

# Global Legislative Update

Law & Policy Group

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# In this document

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



Employer action required



Potential implications for employers



Developments to monitor

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

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# Section 1

## Highlights

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## Americas (continued)

### United States

[Roundup: Employer resources on states' recreational marijuana laws](#)  
[Roundup: Employer resources on minimum wage increases](#)  
[Roundup: Employer resources on hairstyle nondiscrimination laws](#)  
[Portable benefit plan for independent contractors created in Alabama](#)  
[Pharmacy benefit manager activities restricted in Alabama](#)  
[Fertility law expanded in Arkansas](#)  
[Pharmacy benefit manager network requirements expanded in Arkansas](#)  
[Pharmacy benefit manager networks law enacted](#)  
[Pharmacy benefit managers prohibited from owning an affiliated pharmacy within Arkansas](#)  
[Reporting requirements for pharmacy benefit managers in Arkansas](#)  
[Coverage required for severe obesity in Arkansas](#)  
[Breastfeeding consultation services coverage required in Arkansas](#)  
[Paid sick leave guidance updated in Cook County, Illinois](#)  
[Fiduciary duty imposed on pharmacy benefit managers and third party-administrators in Indiana](#)  
[Earned Paid Sick Time Initiative now effective in Missouri](#)  
[Montana joins telehealth compact](#)  
[Cost sharing for insulin and related supplies capped in North Dakota](#)  
[Benefit and leave laws vary in Puerto Rico](#)  
[Benefit plan for independent contractors created in Tennessee](#)  
[ERISA preempts pharmacy benefit manager law in Tennessee, court rules](#)  
[Paid sick and safe leave permitted use added in Washington](#)

## Asia Pacific

### Australia

[Superannuation, Medicare implications of 2025/26 federal budget highlights](#)  
[Larger employers must establish equality targets](#)  
[Regulatory guide on sustainability reporting issued](#)  
[Federal code to minimize sexual and gender-based harassment updated](#)  
[Guidance on assisting customers without standard ID issued](#)  
[Key superannuation rates and thresholds for 2025/26 updated](#)  
[Second tranche of proposed financial advice reforms released](#)  
[Rules for SMS Sender ID Register proposed](#)  
[Consultation on firm-level breach and complaints data issued](#)  
[Anti-vilification protections expanded in Victoria](#)

### Hong Kong

[Minimum wage increased](#)  
[Mandatory pension fund offsetting ends](#)

### Singapore

[Manpower for Strategic Economic Priorities Scheme scheme expanded](#)

### South Korea

[Plans to increase pension premiums, expand coverage](#)



### Thailand

[Details about Employee Welfare fund provided, contributions required](#)

EMEA	
<b>European Union</b>	<a href="#">Agreement on postponement of corporate sustainability, due diligence reporting rules for some companies finalized</a>
<b>Belgium</b>	<a href="#">Political work program to boost competitiveness issued by government</a>
<b>Bulgaria</b>	<a href="#">Electronic employment register introduced</a>
<b>France</b>	<a href="#">Earnings ceiling for statutory sick pay reduced</a> <a href="#">Reimbursement of menstrual protection proposed</a>
<b>Germany</b>	<a href="#">Female employees will be entitled to maternity leave after suffering a miscarriage</a>
<b>Greece</b>	<a href="#">Test period of ERGANI II (digital card) begins</a>
<b>Hungary</b>	<a href="#">Personal tax exemption for eligible mothers proposed</a>
<b>Ireland</b>	<a href="#">Start of 'My Future Fund' for pension autoenrollment has slight delay</a> <a href="#">Bill to allow employees to work beyond their contractual retirement age published</a> <a href="#">Consultation on increasing and promoting collective bargaining issued</a>
<b>Jordan</b>	<a href="#">Doctor's fees to increase</a>
<b>Poland</b>	<a href="#">Rules for employing non-EU nationals change</a>
<b>Portugal</b>	<a href="#">Paid leave for endometriosis, adenomyosis during menstrual cycle introduced</a>
<b>South Africa</b>	<a href="#">Sectoral numerical targets for employment equity plans published</a>
<b>Spain</b>	<a href="#">Measures to encourage delayed, partial and active retirement introduced</a>
<b>Turkey</b>	<a href="#">Initiative to prevent psychological harassment in workplaces launched</a>
<b>United Kingdom</b>	<a href="#">The Pensions Regulator to regulate professional trustees</a> <a href="#">Consultation on equality reforms</a> <a href="#">Default consolidator for small pension pots planned</a> <a href="#">Consultation on introduction of compulsory ethnicity and disability pay-gap reporting issued</a> <a href="#">Plans to issue employment rights bill announced in Northern Ireland</a>

## Section 2



# Global

Artificial Intelligence	
Status	 Ongoing initiatives
Development	<p><a href="#">Career</a></p> <p><b>Roundup: Global employer resources on artificial intelligence</b></p> <p>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.</p>
Resources	<a href="#">Roundup</a> , regularly updated
Minimum wage	
Status	 Ongoing initiatives
Development	<p><a href="#">Career</a></p> <p><b>Roundup: Global employer resources on minimum wage increases</b></p> <p>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.</p>
Resources	<a href="#">Roundup</a> , regularly updated
Remote working	
Status	 Ongoing initiatives
Development	<p><a href="#">Career — Health — Wealth</a></p> <p><b>Roundup: Countries address remote-working issues</b></p> <p>Remote working has become more of a 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.</p>
Resources	<a href="#">Roundup</a> , regularly updated

Reproductive rights	
Status	 Ongoing initiatives
Development	<p><b>Health</b></p> <p><b>Roundup: Global employer resources on reproductive rights post <i>Dobbs</i> ruling</b></p> <p>In June 2022, the US Supreme Court's <i>Dobbs v. Jackson Women's Health Organization</i> decision overturned <i>Roe v. Wade</i>, finding no federal constitutional right to abortion and allowing states to regulate and ban abortions at all stages of pregnancy. To provide multinational employers some information on countries' positions on reproductive rights and the varying employee health benefit plan issues involved, the roundup cited below provides links to organizations, government websites, third-party analysis, news articles and viewpoints.</p>
Resources	<a href="#">Roundup</a> , regularly updated
Right to disconnect (new)	
Status	 Ongoing initiatives
Development	<p><b>Career</b></p> <p><b>Roundup: Right to disconnect around the world</b></p> <p>In recent years, several countries have enacted legislation requiring employers to allow employees the 'right to disconnect' — or to 'switch off' from work-related electronic communications (such as emails) outside of their normal working hours. ... To help employers consider the issues associated with the right to disconnect, this roundup provides links to general information about countries' legislative/regulatory governance initiatives and trends. Sources include organizations, government websites, third-party resources and news articles.</p>
Resources	<a href="#">Roundup</a> , regularly updated

## Section 3

# Americas

Argentina (new)	
Status	 <b>Currently effective</b>
Development	<b>Wealth</b> <b>Access to the Universal Pension for older individuals expanded</b> <p>Individuals who do not fulfill the minimum contribution period of 30 years will still be able to access the Universal Pension for the Elderly (PUAM). Eligible individuals must be older than 65, be an Argentine national, or have permanent residency in the country, and must not be in receipt of any other pension benefits.</p> <p>The PUAM is equivalent to 80% of the minimum pension and is updated according to the Mobility Law. In April 2025 it is AR\$237,185.39. The PUAM does not, however, meet an individual's basic needs.</p> <p>In addition, the pension moratorium that allowed access to retirement benefits without fulfilling the required contribution period expired on March 23, 2025, and was not extended. The Social Security and Pension Commission of the Chamber of Deputies announced that alternative solutions will be discussed, but the PUAM will be the only available resource.</p>
Resources	<a href="mailto:maria.p.maydana@mercer.com">maria.p.maydana@mercer.com</a> <a href="#">PUAM information</a> (Spanish) (ANSES)
Argentina (new)	
Status	 <b>Currently effective</b>
Development	<b>Wealth</b> <b>Pension and retirement benefits increase</b> <p>Effective April 2025, the government announced a 27.18% increase for pensions, retirement benefits and allowances, in accordance with the current mobility formula. The Social Security Administration (ANSES) also confirmed that the minimum pension increased to AR\$296,481.74 (an increase of 3.73%) and an additional bonus of AR\$70,000 will be paid to those who receive the minimum pension, with the aim of improving the purchasing power of the most vulnerable individuals.</p>
Resources	<a href="mailto:maria.p.maydana@mercer.com">maria.p.maydana@mercer.com</a> <a href="#">Announcement</a> (Spanish) (ANSES)



**Brazil (previously covered, soon to be effective)****Status****Effective May 26, 2025****Development****Career — Health****Employers must include psychosocial risks in risk-management process**

Employers in Brazil have until May 26, 2025, to ensure that their Risk Management Program (PGR) includes psychosocial risks related to the work environment under measures included in Ordinance 1,419 of Aug. 27, 2024.

The PGR forms part of employers' occupational risk management process (GRO). Currently it covers several workplace safety and health risks, such as risks arising from physical, chemical, biological, accidents and ergonomic factors. Employers must develop an inventory of risks (this must be retained for 20 years) and adopt measures to eliminate or reduce occupational risks.

The Brazilian safety and health authorities have provided a nonexhaustive list of common psychosocial risks including work content and design; workload and pace; scheduling of work; employees' control over their work; provision of equipment to perform work; organizational culture (including harassment) and career development and work-life balance.

