruling nullified the requirement for “ordinary wages” to include a fixed element; this means that wages including employment conditions, or conditions based on a certain number of working days, are now recognized as “ordinary wages.”

**Resources**[miyoung.kim@mercer.com](mailto:miyoung.kim@mercer.com)[Ruling \(Korean\)](#) (Supreme Court, Dec. 19, 2024)**South Korea (new)****Status**  **Currently effective****Development****Career****Transition to 52-hour working week for certain employers ended**

Employers with fewer than 30 employees must now apply a 52-hour working week, down from 60 hours, effective Jan. 1, 2025. A one-year transition period had applied to such enterprises until Dec. 31, 2024. The 52-hour working week now applies to all enterprises with five or more employees. Sanctions include criminal and financial penalties.

**Resources**[miyoung.kim@mercer.com](mailto:miyoung.kim@mercer.com)[Announcement](#) (Korean) (Ministry of Labor) and [Announcement](#) (Korean) (Ministry of Labor, Dec. 30, 2024)**South Korea (new)****Status**  **Effective Oct. 23, 2025****Development****Career****Sanctions against employers habitually in wage arrears introduced**

Effective Oct. 23, 2025, employers who fail to pay employees’ wages on time must pay 20% annual interest on unpaid wages (the penalty already applies to unpaid wages of retired employees). The names of business owners who are in wage arrears will be published — the disclosed details include wages, compensation, allowances and severance pay.

Enterprises that are habitually in wage arrears will also be subject to other penalties, including exclusion from public sector bids. Employees can also claim damages for overdue wages, and file a claim for compensation.

Employers that have been convicted twice or more within the prior three years for nonpayment of wages, and that have accrued wage arrears of 30 million KRW or more during the prior year, can be prosecuted for nonpayment of wages —even against the employees’ wishes. The Ministry of Employment and Labor can also request the Ministry of Justice to prohibit the responsible executive of such enterprises from fleeing abroad without settling the unpaid wages.

**Resources**[miyoung.kim@mercer.com](mailto:miyoung.kim@mercer.com)[Announcement](#) (Korean) (Ministry of Labor, Dec. 26, 2024)

Taiwan (new)	
Status	 <b>Currently effective</b>
Development	<b>Health</b> <b>Changes to National Health Insurance scheme participation issued</b> From Dec. 23, 2024, all Taiwan citizens — including individuals who will be abroad for more than six months — must participate in the National Health Insurance (NHI) Scheme under changes that will abolish the NHI's permitted suspension and resumption policies. Individuals who suspended their NHI participation before Dec. 22, 2024 — including expatriates and their families — must resume NHI participation upon their return to Taiwan, and no further suspensions will be permitted.
Resources	<a href="mailto:serena.chang@mercer.com">serena.chang@mercer.com</a> <a href="#">Law</a> (Chinese) (Government, Nov. 22, 2024)
Taiwan (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> Effective Jan. 1, 2025, the monthly minimum wage increased to NT\$28,590 (up from NT\$27,470), and the hourly minimum wage increased to NT\$190 (up from NTS\$183).
Resources	<a href="#">Announcement</a> (Chinese) (Government, Sept. 19, 2024)
Taiwan (previously covered, with upcoming effective date)	
Development	<b>Career — Wealth</b> <ul style="list-style-type: none"> <li><a href="#">Employees and employers can negotiate post-retirement age employment</a> — key date: Effective date unknown</li> </ul>
Thailand (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> The minimum daily wage increased on Jan. 1, 2025, and ranges from 337 THB to 400 THB, up from 330 THB to 370 THB, depending on the province. For most provinces, the rates reflect an increase of THB 7 per day, except for the following provinces and districts, which have increases of THB 9 — 55 per day: Bangkok, Chon Buri, Hat Yai District in Songkhla, Ko Samui District in Surat Thani, Mueang Chiang Mai District in Chiang Mai, Nakhon Pathom, Nonthaburi, Pathum Thani, Phuket, Rayong, Samut Prakan and Samut Sakhon.
Resources	<a href="#">Announcement</a> (Thai) (Ministry of Labor, Dec. 2, 2024)
Vietnam (previously covered, with upcoming effective date)	
Development	<b>Career — Wealth</b> <ul style="list-style-type: none"> <li><a href="#">Social insurance law revised</a> — key date: Effective July 1, 2025</li> </ul>

## Section 5

# Europe, Middle East and Africa (EMEA)

### European Union (EU) (previously covered, soon to be effective)

**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 (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
- [Ban on forced or child labor finalized](#) — key date: Dec. 14, 2027

**Career — Health**

- [Platform Worker's Directive moves forward](#) — key date: Dec. 2, 2026

**Career — Health — Wealth**

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

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

**Status**



**Currently effective**

**Development**

**Career — Health**

**Teleworking revisions now effective**

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

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

**Resources**

[Law](#) (German) (Government, July 19, 2024)



**Belgium (previously covered, now effective)****Status****Currently effective****Development****Wealth****Federal government's pension reforms effective**

Certain measures included in an agreement that aims to increase pension benefits for individuals who work longer and reduce the overall pension cost took effect on Jan. 1, 2025. The measures impacting the state pension include:

- A minimum of 20 years' service is required to access the minimum pension benefit.
- The equalization of civil servants' pensions is now capped.
- A net pension bonus payable to employees who agree to work up to three years longer than their earliest possible retirement age took effect on July 1, 2024. The bonus aims to incentivize older workers to work beyond the early retirement age and is paid tax-free on retirement or as an annuity.

The pension agreement also includes a supplementary pension measure, the so-called "Wijninckx contribution." This special social security contribution is paid for by employers if the total sum of an employee's supplementary pension (converted into an annuity) and the accrued state pension exceed the maximum public sector pension. The contribution rate will increase to 6%, up from 3%, from Jan. 1, 2028, and is calculated on the increase in the supplementary pension reserves in the year preceding the contribution year. Sigedis (the administrator of the second pillar database, DB2P) will continue to calculate the "Wijninckx contribution."

**Resources**

[Agreement](#) (French) (Government, July 10, 2023)

**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 (previously covered, now effective)****Status****Currently effective****Development****Career****Minimum wage increased**

The monthly minimum wage increased to 1,077 BGN (up from 933 BGN), effective Jan. 1, 2025.

**Resources**




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




**Channel Islands — Jersey (new)****Status****Effective April 1, 2025****Development****Career****Minimum wage to increase**

The hourly minimum wage will increase on April 1, 2025, to £13. The amounts attributable to in-kind employer benefits will be £194.60/week, or £27.80/day, if the employer provides food and living accommodation, and £146.02/week, or £20.86/ day, if the employer only provides living accommodation.

**Resources**

[Employment \(Minimum Wage\) \(Jersey\) Amendment Order 2024](#) (Legal Information Board, Dec. 19, 2024)

Croatia (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage to increase</b> The monthly minimum wage in Croatia increased to €970 euros, up from €840 euros, on Jan. 1, 2025.
Resources	<a href="#">Law</a> (Croatian) (Government, Oct. 25, 2024)
Czech Republic (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Labor code revisions now effective</b> Changes to the labor code took effect on Jan. 1, 2025. They include: <ul style="list-style-type: none"> <li>• Introduction of a new methodology for the annual minimum wage indexation beginning in 2025; after that, the Ministry of Labor will announce the indexation annually by the end of September.</li> <li>• Abolition of different minimum wage amounts according to the complexity of work performed. A single minimum wage rate applies from Jan. 1, 2025.</li> <li>• Employers can agree that employees schedule their own working time.</li> </ul>
Resources	<a href="#">Law</a> (Czech) (Government, July 31, 2024)
Denmark (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<b>Career — Health</b> <b>Parental leave expanded in certain circumstances</b> Parents in Denmark are entitled to expanded leave entitlements in certain circumstances from Jan. 1, 2025, under measures included in The Finance Act 2025. Highlights of the changes include: <ul style="list-style-type: none"> <li>• Expanded maternity leave of 12 months (up from three) for parents whose newborn children are hospitalized.</li> <li>• 26 weeks of unemployment benefits can be extended to eligible parents during their bereavement leave due to the loss of their child.</li> </ul>
Resources	<a href="#">Press release</a> (Danish) (Government, Nov. 25, 2024)

Denmark (previously covered, partially effective)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Additional employment deduction implemented</b> <p>The employment allowance rate, and the maximum deduction amount, increased from Jan. 1, 2025, for almost all individuals who are employed — the increase benefits almost all individuals in employment, and will result in an annual tax reduction of nearly 3,000 DKK.</p> <p>In addition, a new additional employment allowance for seniors will be introduced from 2026, and will be applicable to individuals who are employed, and who have fewer than two years before they reach state pension age. The change will include an annual tax deduction of nearly 3,800 DKK from 2030, in addition to the increased ordinary employment allowance.</p>
Resources	<a href="mailto:arne.larsen@mercermarshbenefits.com">arne.larsen@mercermarshbenefits.com</a> <a href="#">Information on the employment allowance</a> (Danish) (Government, Dec. 14, 2023)
Estonia (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> <p>The monthly minimum wage increased to €866, up from €820, effective Jan. 1, 2025.</p>
Resources	<a href="#">Announcement</a> (European Public Service Union, November 2024)
France (new)	
Status	 <b>Currently effective</b>
Development	<b>Career — Wealth</b> <b>Social security ceiling for 2025 set</b> <p>The 2025 social security ceiling in France is €3,925 per month — 1.6% higher than in 2024. The ceiling is used, in particular, to calculate social security contributions payable on salary or social security benefits. The contributions payable to supplementary health schemes are often calculated as a percentage of this amount.</p>
Resources	<a href="#">Law</a> (French) (Government, Dec. 19, 2024)