**Resources**

[Ordinance 1,419 of Aug. 27, 2024](#) (Portuguese) (Government, Aug. 28, 2024)

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

[Measures gradually reintroduce the payroll tax](#) — key date: Jan. 1, 2026

**Canada (new)****Status****Currently effective****Development****Wealth****New guidelines for Capital Accumulation Plans issued**

On Sept. 9, 2024, the Canadian Association of Pension Supervisory Authorities (CAPSA) published the new Guideline for Capital Accumulation Plans (CAPs) — Guideline No.3. The guideline is the first major revision since 2004, reflecting the significant evolution of Canadian defined contribution plans and group retirement savings programs over the past 20 years. The guidelines clearly outline CAPSA's expectations that CAP sponsors create a governance framework and provide principles about what the framework might look like, however, there is no "one-size fits all" approach.

CAPSA also issued a Guideline for Risk Management — Guideline No. 10 — to complement Guideline No. 3, which defines key principles for managing risks associated with pension plans. While this document is directed to pension plans specifically, the principles outlined are particularly relevant to CAP sponsors — such as those concerning cyber-security, third-party risk and environmental, social, and governance issues. Guideline No. 10 incorporates a four-step process for identifying and managing material pension risk. This includes a recommendation for the development of a written risk-management statement that incorporates the risk appetite, risk tolerance and risk limits for material risks.

The updated CAP guidelines present a blueprint for CAP sponsors to follow to enhance their offerings. They provide insight into the regulators' priorities and provide a platform for considering which governance activities matter most for a specific CAP. CAP sponsors are advised to review the guidelines and seek assistance as necessary to ensure their CAP is well-governed, member-centric and aligned with regulatory expectations.


**Resources**



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[Guideline No. 3](#) (CAPSA, Sept. 9, 2024); [Guideline No. 10](#) (CAPSA, Sept. 9, 2024) and [CAPSA issues new guidelines for Capital Accumulation Plans: A blueprint for success in a changing landscape](#) (Mercer)

Canada — Manitoba (new)	
Status	 <b>Effective Oct. 1, 2025</b>
Development	<b>Career</b> <b>Minimum wage to increase</b> Effective Oct. 1, 2025, the minimum wage rate in Manitoba will increase to C\$16/hour, up from C\$15.80/hour.
Resources	<a href="#">Provincial minimum wage to increase to \$16 on Oct. 1</a> (Government, March 31, 2025)
Canada — Prince Edward Island (new)	
Status	 <b>First increase takes effect on Oct. 1, 2025.</b>
Development	<b>Career</b> <b>Minimum wage to increase</b> On Oct. 1, 2025, the minimum wage rate will increase to C\$16.50/hour, and to C\$17/hour on April 1, 2026.
Resources	<a href="#">Minimum wage order (board and lodging)</a>
Canada (previously covered, with upcoming effective date)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li>• <a href="#">Minimum wage increased in British Columbia</a> — key date: June 1, 2025</li> <li>• <a href="#">Rights of digital platform workers enhanced in Ontario</a> — key date: July 1, 2025</li> <li>• <a href="#">Pay transparency duties to start in Ontario</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Employers face required disclosures regarding pay in Ontario</a> — key date: Jan. 1, 2026</li> </ul> <b>Career — Health</b> <ul style="list-style-type: none"> <li>• <a href="#">New leave entitlements in Ontario</a> — key date: Lieutenant Governor will proclaim effective date</li> <li>• <a href="#">‘Right-to-disconnect’ established for employees</a> — key date: Slated to take effect in 2025</li> </ul> <b>Wealth</b> <ul style="list-style-type: none"> <li>• <a href="#">Information security guidelines issued in British Columbia</a> — key date: July 1, 2025</li> <li>• <a href="#">Pension super priority federal legislation enacted</a> — key date: April 27, 2027</li> </ul>
Colombia (previously covered, with upcoming effective date)	
Development	<b>Wealth</b> <ul style="list-style-type: none"> <li>• <a href="#">Pension reforms issued</a> — key date: July 1, 2025</li> </ul>

Mexico (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Health</b></p> <p><b>Employers now liable for employees' housing loan payments in certain circumstances</b></p> <p>Effective Feb. 22, 2025, employers in Mexico are liable for covering employees' loan installment payments to the National Workers' Housing Fund Institute — INFONAVIT —when their employees are absent or on medical leave, and if there is no salary from which the employer can make deductions. Once the employee returns to work, they will be in debt to their employer; however, federal law restricts the amount of deductions employers can make from employees' salaries. The measures are included in an amendment to the housing fund law, published in the Official Gazette on Feb. 21, 2025. Previously, employers were allowed to suspend their duty to withhold installments in the event of an employee's absence or medical leave, and if no salary was paid to the employee.</p>
Resources	<p><a href="mailto:kaitlin.oneill@mercer.com">kaitlin.oneill@mercer.com</a></p> <p><a href="#">Decree 21/02/2025 (Spanish)</a> (Official Diary, Feb. 21, 2025)</p>
Mexico (previously covered, with upcoming effective date)	
Development	<p><b>Career — Health</b></p> <ul style="list-style-type: none"> <li><a href="#">Employment rights of digital platform workers to be regulated</a> — key date: June 22, 2025</li> </ul>
Nicaragua (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Minimum wages increased</b></p> <p>Minimum wages generally increased by 10.1% on March 1, 2025. Different monthly minimum wage rates apply to each industry sector (for example, the minimum wage in the manufacturing sector increased to 8,000.46 NOP/month up from 7,692.75 NOP/month).</p>
Resources	<a href="#">Announcement</a> (Spanish) (Government, Feb. 28, 2025)
Panama (previously covered, with upcoming effective date)	
Development	<p><b>Wealth</b></p> <ul style="list-style-type: none"> <li><a href="#">Employer social security contributions increased</a> — key date: March 1, 2027</li> </ul>
Peru (previously covered, with upcoming effective date)	
Development	<p><b>Career — Wealth</b></p> <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>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>Executive order on lowering prescription drug prices signed</b></p> <p>On April 15, 2025, President Trump signed Executive Order (EO)1427 directing various federal agencies to pursue a wide range of policies aimed at lowering prescription drug prices for Americans. No immediate action is required of employer group health plans. Relevant provisions include:</p> <ul style="list-style-type: none"> <li>• Improving pharmacy benefit manager (PBM) PBM transparency. The Department of Labor (DOL) must propose a rule providing employer health plan fiduciaries with greater transparency into direct and indirect PBM compensation within 180 days (approximately Oct. 12, 2025). The EO refers specifically to compensation received by PBMs, while the fact sheet refers to compensation PBMs pay to brokers.</li> <li>• Reevaluating “middlemen.” Policy recommendations to promote “a more competitive, efficient, transparent and resilient pharmaceutical value chain” are due within 90 days (approximately July 14, 2025).</li> <li>• Combating anticompetitive behavior by drug manufacturers. The Departments of Justice, Commerce and the Federal Trade Commission must conduct joint public listening sessions and issue a report with recommendations combating anticompetitive behavior by drug manufacturers within 180 days (approximately Oct. 12).</li> <li>• Accelerating competition for high-cost drugs. Within 180 days (approximately Oct. 12), the Food and Drug Administration (FDA) must provide recommendations to (1) accelerate approval of generics, biosimilars, combination products and second-in-class brand name medications, and (2) improve the process of reclassifying drugs as over-the-counter medications.</li> </ul> <p>Much of the executive order specifically targets drug spending by Medicare and Medicaid. For example, The Department of Health and Human Services is directed to propose improvements to the Medicare drug price negotiation program and consider proposing rules to ensure that Medicare payment policies don’t encourage a shift from drug administration in less costly physician’s offices to more expensive hospital outpatient departments.</p> <p>The executive order also signals a return to a key priority during President Trump’s first term in office — facilitating state drug reimportation programs. The FDA has 90 days to make it easier for states to obtain approval to reimport drugs.</p>
Resources	<p><a href="mailto:jennifer.wiseman@mercer.com">jennifer.wiseman@mercer.com</a></p> <p><a href="#">Lowering drug prices by once again putting Americans first</a> (The White House, April 15, 2025) and <a href="#">Fact sheet: President Trump announces actions to lower prescription drug prices</a> (The White House, April 15, 2025)</p>

US (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Executive order seeks to end disparate impact liability</b></p> <p>On April 23, 2025, President Trump signed Executive Order, “Restoring equality of opportunity and meritocracy,” to eliminate the use of disparate-impact liability in various contexts. The order:</p> <ul style="list-style-type: none"> <li>• Revokes presidential actions that approved of disparate-impact liability and sets in motion broader reform.</li> <li>• Directs all agencies to deprioritize enforcement of statutes and regulations that include disparate-impact liability.</li> <li>• Instructs the Attorney General to repeal or amend all Title VI (racial nondiscrimination) regulations that contemplate disparate-impact liability.</li> <li>• Directs the administration to assess all pending investigations, lawsuits, and consent judgements that rely on a theory of disparate-impact liability and take appropriate action.</li> </ul> <p>The White House also issued a fact sheet: “President Donald J. Trump signs landmark order to restore equality of opportunity and meritocracy.”</p> <p>For more information and analysis on the implications of the executive order, see the Roundup: Employer resources on the changing landscape of DEI cited below.</p>
Resources	<p><a href="#">Restoring equality of opportunity and meritocracy</a> (The White House, April 23, 2025); <a href="#">Fact sheet: President Donald J. Trump signs landmark order to restore equality of opportunity and meritocracy</a> (The White House, April 23, 2025) and <a href="#">Roundup: Employer resources on the changing landscape of DEI</a> (Mercer, regularly updated)</p>
US (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Department of Labor issues guidance on annual funding notice changes</b></p> <p>Field Assistance Bulletin (FAB) 2025-2 provides long-awaited guidance on changes to the content requirements for defined benefit (DB) plan annual funding notices (AFNs) made by the SECURE 2.0 Act of 2022 (Div. T of Pub. L. No. 117-38). The FAB resolves discrepancies between the new statutory requirements and DOL’s existing regulations, which predate SECURE 2.0. Appendices to the FAB provide new model AFNs for both single-employer and multiemployer DB plans. SECURE 2.0’s changes apply starting with 2024 plan-year AFNs, which calendar-year plans generally must provide by April 30, 2025.</p> <p>Pending further guidance, DOL will treat compliance with the FAB as a reasonable, good faith interpretation of the AFN requirements as modified by SECURE 2.0. However, DOL recognizes that many plans may have already prepared or even distributed AFNs for the 2024 plan year. DOL nonetheless expects administrators for these plans to consider whether their AFNs are consistent with the FAB’s interpretation of SECURE 2.0 and “take appropriate action” to the extent deemed necessary. Sponsors of these plans might want to consider discussing the sufficiency of the 2024 AFNs with legal counsel.</p>
Resources	<p><a href="mailto:brian.kearney@mercer.com">brian.kearney@mercer.com</a> and <a href="mailto:margaret.berger@mercer.com">margaret.berger@mercer.com</a></p> <p><a href="#">GRIST</a>, April 8, 2025</p>