France (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Mandatory profit-sharing measures now effective</b></p> <p>Certain profit-sharing measures took effect on Jan. 1, 2025. They are:</p> <ul style="list-style-type: none"> <li>Employers with between 11 to 49 employees must have a profit- or value-sharing agreement if their net taxable profits exceed 1% of turnover during the previous three consecutive years. Previously, no profit- or value-sharing agreement was required for employers with fewer than 50 employees. There are three models for profit/value sharing — incentive agreements, profit-sharing agreements and value-sharing bonus.</li> <li>Employee savings plans and retirement savings plans must include an investment option to support energy and ecological transition, or socially responsible investments. This option is in addition to the 2010 requirement to include a socially responsible fund.</li> </ul>
Resources	<a href="mailto:nicolas.gaudry@mercer.com">nicolas.gaudry@mercer.com</a> <a href="#">Loi No. 2023-1107 (French) (Government)</a>
France (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li><a href="#">New gender quotas imposed for senior execs/management teams</a> — key date: March 1, 2026</li> </ul>
Germany (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Minimum wage increased</b></p> <p>Effective Jan. 1, 2025, the statutory hourly minimum wage increased to €12.82, up from €12.41.</p>
Resources	<a href="#">Minimum wage information</a> (German) (Government)
Germany (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Wealth</b></p> <p><b>Employment contract bureaucracy reduced</b></p> <p>The Bureaucracy Relief Act IV (BEG IV) took effect on Jan. 1, 2025, and aims to reduce unnecessary administrative burden on companies. BEG IV includes measures concerning the German Act on Evidence (NachwG) that allow digitization of certain aspects of employment contracts and, as such, will impact occupational pension scheme administration. Going forward, the essential terms and conditions of employment contracts can be in text form as well as conventional written form, subject to fulfilling certain conditions. However, some exceptions apply: employment contracts must be in written form for certain fixed-term workers, and also for some industry sectors.</p>
Resources	<a href="mailto:david.lesch@mercer.com">david.lesch@mercer.com</a> <a href="#">Bureaucracy Relief Act IV</a> (German) (Government, Oct. 29, 2024)

Germany (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Health</b></p> <p><b>Statutory supplementary health insurance contribution rate increased</b></p> <p>The average statutory supplementary contribution rate for 2025 increased to 2.5%, up from 1.7%, financed equally by employers and employees.</p> <p>The statutory average supplementary contribution rate is calculated annually by Oct. 15 and is published by the Federal Ministry of Health. It is based on the expected income and expenditure of the health insurance funds during the next calendar year.</p>
Resources	<p><a href="mailto:david.lesch@mercer.com">david.lesch@mercer.com</a></p> <p><a href="#">Announcement</a> (Germany) (Government, Oct. 16, 2024)</p>
Greece (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Tax exemption for day care and kindergarten costs</b></p> <p>Employees in Greece whose employers contribute to day care and kindergarten costs will be entitled to up to €5,000 per year to cover such expenses. The benefit is tax exempt, subject to meeting certain eligibility criteria — for example, the benefit must be demonstrably used to pay for day care and kindergarten costs and the amount can be increased by €5,000 for other dependent children.</p>
Resources	<p><a href="#">Law</a> (Greek) (Government, Dec. 5, 2024)</p>
Hungary (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Minimum wage increased</b></p> <p>The monthly minimum wage increased to 290,800 HUF on Jan. 1, 2025 (up from 266,800 HUF). Further increases will be 328,000 HUF in 2026 and to 374,600 HUF in 2027.</p>
Resources	<p><a href="mailto:tamas.fekete@mercermarshbenefits.com">tamas.fekete@mercermarshbenefits.com</a></p> <p><a href="#">Announcement</a> (Hungarian) (Government, Nov. 25, 2024)</p>

**Hungary (previously covered, now effective)****Status**  **Currently effective****Development****Health****Measures increase taxation on company cars**

From Jan. 1, 2025, the taxation on company cars increased by approximately 20%, and an inflation-linked indexation for car tax and company car tax under taxation measures that passed parliament. The registration tax is also aligned with these rules from Jan. 1, 2025, onwards, and the tax exemption and relief that currently applies to plug-in hybrid and hybrid vehicles is also be abolished.

**Resources**

[tamas.fekete@mercermarshbenefits.com](mailto:tamas.fekete@mercermarshbenefits.com)

[Information on the law](#) (Hungarian) (Government, Jan. 4, 2024)

**Hungary (previously covered, now effective)****Status**  **Currently effective****Development****Career — Health****Changes to taxation of SZÉP card recreational fringe benefit now effective**

Changes to the SZÉP card, which is the most popular form of fringe benefit and encourages employees to spend more on recreational activities, began Jan. 12, 2025, under measures that have passed parliament. The changes include:

- Employers are allowed to pay up to 150,000 HUF per month (or 1.8 million annually) in fringe benefits to employees younger than 35 years.
- Employees are entitled to use up to 50% of their employer's subsidy on the SZÉP card for housing renovation purposes. In addition, money that is accumulated in voluntary pension fund accounts is tax-exempt if used for housing.
- The SZÉP card is expanded to include a new element (Aktív magyarok) that enable employers to pay up to 10,000 HUF per month (or 120,000 HUF annually) to encourage employees to adopt an active lifestyle.

**Resources**

[tamas.fekete@mercermarshbenefits.com](mailto:tamas.fekete@mercermarshbenefits.com)

[Information on the law](#) (Hungarian) (Government, Dec. 12, 2024)




**Hungary (previously covered, now effective)****Status**  **Currently effective****Development****Health****Healthcare contribution increased**




The Social Security Healthcare Service Contribution paid by individuals is 11.800 HUF/month (390 HUF/day) effective Jan. 1, 2025.

**Resources**





[tamas.fekete@mercermarshbenefits.com](mailto:tamas.fekete@mercermarshbenefits.com)



[Information on healthcare contribution](#) (Hungarian) (Government, Oct. 14, 2024)

Ireland (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> From Jan. 1, 2025, the National Minimum Wage is €13.50/hour, up from €12.70/hour. The National Living Wage will become mandatory in 2026, and the amount will be set at 60% of hourly median wages, in line with the Low Pay Commission's recommendations. In 2023, the estimated 60% of median earnings was approximately €13.10/hour.
Resources	<a href="#">National minimum wage order 2024</a> (Statute Book, Oct. 25, 2024) and <a href="#">Tánaiste announces introduction of national living wage</a> (Government, Nov. 16, 2022)
Ireland (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<b>Wealth</b> <b>Contributions to personal retirement savings accounts capped</b> 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 amended 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 took effect on Jan. 1, 2025.
Resources	<a href="mailto:lorna.white@mercer.com">lorna.white@mercer.com</a> <a href="#">Finance Bill 2024</a> (Government, Oct. 10, 2024)
Ireland (previously covered, partially effective)	
Status	 <b>Effective dates vary</b>
Development	<b>Career — Health — Wealth</b> <b>Wage threshold for PRSI contributions to increase</b> From Jan. 1, 2025, the weekly wage threshold used to calculate the employer Pay Related Social Insurance (PRSI) rate increased to €527, up from €496. The changes are included in the Social Welfare Act 2024 signed on Oct. 28, 2024. The employer PRSI rates for employees whose weekly wages do not exceed €527 are 8.9% and 11.05% for wages above the wage threshold. From Oct. 1, 2025, the employer rates will increase again to 11.25% and 9%, respectively. The employee PRSI rate will also increase to 4.2%, up from 4.1%.
Resources	<a href="mailto:lorna.white@mercer.com">lorna.white@mercer.com</a> <a href="#">Social Welfare Act 2024</a> (Irish Statute Book)

Ireland (previously covered, with upcoming effective date)	
Development	<p><b>Career — Health</b></p> <p><u>Maternity leave postponement allowed for serious health conditions</u> — key date: unknown</p> <p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <u>Use of some nondisclosure agreements restricted</u> — key date: unknown</li> </ul> <p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• <u>Pension-related issues included in Finance Bill</u> — key date: Jan. 1, 2026</li> <li>• <u>More details on Auto Enrolment scheme published</u> — key date: Sept. 20, 2025</li> </ul>
Israel (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>Health insurance contributions increased</b></p> <p>Health insurance contribution rates increased in 2025 to 5.165% (up from 5% for the higher rate), and to 3.235% (up from 3.1%) for the lower rate. The increases were included in the amended health insurance law published on March 17, 2024.</p>
Resources	<u>Amended health insurance law</u> (Hebrew, March 17, 2024) (Government) and <u>Health insurance rates</u> (National Insurance)
Latvia (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Minimum wage increased</b></p> <p>The 2025 minimum wage rates increased to €740/month, up from €700/month. Further increases are proposed — to €780 in 2026, €820 in 2027 and €860 in 2028.</p>
Resources	<u>Announcement</u> (Latvian) (Ministry of Labor, Oct. 29, 2024)
Lithuania (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Employers must compensate for inability to shorten working day prior to public holiday</b></p> <p>From Oct. 25, 2024, employers must compensate their employees if they are unable to reduce their working time by one hour on the day immediately prior to a public holiday. The compensation must be paid as overtime.</p> <p>Failure to pay compensation would be subject to an administrative fine of between €300 and €1,450 (with increased fines imposed for repeated and deliberate breaches).</p>
Resources	<u>Law</u> (Lithuanian) (Government, Oct. 17, 2024)



Lithuania (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> The monthly minimum wage increased to €1,038 (up from €924), effective Jan. 1, 2025. The minimum gross hourly wage increased to €6.35, up from €5.65.
Resources	<a href="#">Announcement</a> (Lithuanian) (Government)
Luxembourg (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> The minimum social wage rate increased on Jan. 1, 2025, to €2,637.79/month and €15.2473/hour for workers aged older than 18 years. The minimum wage rate for workers aged 17 to 18 is €2,110.23/month and €12.1979/hour, and for workers aged 15 to 17 is €1,978.34/month and €11.4355/week.
Resources	<a href="#">Announcement</a> (French) (Government, Dec. 31, 2024)
Malta (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> The weekly minimum wage increased on Jan. 1, 2025, to €221.78 for employees aged 18 or older, up from €213.54.
Resources	<a href="#">Budget 2025</a> (Maltese) (Government)
Moldova (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> The minimum wage increased on Jan. 1, 2025, to 5,500 MDL/month (up from 5,000 MDL/month) for a full working week averaging 169 hours/month. The hourly minimum wage increased to 32.54 MDL, up from 29.58 MDL.
Resources	<a href="#">Announcement</a> (Romanian) (Government, Dec. 18, 2024)