US (new)	
Status	 Currently effective
Development	<p><b>Wealth</b></p> <p><b>Department of Labor must issue ERISA guidance on ‘foreign adversary’ investments</b></p> <p>A recently issued presidential memorandum directs the Department of Labor (DOL) to publish updated ERISA fiduciary standards for plan investments in public market securities of “foreign adversary companies.” The directive is part of the Trump administration’s America First Investment Policy, which is aimed at “promoting foreign investment while protecting America’s national security interests,” a fact sheet says. This article addresses questions sponsors and fiduciaries of defined benefit and defined contribution plans — as well as funded welfare plans like voluntary employees’ beneficiary associations (VEBAs) — may have about the anticipated guidance. However, sponsors or fiduciaries don’t have to take any immediate action.</p>
Resources	<p><a href="mailto:matthew.calloway@mercero.com">matthew.calloway@mercero.com</a> and <a href="mailto:margaret.berger@mercero.com">margaret.berger@mercero.com</a></p> <p><a href="#">GRIST</a>, April 10, 2025</p>

## US (new)

### Status



**Currently effective**

### Development

#### Career

#### **Taxation of state and Washington, DC, paid family and medical leave contributions clarified**

Taxation of Revenue Ruling 2025-4 gives employers long-awaited guidance on the federal tax treatment of contributions and benefits mandated by state paid family and medical leave (PFML) laws. The revenue ruling also covers reporting and tax withholding requirements and provides transitional relief for 2025. The guidance does not address federal tax treatment of contributions to — or benefits from — equivalent private PFML plans (fully insured or self-insured) employers offer in lieu of participating in a state program. The ruling also does not address the state tax consequences for PFML contributions and benefits. The revenue ruling's comment period expired on April 15, although IRS will consider comments received after that date.

This guidance may trigger the need to change existing federal tax treatment of PFML contributions and benefits. Here are some steps to consider:

- Review and adjust (as needed) current payroll practices to ensure that employers properly characterize PFML contributions on Form W-2 as post-tax, subject to FIT, FICA, and FUTA withholding. Evaluate when to complete Box 14 of the W-2. Errors are subject to penalties.
- Confirm appropriate treatment of employer PFML contributions as tax deductions.
- Consider an employee communication about the federal tax treatment of required employee PFML contributions and any employer pick-up, as well as possible deduction opportunities.
- Consider providing employees information about federal taxation of statutory PFML benefit payments or directing employee questions to personal tax advisors.
- Train relevant staff involved in leave management.
- Watch for guidance from state PFML program administrators addressing the state tax treatment of benefits in light of the revenue ruling.
- Prepare to manage withholding and reporting of FICA and FUTA taxes on medical leave benefits if required by the state.
- Watch for future federal guidance for equivalent private plans.
- If using a private plan, discuss any implications of the revenue ruling with the PFML insurer or third-party administrator.

### Resources

[rich.glass@mercer.com](mailto:rich.glass@mercer.com) and [katharine.marshall@mercer.com](mailto:katharine.marshall@mercer.com)  
[GRIST](#), April 29, 2025

US (new)	
Status	 <b>Effective dates vary.</b>
Development	<b>Career — Health</b> <b>2025 state paid family and medical leave contributions and benefits</b> Mandates requiring paid leave for an employee's own health condition exist in many states — California, Colorado, Connecticut, Hawaii, Massachusetts, New Jersey, New York, Oregon, Rhode Island and Washington — along with Puerto Rico and Washington, DC. Delaware, Maine, Maryland and Minnesota will start similar programs in the next few years. Except for Hawaii and Puerto Rico, these jurisdictions also require paid family leave. Voluntary group family leave insurance is now available in Alabama, Arkansas, Florida, Kentucky, Michigan, South Carolina, Tennessee, Texas and Virginia. Private employers may opt-in to the state program for governmental employees in New Hampshire and Vermont.
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> and <a href="mailto:katharine.marshall@mercer.com">katharine.marshall@mercer.com</a> <a href="#">GRIST</a> , updated Jan. 29, 2025 and <a href="#">Paid family and medical leave: Snapshots across the US</a> (Mercer, January 2025)
US	
Status	 <b>Currently effective</b>
Development	<b>Health</b> <b>Beyond COBRA: State laws add complexity to continuation coverage</b> 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.
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">GRIST</a> , Nov. 12, 2024
US	
Status	 <b>Currently effective</b>
Development	<b>Career — Health</b> <b>Domestic partner benefits remain popular but present challenges</b> 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.
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****Status****Currently effective****Development****Health****Group fixed-indemnity plans pose legal, tax issues**

Concerns that fixed-indemnity plans may too easily be mistaken for comprehensive medical coverage or may improperly treat some benefit payments as tax free has led to a final rule from the departments of Labor, Treasury, and Health and Human Services. The rule requires fixed-indemnity plans to supply a new consumer notice beginning in 2025 but omits more sweeping proposals that would have required many employers to redesign their fixed-indemnity coverage. Treasury proposals to clarify the tax treatment of employer-provided accident and health plans — particularly the tax treatment of fixed-indemnity plans — also were left out of the final rule. The GRIST cited below provides background information about group fixed-indemnity plans, details about the new consumer notice, an overview of proposals left out of the final rule, and a summary of IRS guidance identifying a variety of fixed-indemnity designs (often paired with a wellness program) as improper “double dipping” schemes. This article also summarizes provisions in the rule addressing individual fixed-indemnity plans and short-term limited duration insurance.

**Resources**

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

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

A dizzying array of legislation affecting defined contribution (DC) and defined benefit (DB) plans became law on Dec. 29, 2022, as part of a fiscal 2023 government spending package. Capping for 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 non-benefit-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	 <b>Effective dates vary.</b>
Development	<p><b>Career — Health</b></p> <p><b>Transportation plans offer valued benefits, but pose compliance issues</b></p> <p>Since 1998, employees have been able to pay for qualified transportation fringe benefits through pretax salary reductions under Internal Revenue Code (IRC) § 132(f), and these benefits have become quite popular. (Employers could provide this benefit on a tax-advantaged basis as early as 1992.) The tax exemption extends to commuting expenses for transit passes, qualified parking, van pools, and in certain years, bicycles.</p> <p>While these benefits are not subject to cafeteria plan or ERISA rules, compliance difficulties exist, and a 2018 tax law that will expire at the end of 2025 added complexities. The federal monthly limits are adjusted every year, most recently for 2024. Some state and local jurisdictions have imposed employer mandates — including one that applies to Chicago-area employers starting in 2024 — leveraging the tax advantage of commuter benefits — other jurisdictions provide tax-related incentives.</p>
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> and <a href="mailto:cheryl.hughes@mercer.com">cheryl.hughes@mercer.com</a> <a href="#">GRIST</a> , regularly updated
US	
Status	 <b>Effective dates vary.</b>
Development	<p><b>Career</b></p> <p><b>Roundup: Employer resources on noncompete restrictions</b></p> <p>Noncompete agreements prevent former employees from working for a competing employer or starting a competing business for a certain time after their employment ends. At the federal level, former President Biden, the Federal Trade Commission (FTC), the National Labor Relations Board (NLRB) and Congress have 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. While the FTC has appealed the ruling, the rule will remain on hold until a future judicial decision either permanently blocks it or upholds it as lawful. The rule has been challenged in other lawsuits, with conflicting results. These divergent rulings and the impact of the recent Supreme Court Loper decision that overturned the “Chevron doctrine” of deference to federal agencies have led to employer uncertainty as to how to proceed. The Trump administration may also affect the fate of noncompetition provisions.</p> <p>At the state level, several states have generally banned noncompete agreements. Numerous other states have enacted restrictions, such as only allowing noncompete agreements for employees above a certain salary threshold. This roundup focuses on recent federal and state actions to restrict noncompete provisions and provides links to federal and state resources from organizations, government websites, third-party resources and news articles.</p>
Resources	<a href="#">Roundup</a> , regularly updated