Morocco (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> A 5% increase to the private sector minimum wage took effect on Jan. 1, 2025. A second increase is due to take effect in January 2026 when the minimum wage will be 3,422 MAD. The minimum wage paid in the agricultural sector is slated to increase in April 2025.
Resources	<a href="#">Announcement</a> (French) (Government, April 30, 2024)
Namibia (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>National minimum wage introduced</b> A national minimum hourly wage of N\$18 was introduced for the first time on Jan. 1, 2025. However, the hourly minimum wage for domestic and agricultural workers will be phased-in from 2025 to 2027. The wage rate for domestic workers is N\$12 in 2025, N\$15 in 2026 and N\$18 in 2027. For agricultural workers, the rate is N\$10 in 2025 and will be N\$14 in 2026 and N\$18 in 2027. Previously, minimum wages only applied to some industry sectors, including domestic and agricultural workers, construction and security.
Resources	<a href="#">Wage Order</a> (Official Gazette, Aug. 8, 2024)
Netherlands (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Minimum wage increased</b> From Jan. 1, 2025, the gross hourly minimum wage is €14.06/hour, up from €13.68/hour. The corresponding minimum wage rates are €11.25/hour for employees aged 20 years old; €8.44/hour for employees aged 19; €7.03/hour for employees aged 18; €5.55/hour for employees aged 17; and €4.85/hour and €4.22/hour for employees aged 16 years old and 15 years old, respectively. Following the introduction of the statutory minimum hourly wage on Jan. 1, 2024, there is no longer a legally prescribed minimum daily, weekly or monthly minimum wage. Previously, the monthly minimum wage was computed over a 36-hour work week, resulting in payment of the same monthly minimum wage to full-time employees who worked more than 36 hours/ week.
Resources	<a href="#">Announcement</a> (Dutch) (Government, Dec. 19, 2024)

**Netherlands (updated)****Status****Currently effective****Development****Career****Updates on occupational pension reforms**

On May 30, 2023, the Dutch senate agreed on significant reforms to the occupational pension system that implements the government and social partners' agreement in 2019. The new Pensions Future Act (Pensioenwet) took effect on July 1, 2023, and abolishes defined benefit (DB) schemes. From Jan. 1, 2027, only defined contribution (DC) schemes will be allowed with fixed (non-age-related) contribution rate — this date may be pushed back to Jan. 1, 2028. Highlights include:

- Existing pension plans will have to be amended during the period from July 1, 2023, through Jan. 1, 2028, so new pension accruals will be on a DC basis, with a flat contribution amount. Pension plan contributions are, in principle, capped at 30% of the pensionable salary — that will increase to 33% until 2037, to pay for any compensation costs due to the transition. The funding rules for pension plans will be relaxed to facilitate the transition — plans that use the funding relaxation must transition to the new system.
- Insured DB schemes in place before July 1, 2023, could still be converted — before Jan. 1, 2028 — into a DC scheme with a progressive contribution. After Jan. 1, 2028, scheme members as of Dec. 31, 2027, could continue to pay a progressive contribution until they leave the company's service, but DB promises must be changed to DC (these could be age-related) in respect of service accrued after Dec. 31, 2027.
- DB schemes in place with a pension fund could have been converted — before July 1, 2023 — into a DC scheme with a progressive contribution. After Jan. 1, 2028, scheme members as of Dec. 31, 2027, could continue to pay a progressive contribution until they leave the company's service.
- Accrued DB rights in pension funds (not insured contracts) must be converted, in principle, into the new pension contract. Employers and employee representatives must have decided by Jan. 1, 2025, on their new pension plan's features, including if accrued past benefits transfer to the new benefit structure, the timing of the transition and its structure, and if compensatory payments will be paid to individuals whose pension accrual is reduced. Social partners' agreements must be converted into the new pension contract, and a request by the employer submitted to the pension fund. Pension funds must file an implementation and a communication plan setting out how each plan will comply with the transition by July 1, 2025, if the conversion will take place prior to Jul. 1, 2026. If the conversion would result in a disproportionate advantage for all (or some of) the stakeholders, the pension fund could decide not to convert. For pension schemes executed, for instance, by an insurance company, the deadline is Oct. 1, 2026 (this date will probably be extended to Oct. 1, 2027).

**Resources**

[pavel.der.kinderen@mercer.com](mailto:pavel.der.kinderen@mercer.com)

[Pensions Act \(Dutch\) \(Parliament\)](#) and [Information on the reforms \(Dutch\) \(Government\)](#)

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

- [Social protection for foreign employees expanded](#) — key date: July 2025

## Poland (previously covered, now effective)

**Status**  **Currently effective**

### Development

#### Career

##### Minimum wage increased

From Jan. 1, 2025, the monthly minimum wage rate increased to 4,666 PLN (up from 4,300 PLN), and the hourly rate is 30.50 PLN (up from 28.10 PLN).