US	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Roundup: Employer resources on the changing landscape of DEI</b> <p>In June 2023, the US Supreme Court in <i>Students for Fair Admissions, Inc. v. President and Fellows of Harvard College</i> ruled colleges' use of race as a factor in student admissions is unconstitutional under the 14th Amendment's equal protection clause. Since the decision, various viewpoints have emerged on the ruling's effect on companies' diversity, equity and inclusion (DEI) programs. While the Biden administration actively supported affirmative action and various DEI initiatives, President Trump's administration has adopted a firm stance against DEI programs in both the federal government and private sectors, issuing several executive orders (EOs) to limit these efforts. This roundup provides links to government information, third-party analyses, news articles and viewpoints about the varying aspects and issues to consider regarding employers' DEI programs.</p>
Resources	<a href="#">Roundup</a> , regularly updated
US	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Roundup: Employer resources on DOL's expansion of overtime protections</b> <p>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 did not go into effect, and the July 2024 increases were revoked. On Feb. 28, 2025, the DOL appealed a December 2024 Texas federal court's decision that also blocked the rule. Both cases were appealed to the Fifth Circuit Court of Appeals. This roundup provides links to government information, third-party analyses, news articles and viewpoints. The aggregated content in each section is organized in reverse chronological order and is by no means comprehensive. The content also does not necessarily reflect Mercer's or the authors' point of view on the subject.</p>
Resources	<a href="#">Roundup</a> , regularly updated
US — States	
Status	 <b>Compliance dates vary.</b>
Development	<b>Health</b> <b>Some states require group health plan sponsor reporting</b> <p>Several states and localities have group health plan reporting requirements. The GRIST cited below 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 was 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.</p>
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> and <a href="mailto:dorian.smith@mercer.com">dorian.smith@mercer.com</a> <a href="#">GRIST</a> , 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****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. 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	
Status	 <b>Effective dates vary.</b>
Development	<p><b>Career</b></p> <p><b>Roundup: Employer resources on minimum wage increases</b></p> <p>On March 14, 2025, President Trump rescinded former President Biden's April 2021 executive order requiring federal contractors to pay a \$15 hourly minimum wage to workers for new federal contract solicitations starting Jan. 30, 2022 and increasing to \$17.75/hour in 2025. Federal appeals courts have different positions on the legality of the 2021 order, and the Department of Labor rules implementing the order remain in place. Executive Order 13658 — which was implemented by the Obama administration and currently requires federal contractors to pay \$13.30/hour — also remains. Numerous states have taken action to gradually increase the minimum wage to at least \$15/hour for most employees. To help employers prepare and address related issues, this roundup provides links to federal and state resources from organizations, government websites, third-party resources and news articles.</p>
Resources	<a href="#">Roundup</a> , regularly updated
US — States	
Status	 <b>Effective dates vary.</b>
Development	<p><b>Career</b></p> <p><b>Roundup: Employer resources on hairstyle nondiscrimination laws</b></p> <p>The Creating a Respectful and Open World for Natural Hair (CROWN) Act movement in the United States aims to prohibit discrimination based on natural hair texture or hairstyles normally associated with race, such as braids, locks, twists, curls, cornrows, Afros, head wraps or bantu knots. The official campaign of the CROWN Act is led by the CROWN Coalition. Federal legislation, supported by the Biden administration, passed the House during the last session of Congress — but was not enacted. Many states have already passed CROWN Acts, and many others are considering legislation. To help employers ensure their employee handbooks and appearance policies are nondiscriminatory and comply with federal, state, and local laws, the roundup cited below provides links to federal and state resources from organizations, government websites, third-party analysis, news articles and viewpoints.</p>
Resources	<a href="#">Roundup</a> , regularly updated
US — Alabama (new)	
Status	 <b>Effective Jan. 1, 2026</b>
Development	<p><b>Health</b></p> <p><b>Portable benefit plan for independent contractors created</b></p> <p>The Portable Benefits Act (2025 Ch. 119, SB 86) establishes benefit accounts for independent contractors, providing them with an individual state tax deduction for all contributions, regardless of source. The plan may pay for a self-employed worker's health, income replacement insurance, life and retirement benefits. The hiring party may contribute directly to the plan or withhold a percentage from the worker's compensation, as agreed in writing. Hiring party contributions are also deductible as a business expense under state tax law. The individual owns the account. The law takes effect on Jan. 1, 2026. Federal taxation of this type of account is unclear. Alabama joins Tennessee in offering this type of plan.</p>
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">2025 Ch. 119, SB 86</a>

**US — Alabama (new)****Status****Currently effective****Development****Health****Pharmacy benefit manager activities restricted**

The Community Pharmacy Relief Act (2025 Ch. 136, SB 252) prohibits or restricts several pharmacy benefit manager (PBM) activities, including steerage to an affiliated pharmacy and spread pricing. The law also requires PBMs to accept any willing pharmacy (AWP) into a prescription drug network and to provide 100% of rebates at the point of sale, unless otherwise directed by the plan. The law does not apply to specialty drugs. Here is a summary:

Anti-steering. The term includes not only directing participants to use a specific pharmacy but also imposing higher cost sharing for use of nonaffiliated pharmacies, promoting one pharmacy over another in-network pharmacy, or influencing a manufacturer to limit or restrict drug distribution to certain pharmacies.

Anti-spread. The law bars spread pricing, unless required by the plan, in which case the PBM must submit an annual report to the Alabama Department of Insurance (ALDOI).

AWP. PBMs must include in the network any pharmacy meeting standards set by the state Board of Pharmacy.

Rebates. PBMs must pass on 100% of rebates at the point of sale, unless the plan sponsor directs the PBM or insurer to retain a portion as an administrative fee.

Anti-retaliation. Pharmacies may decline to dispense a drug if the reimbursement amount is lower than the dispensing cost; PBMs cannot take retaliatory action in this instance.

Reimbursements. PBMs cannot reimburse independent pharmacies less than the state Medicaid rate and cannot increase cost sharing as a way to recoup the increased dispensing cost.

All of the above provisions took effect on April 15, except the Medicaid reimbursement provision, which takes effect on Oct. 1, 2025.

The application of this law to self-funded ERISA plans is unclear. On the one hand, it deletes a statutory provision that exempted “a self-funded health benefit plan that is governed by the federal Employee Retirement Income Security Act” from key parts of existing PBM law. On the other hand, the PBM definition is limited to activities for “health benefit plans,” which are defined as fully insured plans. The law empowers the ALDOI to enforce the law and provide rules.

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

**Resources**

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

[Community Pharmacy Relief Act](#) (2025 Ch. 136, SB 252)

**US — Arkansas (new)****Status****Takes effect on or about July 14, 2025.****Development****Health****Fertility law expanded**

Arkansas amended its existing in vitro fertilization insurance coverage mandate to include restorative reproductive medicine. As a result of 2025 Act 859 (HB 1142), fully insured plans must cover restorative reproductive medicine, a concept that includes a list of services like ultrasounds, blood tests, hormone panel tests, and fertility awareness-based methods. The law will take effect on or about July 14, 2025. Arkansas generally applies its insurance laws on an extraterritorial basis to fully insured plans issued in another state. The law does not affect self-funded ERISA plans.

**Resources**

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

[2025 Act 859](#) (HB 1142) (Legislature)

**US — Arkansas (new)****Status****Currently effective****Development****Health****Pharmacy benefit manager network requirements expanded**

As a result of 2025 Act 425 (SB 103), pharmacy benefit managers (PBMs) cannot deny a pharmacy from participating in PBM networks if the pharmacy is licensed and agrees to relevant and reasonable terms of participation.

A PBM cannot restrict a network to affiliated pharmacies or internet-based pharmacies that lack a physical presence in Arkansas. The law specifically prohibits PBMs from using arbitrary or discriminatory criteria to exclude a pharmacy.

The law took effect on April 3, 2025.

The law's application to PBMs acting on behalf of self-funded ERISA plans is not entirely clear. However, Arkansas has historically applied its PBM laws to these types of plans. The law broadly defines a PBM to include "a person, business, or entity ... that ... [p]rovides claims processing services or other prescription drug or devices services, or both, for health benefit plans ..." In turn, the existing statute broadly defines a health benefit plan to include "any entity or program that provides reimbursement, including capitation, for healthcare services."

Arkansas generally 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)

[2025 Act 425](#) (SB 103) (Legislature)

**US — Arkansas (new)****Status****Currently effective****Development****Health****Pharmacy benefit manager networks law enacted**

Under 2025 Ch. 514 (SB 104), pharmacy benefit managers (PBMs) cannot require higher accreditation standards than required by the state for pharmacy network participation. The law generally limits unfair or deceptive trade practices. It prohibits PBM actions related to affiliated pharmacies, including required steerage or forwarding of prescriptions and providing incentives or imposing penalties that pressure use of an affiliated pharmacy. The law also bans the use of ghost networks, i.e., the inclusion of pharmacies that are not available. The law does not limit its scope to PBM activities on behalf of fully insured plans so its application to self-funded ERISA plans is not entirely clear. The enforcement section does contain an exception "to the extent not preempted by federal law."

**Resources**

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

[2025 Ch. 514](#) (SB 104) (Legislature)



**US — Arkansas (new)****Status**  **Effective Jan. 1, 2026****Development****Health****Pharmacy benefit managers prohibited from owning an affiliated pharmacy within the state**

Characterizing the pharmacy benefit manager (PBM)-affiliated pharmacy relationship as a “fox guarding the henhouse,” this law bars PBMs from having a direct or indirect ownership interest in a pharmacy operating in the state, effective Jan. 1, 2026. The Board of Pharmacy has authority to issue a limited-use permit for certain rare, orphan, or limited distribution drugs through Aug. 31, 2027. The Board of Pharmacy will conduct an initial audit and notify each noncompliant pharmacy at least 90 days before the effective date.

The law makes no distinction based on a plan’s fully insured/self-funded status. Significant concerns exist, including reduced access (brick-and-mortar and mail-order pharmacies are in scope), disruption of care, and increased costs. For example, an actuarial statement submitted during the legislative process indicated that HR 1150 would cost the state governmental plan up to \$1 million alone. Compounding the issue, many employers’ PBM contracts extend into 2026 or beyond. The American Benefits Council pointed out these and other concerns to Governor Sarah Sanders in an April 14 letter. Finally, given the major impact on plan networks, ERISA preemption concerns exist.