### Resources

[Ordinance](#) (Polish) (Government, Sept. 14, 2024)

## Portugal (previously covered, now effective)

**Status**  **Currently effective**

### Development

#### Career

##### Minimum wage increased

The monthly minimum wage increased in 2025 to €870 — with annual increments of €50, culminating in €1,020 by 2028 — under measures included in the Agreement on Wage Valorisation and Economic Growth.

### Resources

[Agreement on Wage Valorisation and Economic Growth](#) (Portuguese) (Government, Nov. 6, 2024)

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

### Development

#### Career

- [Nationalization program launched to boost employment rate](#) — key date: unknown
- [Labor law expanded](#) — key date: Feb. 19, 2025

## Romania (new)

**Status**  **Currently effective**

### Development

#### Career

##### Minimum wage increased

The national minimum gross monthly base salary increased on Jan. 1, 2025, to 4,050 RON, up from 3,700 RON, calculated on an average 165.334 working hours/month, and equal to 24.496 RON/hour.

### Resources

[Law](#) (Romanian) (Government, Nov. 28, 2024)

**Russia (previously covered, now effective)****Status**  **Currently effective****Development****Career****Minimum wage increased**

The monthly minimum wage increased to 22,440 RUB on Jan. 1, 2025, up from 19,242 RUB.

**Resources**

[Law](#) (Russian) (Government, Oct. 23, 2024)

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

- [Labor law expanded](#) — key date: Feb. 19, 2025

**Serbia (previously covered, now effective)****Status**  **Currently effective****Development****Career****Minimum wage increased**

Effective Jan. 1, 2025, the hourly minimum wage increased to 308 RSD, up from 271 RSD. The monthly minimum wage is 53,592 RSD, up from 47,335 RSD.

**Resources**

[Announcement](#) (Serbian) (Government, Aug. 28, 2024)

**Slovakia (new)****Status**  **Currently effective****Development****Career — Health****Meal and travel allowances adjusted**

New meal allowance amounts took effect on Sept. 1, 2024, and must be paid according to the duration of the business trip. From Jan. 1, 2025, certain changes to travel allowances also took effect.

**Meal allowance.** The revised meal allowance amounts are:

- €8.30 for business trips lasting five to 12 hours
- €12.30 for business trips from 12 hours to 18 hours and €18.40 for business trip exceeding 18 hours
- The minimum value of meal vouchers increased to €6.23, up from €5.85

Employees are also entitled to a meal if they perform work for more than four hours in a working shift (two meals for shifts longer than 11 hours), and employers must contribute to the price of the meal (a minimum of 55% of the meal voucher).

**Travel allowances.** Changes to the payment of travel allowances are included in the Collection of Laws and concern the proof and reimbursement of expenses for fuel consumed, and measures applicable to electric vehicles.

**Resources**

[Law](#) (Slovak) (Government, Dec. 18, 2024) and [Law](#) (Slovak) (Government, Oct. 23, 2024)

Slovakia (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Health</b></p> <p><b>Most employers face sports activity contribution for employees' children</b></p> <p>From Jan. 1, 2025, employers that have 49 or more employees in Slovakia must contribute upon request to costs of sports activities for their employees' children under an amendment to the Labor Code that aims to encourage healthy lifestyles. Since 2020, employers can pay a voluntary sports allowance to employees, regardless of their workforce size. Highlights of the new requirement include:</p> <ul style="list-style-type: none"> <li>• Eligible employees must be employed continuously for at least two years.</li> <li>• Employees must request the allowance, and they can only do so from one employer.</li> <li>• Eligible children include the employees' own children, as well as children who are placed in their care due to a court order, or prior to an adoption decision.</li> <li>• The contribution is capped at 55% of activities' costs up to €275/calendar year for all the employees' children.</li> </ul>
Resources	<a href="#">Law</a> (Slovakian) (Government, Dec. 31, 2024)
Slovakia (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Minimum wage increased</b></p> <p>From Jan. 1, 2025, the minimum wage increased to €816/month (up from €750), and to €4.69/hour (up from €4.31). Different rates apply to employees depending on their job grades.</p>
Resources	<a href="#">Minimum wage information</a> (Slovak) (Government)
Slovenia (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Minimum wage increased</b></p> <p>The monthly gross minimum wage increased to €1,254, up from €1,235.90, effective Jan. 1, 2025.</p>
Resources	<a href="#">Announcement</a> (Slovenian) (Government, Jan. 23, 2024)

**South Africa (previously covered, now effective)**

**Status**  **Currently effective**

**Development**

**Career**

**New employment measures take effect**

Under changes to South Africa's Employment Equity Act 55, 1998 (EEA), "designated employers" in certain industry sectors will face new numerical employment targets from among historically disadvantaged groups, and the EEA no longer apply to employers with fewer than 50 employees. The amended act took effect on Jan. 1, 2025 (the Act was previously expected to take effect on Sept. 1, 2023).

The EEA generally applies to all employers in South Africa — although some government organizations are exempt. It prohibits indirect or direct discrimination in any employment policy or practice on grounds of race, gender, pregnancy, marital status, family responsibility, ethnic or social origin, color, sexual orientation, age, disability, religion, conscience, belief, political opinion, language, birth, culture and HIV status.