**Resources**[rich.glass@mercer.com](mailto:rich.glass@mercer.com)[HB 1150](#) (Legislature, April 16, 2025)**US — Arkansas (new)****Status**  **Effective on or about Aug. 3, 2025****Development****Health****Reporting requirements for pharmacy benefit managers**

Each licensed PBM must annually report claims information to the state insurance department. This reporting includes claims data from self-funded plans, which raises ERISA concerns. It is unclear whether reporting will collect protected health information under HIPAA.

**Resources**[rich.glass@mercer.com](mailto:rich.glass@mercer.com)[HB 1602](#) (Legislature, April 16, 2025)**US — Arkansas (new)****Status**  **Effective on or about Aug. 3, 2025.****Development****Health****Coverage required for severe obesity**

Fully insured plans and state Medicaid must cover medically necessary expenses for treatment of conditions caused by severe obesity. “Severe obesity” means a body mass index (BMI) of 40 kg/m<sup>2</sup> or higher or a BMI of 35-39 plus at least one specified comorbidity. The coverage mandate includes bariatric surgery but excludes injectable drugs used to lower glucose levels (e.g., GLP-1s). State governmental plans are exempt. Arkansas generally applies its insurance laws on an extraterritorial basis to fully insured plans issued in another state. The law does not affect self-funded ERISA plans.

**Resources**[rich.glass@mercer.com](mailto:rich.glass@mercer.com)[HB 1424](#) (Legislature, April 16, 2025)



**US — Arkansas (new)**

**Status**  **Effective for plan years starting in 2026.**

**Development** **Health**  
**Breastfeeding consultation services coverage required**  
 Fully insured and self-funded state governmental and church plans must cover breastfeeding and lactation consultant services without cost sharing. The law has no exception for HSA-qualified high-deductible health plans. The law will take effect for plan years starting 2026. The law does not apply to self-funded ERISA plans.

**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[HB 1333](#) (Legislature, April 16, 2025)

**US — Illinois — Cook County (new)**

**Status**  **Currently effective**

**Development** **Health**  
**Paid sick leave guidance updated**  
 The Commission on Human Rights issued updated the paid sick leave (PSL) guidelines, effective April 10, 2025. Employers no longer have to accrue leave when employees are absent on PSL. Employers may set a minimum increment for use of PSL at up to two hours; school districts may set the increment at one workday. The rules reflect the delayed accrual and usage start dates (Jan. 1 and April 1, 2025) for park and school district employees. Chicago and other cities and towns within Cook County have opted out of the County's PSL program.

**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[Cook County paid leave ordinance](#) (Government)

**US — Indiana (new)**

**Status**  **Effective July 1, 2025**

**Development** **Health**  
**Fiduciary duty imposed on pharmacy benefit managers and third-party administrators**  
 SB 3 creates a fiduciary duty for pharmacy benefit managers (PBMs) and third party administrators (TPAs), owed to a plan sponsor, which includes insurers and sponsors of self-funded ERISA plans. This duty includes:

- An obligation of loyalty and care
- Disclosure of all fees
- A prohibition on self-dealing and conflicts of interest
- Benefit transparency standards

The law will take effect on July 1, 2025. Indiana generally does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state.

**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[SB 3](#) (Legislature, April 16, 2025)



**US — Missouri (previously covered, now effective)****Status**  **Currently effective****Development****Career — Health****Earned Paid Sick Time Initiative now effective**

The Minimum Wage and Earned Paid Sick Time Initiative (Proposition A) was approved by voters on Nov. 5, 2024, and the paid sick and safe leave requirement took effect May 1, 2025. All employers (except federal, state and local governments) must provide at least one hour of paid sick and safe leave for every 30 hours worked. The annual cap is 56 hours per year (for employers with 15 or more employees in the state) and 40 hours per year (for employers with fewer than 15 employees in the state). Employees can carry over up to 80 hours per year, but employers are able to limit the number of hours used to 56 (or 40) hours. Alternatively, employers may pay employees for unused paid sick time at the end of each year and front-load the applicable amount for the next year. Qualifying reasons include employees' mental or physical illness, injury or health condition, care for family members, school and business closures due to public health emergencies and circumstances related to domestic violence, sexual assault or stalking.

**Resources**[rich.glass@mercer.com](mailto:rich.glass@mercer.com)[Proposition A](#) (Ballotpedia) and [Proposition A — Paid sick time benefits](#) (Department of Labor)**US — Montana (new)****Status**  **Effective Oct. 1, 2025****Development****Health****Montana joins telehealth compact**

As a result of HB 241, Montana became the 41st state (plus Washington, DC) to join the Psychology Interjurisdictional Compact (PSYPACT), an interstate compact between states, facilitating the practice of mental health services across state boundaries. The law will take effect on Oct. 1, 2025. Bills are currently pending in Massachusetts, New York, and Oregon.

**Resources**[rich.glass@mercer.com](mailto:rich.glass@mercer.com)[HB 241](#) (Legislature, March 23, 2025) and [PSYPACT Map](#)

US — North Dakota (new)	
Status	 <b>Effective Aug. 1, 2025</b>
Development	<p><b>Health</b></p> <p><b>Cost sharing for insulin and related supplies capped</b></p> <p>HB 1114 prohibits fully insured plans from having insulin cost sharing greater than \$25 for a 30-day supply. A separate \$25-per-30-day-supply cap applies to medical supplies for insulin dosing and administration. The medical supplies in scope include blood glucose meters (glucometers), test strips, lancing devices and lancets, ketone testing supplies, glucagon, and needles and syringes. The law contains an exception for HSA-qualified high-deductible plans (HDHPs), if the coverage would make participants ineligible for HSA contributions. Changes made by the Inflation Reduction Act now permit HDHPs to cover “selected insulin products.” However, the HB 1114 definition of “medical supplies” appears to be broader than the IRA definition. Previously, these caps applied only to the state governmental plan. These caps do not apply to Medicare Part D plans. The law will take effect Aug. 1, 2025. North Dakota generally does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state. The law does not affect self-funded ERISA plans.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">HB 1114</a> (Legislature, April 4, 2025)</p>
US — Puerto Rico	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Health</b></p> <p><b>Benefit and leave laws vary</b></p> <p>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.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">GRIST</a>, Aug. 12, 2024</p>

**US — Tennessee (new)****Status**  **Currently effective****Development****Health****Benefit plan for independent contractors created**

Tennessee enacted the Voluntary Portable Benefit Plan Act (SB 1377), which allows public and private entities to contribute to a portable benefit plan for independent contractors, effective April 3.

The plan can pay for these self-employed worker's benefits: health insurance, unemployment insurance, disability insurance, life insurance, and retirement. The hiring party may contribute directly to the plan or withhold a percentage from the worker's compensation, as agreed in writing. The worker may opt out of withholding at any time. Entities may not use the existence of such a plan to determine a worker's employment classification. The plan must be through a third-party provider, like an FDIC-approved bank or investment management firm. The entity does not sponsor or own the account. Tennessee does not have a state individual income tax. Similar bills are pending in several other states, including Alabama, Arkansas, Florida, Hawaii, Massachusetts, Nevada, New Jersey, Rhode Island, and West Virginia. A similar bill failed this year in Virginia.

**Resources**[rich.glass@mercer.com](mailto:rich.glass@mercer.com)[Voluntary Portable Benefit Plan Act](#) (SB 1377) (Legislature, April 3, 2025)**US — Tennessee (new)****Status**  **Currently effective****Development****Health****ERISA preempts pharmacy benefit manager law, court rules**

A federal district court ruled that ERISA preempts a Tennessee law restricting pharmacy benefit manager (PBM) activities when applied to self-funded ERISA plans.

The *McKee Foods v. BFP* decision involved a 2021 law (later amended in 2022) that imposed an “any-willing-provider” requirement for pharmacy networks and prohibited the use of financial incentives to steer participants to certain pharmacies. The judge concluded that these provisions “prevent an ERISA plan from designing and providing benefits in a way that the plan determines best serves participants.” The court's opinion reverses the position of the state Department of Commerce and Insurance, which confirmed in final regulations last year that self-funded ERISA plans were in scope.

As a result, the ruling invalidates three sections — §§ 56-7-2359, 56-7-3120, and 56-7-3121) — of the insurance chapter when applied to self-funded ERISA plans. Other portions of the law — like the minimum dispensing fee — remain in effect.

**Resources**[rich.glass@mercer.com](mailto:rich.glass@mercer.com)[McKee Foods v. BFP decision](#) (Federal District Court)

## US — Washington (new)

**Status**  **Effective July 27, 2025**

### Development **Career — Health**

#### **Paid sick and safe leave permitted use added**

A new Washington law adds absences related to immigration proceedings as a qualifying reason to use paid sick and safe leave (PSSL).

Under 2025 Ch. 170 (HB 1875), eligible employees may use PSSL to prepare for, or participate in, any judicial or administrative immigration proceeding involving the employee or employee's family member. Employers may request documentation. Acceptable documentation includes statements from an immigrant/refugee advocate, attorney, clergy member, or other professional. Employers must also accept an employee's written statement. The documentation must exclude personally identifiable information about a person's immigration status or underlying immigration protection.

**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[2025 Ch. 170](#) (HB 1875) (Legislature, April 25, 2025)

## 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 family medical leave effective dates delayed in Maryland](#) — key date: July 1, 2025, but could be delayed further
- [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
- [Paid family medical leave rates adjusted in Minnesota](#) — key date: Jan. 1, 2026

### **Career — Health — Wealth**

- [Law will require promotion opportunity disclosures, pay transparency in job postings in New Jersey](#) — June 2025

### **Health**

- [Multiemployer welfare arrangements laws enacted in California](#) — June 1, 2025
- [Network adequacy rules for fully insured plans issued](#) — key date: July 1, 2025
- [Pharmacy benefit manager \(PBM\), prescription law enacted in Massachusetts](#) — key date: July 1, 2025
- [Insulin cost-sharing law enacted in Illinois](#) — key date: July 1, 2025
- [Data protection law enacted in Tennessee](#) — key date: July 1, 2025
- [Doula coverage mandated in Delaware](#) — key date: plan years beginning in 2026
- [2026 individual-mandate coverage dollar limits set in Massachusetts](#) — Key date: Jan. 1, 2026
- [Dependent coverage law enacted in Illinois](#) — key date: Plan years starting in 2026

## US (previously covered with upcoming effective dates)


- [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
- [Mental health parity changes](#) — key date: Jan. 1, 2026
- [Prescription law enacted in Arizona](#) — key date: Jan. 1, 2026
- [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
- [2026 individual-mandate coverage dollar limits set in Massachusetts](#) — 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
- [Telehealth parity extended in New Jersey](#) — key date: July 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

- [PBGC premium acceleration set to take effect for 2025](#) — key date: Sept. 15, 2025
- [Effective date for portion of upcoming required minimum distribution regulations delayed](#) — key date: Jan. 1, 2026
- [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	 Effective dates vary.
Development	<p><b>Health — Wealth</b></p> <p><b>Superannuation, Medicare implications of 2025/26 federal budget highlights</b></p> <p>Australia's 2025/26 Federal Budget included tax cuts in 2026 and 2027, and an increased low-income threshold for the Medicare levy. Highlights include:</p> <ul style="list-style-type: none"><li>• Tax reduction to 15%, down from 16%, for the income bracket AU\$18,201 to AU\$45,000, effective July 1, 2026, with a further reduction to 14% on July 1, 2027.</li><li>• The Medicare levy low-income thresholds that exempt or reduce levy payments will increase by 4.7% from July 1, 2024 to AU\$27,222 up from AU\$26,000 for single individuals, and to AU\$45,907 up from AU\$43,846 for families.</li></ul>
Resources	<p><a href="mailto:paul.shallue@mercer.com">paul.shallue@mercer.com</a></p> <p><a href="#">Budget 2025-26: Building Australia's future</a> (Government)</p>

Australia (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Larger employers must establish equality targets</b></p> <p>Australian employers with 500 or more employees will need to select, and achieve, or make progress on, measurable gender equality targets under measures included in the Workplace Gender Equality Amendment (Setting Gender Equality Targets) Act 2024 (Act) that received royal assent on March 27, 2025, and took effect on April 4, 2025. Private sector employers will select their targets in 2025–26 Gender Equality Reporting to the Workplace Gender Equality Agency (WGEA) between April 1, 2026 and May 31, 2026.</p> <p>The WGEA estimates that the law will impact nearly 2,000 employers and benefit 3.9 million employees. Target setting was a recommendation included in the 2021 review of the Workplace Gender Equality Act 2012 and is reportedly the first such scheme to be introduced anywhere in the world. Highlights of the 2024 act include:</p> <ul style="list-style-type: none"><li>• Employers will have to select three gender equality targets from different numeric and action-orientated targets. They will have three years to achieve, or demonstrate progress on, each of their selected targets, unless they have a reasonable explanation for not doing so. Employers will then have to select new targets for the next three-year period, and for every subsequent three-year cycle. The WGEA says that around 56% of the employers covered by the Act are already setting gender equality targets, and one-third have introduced three or more targets.</li><li>• Priority target areas will address the gender pay gap, workforce and board composition, support for carers and parents, and sexual harassment prevention.</li><li>• The WGEA will publish each employer's selected targets on the WGEA website, together with the outcomes at the end of each three-year period. Employers will have an opportunity to make submissions to WGEA before being declared noncompliant.</li><li>• Employers can seek support from the WGEA to help them prepare for the new requirements, including the different targets that can be selected.</li></ul>
Resources	<a href="#">Workplace Gender Equality Amendment (Setting Gender Equality Targets) Act 2024</a> (Legislature)



## Australia (new)

### Status



**Currently effective**

### Development

#### Career — Wealth

#### **Regulatory guide on sustainability reporting issued**

The Australian Securities and Investments Commission (ASIC) has published the Regulatory Guide 280 Sustainability reporting (RG 280) guide for the preparation of sustainability reports, including climate-related financial information required by Chapter 2M of the Corporations Act 2001. Super funds and registered schemes with assets AU\$5 billion or more will have to prepare a sustainability report starting with their financial year commencing on or after July 1, 2026; smaller funds will start one year later. RG 280 provides guidance on:

- Who must prepare a sustainability report
- The content required in the sustainability report, including statements of no material financial risks or opportunities relating to climate, statements with forward-looking climate information, climate-related scenario analysis and scope 3 greenhouse gas emissions
- Disclosure of sustainability-related financial information outside the sustainability report, such as in product disclosure statements
- ASIC's administration of the sustainability reporting requirements, including its specific approach to considering relief and use of its new directions power.
- According to ASIC, it will take a “pragmatic and proportionate” approach during the phase-in of supervision and enforcement of the sustainability reporting requirements. ASIC will allow stapled entities to prepare a consolidated sustainability report for the stapled group.

### Resources

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[Regulatory Guide 280 Sustainability reporting](#) (RG 280) (ASIC, March 31, 2025)

**Australia (new)**

**Status**  **Currently effective**

**Development**

**Career**

**Federal code to minimize sexual and gender-based harassment updated**

On March 7, 2025, the Australian Government issued a revised Work Health and Safety (Sexual and Gender-based Harassment) Code of Practice 2025 (code) that provides practical employer guidance on the identification, management and minimization of risks arising from sexual and gender-based work harassment (harassment).

The code should be read and applied alongside the code of practice for Managing Psychosocial Hazards at Work. There are minor additions to reflect arrangements in the jurisdiction, recent research on workplace technology-facilitated sexual harassment, and to ensure consistency with the psychosocial hazards code of practice approach. The code is not law, but it can be used in courts in evidence. Highlights of the code include:

A four-step risk management process that employers should use to identify, assess and control risks, and the implementation of control measures to eliminate or minimize as far as reasonably practicable the risk of harassment.

Consultation with employees and health and safety representatives about the risk management process.

Good practice for conducting investigations concerning harassment, with investigations to be conducted by an impartial person (either internal or external investigator).

The importance of ensuring that the organization's leadership understand the prevalence, nature and drivers of harassment, and their role in ensuring safe and respectful workplaces.

**Resources** [Work Health and Safety \(Sexual and Gender-based Harassment\) Code of Practice 2025](#) (Government, March 7, 2025)

**Australia (new)****Status****Currently effective****Development****Wealth**

Guidance on assisting customers without standard ID issued The Australian Transaction Reports and Analysis Centre (AUSTRAC) has released updated guidance on alternative identification processes that reporting entities (such as superannuation funds) can use to assist customers who are unable to provide standard identification. AUSTRAC is the Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) regulator. Reporting entities' obligations include the use of "know your customer" (KYC) identification procedures for all their customers and a requirement to report financial transactions and suspicious activity to AUSTRAC. AUSTRAC consulted on the enhanced guidance in 2024 that aims to support financial inclusion outcomes and address industry feedback. Key updates to this guidance include:

- A new section on the importance of financial inclusion
- Clarification that alternative identification can be used for customers who do not present low money laundering/terrorism risks. Financial institutions must take steps to manage and reduce such risks.
- More information on managing the risks of accepting alternative identification to avoid placing undue burdens on the customer
- Clarification that recently expired identification can be used as a form of alternative identification
- Clarification that alternative identification can be used for customers who experience systemic and long-term barriers to accessing standard identification.

**Resources**

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[Assisting customers who don't have standard forms of identification](#) (AUSTRAC, April 17, 2025)

**Australia (new)****Status****Effective July 1, 2025****Development****Wealth****Key superannuation rates and thresholds for 2025/26 updated**

The Australian Taxation Office (ATO) has updated its key superannuation rates and thresholds pages to include 2025/26 numbers and allowing for indexation (where applicable) beginning July 1, 2025.

The general pension transfer balance cap will increase to AU\$2.0m (up from AU\$1.9m). The general concessional contributions cap will remain at AU\$30,000, and the general nonconcessional cap is unchanged at AU\$120,000. The SG Maximum Contribution Base will reduce to AU\$62,500 per quarter (equivalent to \$250,000 per year), down from AU\$65,070 (equivalent to \$260,280 per year). The reason for the reduction is because the maximum contribution base for each year is limited to avoid the maximum SG contributions exceeding the general concessional contributions cap. Other amounts will also increase, such as the income thresholds for superannuation co-contributions.