Highlights include:

- Industry sectors have numerical representation targets based on race, gender and disability for all occupational levels to help achieve equitable representation from among designated groups. The Minister of Employment and Labour can identify national economic sectors (including an industry or service or part of any industry or service) and geographic regions and set numerical targets in consultation with the Employment Equity Commission, subject to a minimum 30-day consultation. A "designated employer" must align their employment equity plan (EEP) numerical targets with the applicable sectoral target. The Department of Employment and Labour (DoEL) published in May 2023 and February 2024 draft regulations for public comment identifying sectors and proposing various sectoral targets for designated groups. It remains to be seen if the February 2024 draft regulations will be published in final form or if another version will be published for public comment. The DoEL reportedly said that the sectoral targets would be subject to a transitional period. Employers with fewer than 50 employees are no longer classified as a "designated employer" subject to the EEA. As a result, they do not have to develop, implement and submit an EEP to the Department of Employment and Labour.
- The act no longer includes a specific deadline for employers to submit their annual reports. Instead, the minister can make regulations regarding the submission of employment equity reports and their timing.
- Employers with a representative trade union must consult with that union about their EEP's content, its submission and implementation, and the employer's analysis of the employment barriers faced by individuals from designated groups. Where there is no union, employers must consult with their employees.
- Labor inspectors can generally serve compliance orders on a designated employer for failure to comply with the act. The Labour Court can issue an order to direct an employer to comply with the applicable sectoral and EEP targets and could impose a fine for noncompliance with the order.

**Resources**

[Employment Equity Act](#) (Official Gazette, April 13, 2023) and [Employment Equity Amendment Act: Commencement](#) (Government, Dec. 12, 2024)

**Spain (previously covered, now effective)****Status**  **Currently effective****Development****Career****Mandatory measures for protections of LGTBI individuals now effective**

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:

- 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.

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.

**Resources** [Regulation 1026/2024](#) (Spanish) (Government, Oct. 8, 2024) and [Law 4/2023 of Feb. 28, 2024](#) (Spanish) (Government)**Spain (previously covered, now effective)****Status**  **Currently effective****Development****Health — Wealth****Social security basis for higher earners, employers increased**

Effective Jan. 1, 2025, employers and employees must 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 (previously covered, with upcoming effective date)****Development****Wealth**

- [Flexibility of receiving occupational pension benefit payments increased](#) — key date: Oct. 1, 2025

**Switzerland — Zürich and Winterthur (updated)****Status****Currently effective****Development****Career****Minimum wage ordinance struck down**

On Nov. 29, 2024, the cantonal court struck down minimum wage ordinances for Zürich and Winterthur on the grounds they violated the canton's social assistance constitution. Voters had approved both minimum wage ordinances in June 2023, but neither had taken effect. The two ordinances would have been the first to apply at cantonal level. The decisions can be appealed to Switzerland's Federal Supreme Court. Switzerland has no statutory federal minimum wage — a referendum in 2014 rejected the introduction of a 22 CHF/hour minimum wage. Currently, the minimum wage in Geneva is 24.32 CHF/hour. It is slated to increase on Jan. 1, 2025 to 24.48 CHF/hour.

**Resources**

[Ruling](#) (Cantonal Court, Sept. 17, 2024) and [Ruling](#) (Cantonal Court, Sept. 17, 2024)

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

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

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

In January 2025, the net monthly minimum wage increased to 22,104 TRY, up from 17,002.12 TRY.

**Resources**

[Announcement](#) (Turkish) (Government, Dec. 24, 2024)

**United Arab Emirates (UAE) — Dubai (previously covered, now effective)****Status****Effective for policies on or after Jan. 1, 2025.****Development****Health****Updates to minimum health benefits for insurance policies now effective**

The Dubai Health Authority (DHA) on July 23, 2024, issued External Circular GC 03/2024 that includes an updated table of benefits. The revised list of minimum benefits must be included in all DHA-compliant insurance policies that are effective on or after Jan. 1, 2025. Policies that are issued and effective in 2024 are not impacted.

**Resources**

[External Circular GC 03/2024](#) (Dubai Health Authority, July 23, 2024)

## UAE — Northern Emirates (previously covered, now effective)

**Status**  **Currently effective**

**Development** **Health**

### **Compulsory health insurance expanded to Northern Emirates**

From Jan. 1, 2025, private sector employers in the United Arab Emirates must fund compulsory health insurance for their employees. Currently, employers in Dubai and Abu Dhabi must provide at least minimum health coverage on the issuance and renewal of employees' visas, but coverage is optional in the Northern Emirates (Ajman, Fujairah, Ras Al Khaimah, Sharjah and Umm Al Quwain). Further details about the scheme are expected, including the rollout timescale. In Abu Dhabi and Dubai, mandatory coverage was implemented gradually according to the employer's size, but it is currently unclear if this same approach will be adopted in the five Northern Emirates.