**Resources**

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[Key super rates and thresholds](#) (ATO, March 19, 2024)


Australia (new)	
Status	 Proposal
Development	<p><b>Wealth</b></p> <p><b>Second tranche of proposed financial advice reforms released</b></p> <p>The government issued a consultation on the next tranche of the financial advice reforms that respond to the 2022 Quality of Advice Review. Comments were invited through May 2, 2025. Tranche 2 of the financial advice reforms aim would amend the Superannuation Industry (Supervision) Act 1993 (SIS Act) and allow superannuation funds greater flexibility to provide cost-effective financial advice to their members. The proposals would allow funds to provide collectively charged advice on topics including:</p> <ul style="list-style-type: none"> <li>• Advice on making concessional/nonconcessional contributions, spousal contribution, or splitting, and other relevant contribution options.</li> <li>• Advice on changing investment options within the fund based on the characteristics and goals of the member.</li> <li>• Advice on the extent and type of insurance cover provided through the fund.</li> <li>• Advice on retirement planning through superannuation, including the available retirement products, drawdown strategies, lump sum withdrawals and longevity protection.</li> </ul> <p>Superannuation funds would be allowed to consider certain circumstances such as the member's cashflows, income, debts and liabilities, their spouse's financial position, assets and interests held outside of superannuation (including cash, property and insurance) and their eligibility for government support and services. However, funds would not be allowed to consider holistic financial planning, tax and estate planning or the purchase or disposal of assets held outside of superannuation.</p> <p>The proposals would also allow funds to provide members with superannuation-related advice in the form of "targeted prompts" about a certain type of superannuation product without referring or recommending specific products. Trustees would be required to select the target class of members on a reasonable basis, considering high-level factors such as members' ages, income, account balances, property ownership and relationships. Members could opt out of receiving communications that include targeted prompts.</p>
Resources	<p><a href="mailto:paul.shallue@mercer.com">paul.shallue@mercer.com</a></p> <p><a href="#">Improving access to affordable and quality financial advice</a> (The Treasury, March 21, 2025)</p>
Australia (new)	
Status	 Proposal
Development	<p><b>Wealth</b></p> <p><b>Rules for SMS Sender ID Register proposed</b></p> <p>Proposed rules were issued by the Australian Communications and Media Authority (ACMA) on a SMS Sender ID Register (register) for telecommunications providers. The consultation closed on April 28, 2025, and it included a paper explaining ACMA's proposed approach, the rules, its implementation and operation. ACMA has the power to establish and operate a register under measures that passed parliament in August 2024.</p> <p>The register aims to prevent SMS and MMS impersonation scams where a sender ID (such as myGov or AusPost) is faked by a scammer. Legitimate entities would register their sender IDs with ACMA, and superannuation funds are among the entities that can participate in the register.</p>
Resources	<p><a href="mailto:paul.shallue@mercer.com">paul.shallue@mercer.com</a></p> <p><a href="#">Proposed rules and operation of SMS sender ID register</a> (ACMA, March 27, 2025)</p>

**Australia (new)**

<b>Status</b>	 <b>Consultation is open through May 14, 2025.</b>
<b>Development</b>	<b>Wealth</b> <b>Consultation on firm-level breach and complaints data issued</b> <p>The Australian Securities and Investments Commission (ASIC) has issued a consultation (CP 383) on plans to publish two dashboards containing firm-level Reportable Situations (RS) and Internal Dispute Resolution (IDR) data during the second half of 2025.</p> <p>Under the proposal, ASIC would exercise its legislative powers to publish the firm-level data reported to ASIC. This would enhance transparency and accountability aimed at encouraging improved behavior and boosting confidence in the financial system, highlight areas of significant breaches and complaints, and enable firms to target improvements with regards to compliance and consumer outcomes and firm performance.</p>
<b>Resources</b>	<a href="mailto:paul.shallue@mercer.com">paul.shallue@mercer.com</a> <a href="#">ASIC consults on plan to increase visibility of firms' breach and complaints data</a> (ASIC, April 10, 2025)

**Australia — Victoria (new)**

<b>Status</b>	 <b>Currently effective</b>
<b>Development</b>	<b>Career</b> <b>Anti-vilification protections expanded</b> <p>Victorians are now protected from unlawful vilification based on disability, gender identity, race, religious belief or activity, sex, sexual orientation or sex characteristics, or personal association with a person who is identified by any of the above-mentioned characteristics. The measures are included in Justice Legislation Amendment (Anti-vilification and Social Cohesion) Act 2025 that received royal assent on April 8, 2025. Previously, protection from vilification was limited to race or religion under the Racial and Religious Tolerance Act 2001 (this Act is now repealed).</p> <p>Vilification can occur in any form of communication, and serious vilification offences (such as threatening physical harm) are subject to criminal penalties and sanctions of up to five years of imprisonment. The vilification test is based on conduct that a reasonable person with the protected characteristic would consider hateful or severely ridiculing.</p>
<b>Resources</b>	<a href="#">Justice Legislation Amendment (Anti-vilification and Social Cohesion) Act 2025</a> (Legislature)

Australia (new)	
Development	<p><b>Career — Health — Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Superannuation contributions on paid parental leave legislation enacted</a> — key date: July 1, 2025</li> </ul> <p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Australian Tax Office confirms Transfer Balance Cap increase</a> — key date: July 1, 2025</li> <li>• <a href="#">Changes to Operational Risk Financial Requirement finalized</a> — key date: July 1, 2025</li> <li>• <a href="#">Updated guidance on strategic planning and member outcomes issued</a> — key date: July 1, 2025</li> <li>• <a href="#">New operational risk management standard to apply</a> — key date: July 1, 2025</li> <li>• <a href="#">Operational resilience guidance finalized</a> — key date: July 1, 2025</li> <li>• <a href="#">APRA Super Data Transformation, Phase 2 enhancements finalized</a> — key date: December 2025</li> <li>• <a href="#">Extension of superannuation disclosure relief confirmed</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Anti-money laundering, counter-terrorism legislation effective</a> — key date: March 31, 2026</li> </ul>
China (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Preferential taxation policy for expatriates expanded</a> — key date: Dec. 31, 2027</li> <li>• <a href="#">Preferential taxation policy for annual one-time bonus extended</a> — key date: Dec. 31, 2027</li> </ul>
Hong Kong (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Minimum wage increased</b></p> <p>The minimum wage increased to HK\$42.1/hour, up from HK\$40, effective May 1, 2025. In April 2024, the Chief Executive in Council agreed to the Minimum Wage Committee's recommendation to review the minimum wage annually.</p>
Resources	<p><a href="#">Min wage recommendation adopted</a> (Government, Feb. 18, 2025)</p>

**Hong Kong (previously covered, now effective)****Status****Currently effective****Development****Career — Wealth****Mandatory pension fund offsetting ends from May 2025**

Hong Kong's Chief Executive of the Special Administration Region confirmed on April 28, 2023, that the Mandatory Pension Fund (MPF) offsetting system would be abolished on May 1, 2025. The Employment & Retirement Schemes Legislation (Offsetting Arrangement) Act 2022 included the abolition, but not the effective date. Prior to May 1, 2025, employers could reduce the cost of long service payments (LSP) and severance payments (SP) to employees by offsetting them against the employers' mandatory and voluntary contributions to the MPF and occupational retirement schemes under the Occupational Retirement Schemes Ordinance (ORSO). Highlights of the changes include:

- From May 1, 2025, employers' mandatory contributions/carved-out benefits to MPF and ORSO can no longer be used to offset LSP and SP accrued after May 2025, but voluntary contributions/remaining balance can still be used.
- A 25-year government subsidy scheme (HK\$33.2 billion) will help to alleviate employers' additional costs.
- The threshold for an employer's total expenses of LSP/SP in a year is HK\$500,000. Specified share ratios/capped amounts are set for cases that fall within, and exceed, the threshold.
- Where the accumulated expenses of LSP/SP are within the threshold, a capped amount applies per case in respect of the LSP/SP payable by an employer for the initial nine years. If the shared amount payable by an employer calculated according to the share ratio exceeds the capped amount, the employer only needs to pay the capped amount. The remaining amount of LSP/SP is subsidized by the government.
- For cases where the accumulated expenses of LSP/SP exceed HK\$500,000, the amount payable by an employer is calculated according to the share ratio with no capped amount. The remaining amount of SP/LSP is subsidized by the government.

**Resources**

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[MPFA welcomes the announcement of the effective date of the abolition of the offsetting arrangement](#) (MPFA, April 28, 2023) and [Employment and retirement schemes legislation \(Offsetting arrangement\) \(Amendment\) Ordinance 2022 in the Gazette today](#) (Government of the Hong Kong Special Administrative Region, June 17, 2022)

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

- [Corporate governance code and listing rules revised, diversity enhanced](#) — key date: July 1, 2025
- [Statutory minimum wage to be reviewed annually](#) — key date: January 2025
- [Number of statutory holidays increased](#) — key date: 2026

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

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

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

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

## Singapore (previously covered, now effective)

**Status**  **Currently effective**

### Development

#### Career

##### **Manpower for Strategic Economic Priorities Scheme (M-SEP) scheme expanded**

To better support firms that contribute to Singapore's strategic economic priorities and local workforce development, the Ministry of Manpower (MOM) and the Ministry for Trade and Industry (MTI) made the following enhancements to the M-SEP scheme on May 1, 2025:

- Extend M-SEP's support period to three years
- Add a new pathway 4 under Condition 2 (Condition 2D) to grant firms with additional foreign worker quota, if firms commit to sending locals on overseas exposure or leadership programs
- Expand the list of eligible programs under Conditions 1 (Participate in key economic priorities) and 2 (Commit to hiring or training locals).