**Resources** [adel.alderi@mercermarshbenefits.com](mailto:adel.alderi@mercermarshbenefits.com)  
[Press release](#) (Government, March 18, 2024)

## Ukraine (new)

**Status**  **Currently effective**

**Development** **Career**

### **Minimum wage increased**

Ukraine's minimum wage increased on Jan. 1, 2025 to 8,000 UAH/month, up from 7,100 UAH/month.

**Resources** [Announcement](#) (Ukrainian) (Government)


**United Kingdom (UK) (new)****Status****Consultation open through March 13, 2025****Development****Career****Consultation on changes to banking remuneration regime issued**

Proposals that aim to make the UK's banking remuneration regime more "effective, simple and proportionate," and which could result in significant changes to remuneration regulations, were published for consultation by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA) on Nov. 26, 2024; comments are invited through March 13, 2025. The policy proposals have been developed by the regulators collaboratively but agreed to by each regulator independently. They intend to publish a final policy statement during the second half of 2025 that would take effect the day after its publication and apply to employers' performance years starting after that date. The proposed measures are applicable to banks, building societies and PRA-designated investment firms (but not credit unions and insurers), and they aim to "complement previous remuneration regime changes enhancing proportionality for small firms, and removing the bonus cap." The UK removed in October 2023 the "bonus cap" to permit employers to set their own ratio of variable to fixed remuneration. The Chancellor of the Exchequer called in November 2024 for consideration to be given to the UK's regulations in the context of improving competitiveness.

The proposals aim to improve the link between remuneration and individual accountability and include a simplified procedure for identifying "material risk takers" (MRTs); the reduction of the deferral and retention periods; increased accountability for senior managers; and consolidation of the rules that are currently duplicated in the FCA Handbook and the PRA Rulebook. Highlights of the consultation proposals include:

- Reduction in the number of MRTs who would be subject to the remuneration rules. A single quantitative threshold would be introduced, allowing for individuals who are in the 0.3% of highest earners to be identified as MRTs.
- Increased governance expectations for employers when they identify MRTs. However, they would no longer need regulatory approval to exclude individuals who would otherwise qualify as MRTs due to their remuneration.
- Increased proportionality threshold at which certain remuneration rules can be disapplied for MRTs for individuals whose total annual pay does not exceed £660,000 (up from £500,000), and whose variable pay is no more than 33% of total pay.
- Revised rules and expectations on deferral of variable remuneration. For example, vesting periods would start immediately (currently they start three years from when the award is made), and the holding periods for financial instruments would be removed, allowing for faster payment of bonuses and noncash elements.
- Clarification of the role of remuneration committees in setting remuneration.
- Improved links between remuneration and individual accountability in the event of risk management failures. Employers would have to use malus or clawback to adjust MRTs' variable pay where their seniority and role could make them responsible for risk events that involve one or more members of their team.
- Requirement for employers to consider senior managers' performance against PRA supervisory priorities when determining accountability for adverse risk events.

**Resources**[richard.symons@mercer.com](mailto:richard.symons@mercer.com)[CP16/24 — Remuneration reform](#) (Bank of England, Nov. 26, 2024)

UK	
Status	 Consultation open until Jan. 16, 2024.
Development	<p><b>Wealth</b></p> <p><b>Consultation on delivering scale, consolidation and value in defined contribution workplace pensions issued</b></p> <p>A consultation on proposed reforms that would deliver scale, accelerate consolidation and drive a focus on value over cost in the defined contribution workplace pensions market was issued on Nov. 14, 2024, with input invited required by Jan. 16, 2025. The consultation proposes two key measures to:</p> <ul style="list-style-type: none"> <li>• Achieve scale in workplace pension schemes by introducing a minimum size and maximum number of default funds.</li> <li>• Permit the bulk transfer of assets for contract-based schemes without requiring individual savers' consent.</li> </ul> <p>In addition, the consultation considers the role of employers in a more consolidated market and if their advisers should be subject to more oversight.</p>
Resources	<p><a href="mailto:richard.wyatt@mercer.com">richard.wyatt@mercer.com</a></p> <p><a href="#">Pensions Investment Review: Unlocking the UK pensions market for growth</a> (TPR, Nov. 14, 2024)</p>
UK (previously covered, with upcoming effective date)	
Development	<p><b>Career — Health</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Paternity leave to be expanded to bereaved partners</a> — key date: Effective date unknown</li> <li>• <a href="#">Employees to be allowed neonatal care leave</a> — key date: expected April 2025</li> <li>• <a href="#">Benefits-in-kind digitization reporting confirmed</a> — key date: April 2026</li> </ul> <p><b>Career — Health — Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Autumn Budget increases National Insurance, National Minimum Wage Rates and includes pension changes</a> — key date: April 6, 2025</li> </ul> <p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Pension auto enrollment to expand, reducing eligible age and abolishing earnings threshold</a> — key date: unknown</li> <li>• <a href="#">Guidance sets staging date for schemes to connect to Pensions Dashboard</a> — key date: April 30, 2025</li> </ul>



**Mercer LLC**

1166 Avenue of the Americas

New York, NY 10036

[www.mercer.com](http://www.mercer.com)

Copyright © 2025 Mercer LLC. All rights reserved.