### Resources

[Factsheet on foreign workforce policy announcements at COS 2025](#) (Ministry of Manpower)

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

### Development

#### Career

- [Work permit schemes to be revised](#) — key date: Sept. 1, 2025
- [First workplace fairness bill passes parliament](#) — key date: 2026 or 2027

#### Career — Wealth

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

#### Wealth

- [Central Provident Fund contribution rates for older workers to increase](#) — key date: Beginning in 2026



**South Korea (previously covered, now effective)****Status****Effective Jan. 1, 2026****Development****Wealth****Plans to increase pension premiums, expand coverage**

South Korea's government introduced a pension reform that will increase premium rates for the first time in 27 years since the 1998 adjustment. Fiscal estimates released by the government in 2024 had expected the National Pension System to run out of funds in 2056. The revised National Pension Act takes effect on Jan. 1, 2026, after preparation of the necessary laws. Highlights of the pension reform plan include:

- From 2026, the contribution rate will gradually increase to 13%, up from 9%. The rate will then increase by 0.5% each year from 2026 to 13% in 2033. The contribution will be divided equally between employers and employees.
- The nominal income replacement rate will increase to 43% (up from 41.5%) from 2026.
- The credit system for military service and childbirth will be expanded to recognize longer periods of pension enrollment. The childbirth credit compensates for income gap due to childbirth and will be available for the first child.
- The government's responsibility for pension payments will be legally guaranteed to increase public trust.
- The pension eligibility age, currently 63, will increase to 65 after 2033, and support for low-income and vulnerable populations will be strengthened.

**Resources**

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[Announcement](#) (Korean) (Government, March 20, 2025)

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

- [Sanctions against employers habitually in wage arrears introduced](#) — key date: Oct. 23, 2025


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

- [Employees and employers can negotiate post-retirement age employment](#) — key date: unknown

Thailand (new)	
Status	 <b>Beginning Oct. 1, 2025</b>
Development	<p><b>Wealth</b></p> <p><b>Details about Employee Welfare fund provided, contributions required</b></p> <p>From Oct. 1, 2025, employers with more than 10 employees in Thailand and their employees will have to contribute to the Employee Welfare Fund (EWF), which aims to support employees' financial security upon their termination or death and address current socioeconomic issues.</p> <p>The EWF was established in 1998 under the Labor Protection Act B.E 2541 (1998) (LPA) but was not fully implemented. However, three Ministerial Regulations issued in November 2024 announced the start of contributions in October 2025. Highlights of the EWF include:</p> <ul style="list-style-type: none"> <li>• Employers with 10 or more employees will have to register their employees with the EWF and make contributions unless they fulfill the permitted exemption criteria. Exemptions from the EWF include (i) employers that already offer a provident fund, or another type of welfare fund, that meets or exceeds the EWF's contribution rates and complies with the EWF's ministerial regulations and (ii) certain named employers, such as private schools, nonprofit organizations, agriculture and sea fisheries.</li> <li>• Employers and employees will each contribute 0.25% calculated on the employees' wage for the first five years until Sept. 30, 2030. Thereafter, the contribution rates will increase to 0.5% each for employers and employees. The salary used to calculate contribution amounts is uncapped as of the latest announcement.</li> <li>• Employers will be responsible for withholding employee contributions and submitting both contributions to the EWF. Sanctions for nonpayment and other breaches will be 5% surcharge per month, and/or imprisonment and fines up to 10,000 THB.</li> </ul>
Resources	<a href="mailto:vinithorn.thipputsakaew@mercer.com">vinithorn.thipputsakaew@mercer.com</a> <a href="#">Regulation</a> , <a href="#">Regulation</a> , <a href="#">Regulation</a> (Thai) (Government, November 2024)
Vietnam (previously covered, with upcoming effective date)	
Development	<p><b>Career — Wealth</b></p> <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) (new)	
Status	 Measures will enter into force on the day following publication in the Official Journal.
Development	<p><b>Career — Health — Wealth</b></p> <p><b>Agreement on postponement of corporate sustainability, due diligence reporting rules for some companies</b></p> <p>The Council of Ministers of the European Union (EU) announced its agreement on April 14, 2025, to postpone the date for reporting for certain companies required by the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). The postponement measures will enter into force on the day following their publication in the EU's Official Journal, and member states must introduce national legislation to give effect to the postponement measures by Dec. 31, 2025. The measures were in the Omnibus package of proposals issued by the European Commission in late February 2025, and they respond to criticism that some of the reporting requirements in the CSRD and CSDDD would be “of limited usefulness for investors and others” and that companies would find it difficult to apply certain provisions. The postponement dates are:</p> <ul style="list-style-type: none"> <li>• A two-year postponement of the CSRD's reporting date for some large companies that have not yet started reporting, and listed small and medium sized companies (from fiscal year 2025 to 2027, and 2026 to 2028 depending on the original application date)</li> <li>• A one-year postponement of the CSDDD's effective date for the largest companies (from July 2027 to July 2028).</li> <li>• There is no postponement for companies that are headquartered outside of the EU.</li> </ul> <p>However, other proposed substantive changes to the obligations under the CSRD and CSDDD that were included in the Omnibus package have not yet been agreed to (this is expected by October 2025, at the latest). They include updated European Sustainability Reporting Standards (ESRS) by the European Financial Reporting Advisory Group (EFRAG) — a consultation was issued by EFRAG on April 8, 2025, with input requested by May 6, 2025.</p>
Resources	<a href="#">Announcement</a> (Council of the EU, April 16, 2025)
EU (previously covered, with upcoming effective dates)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Law approved to improve gender balance on company boards</a> — key date: June 30, 2026</li> <li>• <a href="#">Corporate sustainability, human rights due diligence directive finalized</a> — key date: July 26, 2026</li> <li>• <a href="#">Ban on forced or child labor finalized</a> — key date: Dec. 14, 2027</li> </ul> <p><b>Career — Health</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Platform Worker's Directive moves forward</a> — key date: Dec. 2, 2026</li> </ul> <p><b>Career — Health — Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Pay transparency law must be transposed into national law</a> — key date: June 7, 2026</li> </ul>

**Belgium (new)****Status****Planned initiatives****Development****Career — Health — Wealth****Political work program to boost competitiveness issued by government**

The Belgian coalition government recently published its Arizona Agreement work program, which sets out its initiatives to boost competitiveness and retain employee protections. The program — agreed to after 236 days of negotiations — includes the initiatives for which legislation will be issued, or discussion between the social partners initiated, during the period 2025-2029. None of the proposed measures are currently legally enforceable. Highlights that would impact employment and human resources include:

- Introducing measures to reduce employees' long-term incapacity for work and support their workplace reintegration.
- Allowing employees to take one sick day twice per year (down from three) without providing a medical certificate; reform the legislation governing employees' reintegration into work; allow physicians to issue fit notes confirming the type of work that employees could perform while sick; reduce the employer's obligations during an employee's repeated sick leave; and establish a "hot line" to investigate suspected fraudulent sick notes.
- Increasing the daily maximum value of meal vouchers, which would increase twice, by €2, to €12 (up from €8) — the tax deductibility for employers would increase to cover the additional cost. Other types of employee vouchers (such as cultural vouchers) would be phased-out.
- Reforming the current mobility budget to replace current arrangements.
- Retaining the automatic wage indexation and wage norms, but the social partners will be invited to issue an opinion on their future reform by Dec. 31, 2026.
- Simplifying and harmonizing the collective bonus systems and the introduction of a legal framework for flexible pay
- Capping employer social security contributions for employees paid more than €250,000 gross per year.
- Abolishing gradually the pre-pension scheme that provided for unemployment benefit with company allowance (RCC/SWT).
- Improving expatriation regime for highly qualified individuals.
- Introducing more flexible working arrangements.
- Introducing a "family credit" that would merge certain leave arrangements, such as parental leave.
- Reintroducing a trial period that would allow either party to terminate the employment contract with one week's notice during the first six months of the contract (by Dec. 31, 2025).
- Capping severance pay for new hires at 52 weeks, and restricted indemnities for dismissal protection.
- Reducing dismissal protection to six months for employee candidates for social elections.
- Simplifying certain employer procedures, such as payroll and working time declarations, the abolition of the renewal requirements for certain agreements and the abolition of mandatory annual risk assessments unless working conditions have changed.

**Resources**

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[Work program](#) (French) (Government, Jan. 31, 2025)

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

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

**Bulgaria (new)****Status****Effective June 1, 2025****Development****Career****Electronic employment register introduced**

From June 1, 2025, the employment history of employees must be recorded electronically in the Unified Electronic Employment Record that will form part of the national electronic employment register managed by Bulgaria's National Revenue Agency (NRA). The use of paper format labor books will no longer be permitted. The electronic format must include all information on employees' employment contracts currently recorded (including conclusion, amendment and termination of employment contracts), in addition to the amount of permitted annual leave, the number of leave days taken in the year of the employee's termination and certain types of compensation (such as termination due to illness). Employees will have online access to their electronic employment record, and employers will be able to view information submitted by an employee's previous employers (but not including their salary). The NRA will also be able to access the electronic employment records, and it can provide access to the Labour Inspectorate and other authorities.

**Resources**

[Unified Electronic Employment Record](#) (Bulgarian) (Government, Oct. 10, 2023)

**France (new)****Status****Currently effective****Development****Career — Health****Earnings ceiling for statutory sick pay reduced**

From April 1, 2025, the earnings ceiling used to calculate certain social security benefits for "work stoppages," is reduced to 1.4 times the minimum wage (Smic), down from 1.8 times Smic.

"Work stoppages" include illness (occupational or nonoccupational); accidents at work (including a commuting accident), maternity, paternity, adoption and grief. The new ceiling corresponds to a €350/month reduction in the amount of statutory sick pay. The waiting period before allowances are paid remains unchanged at three days.

The reduced amount of statutory sick pay impacts the amount of sick pay paid for by employers during an employee's illness, and supplementary provident insurance contracts that include guarantees after the deduction of daily social security allowances.

**Resources**

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[Decree No. 2025-160](#) (French) (Government, Feb. 20, 2025)

France (new)	
Status	 <b>Proposal</b>
Development	<b>Health</b> <b>Reimbursement of sustainable menstrual protection proposed</b> A draft decree issued by the French government proposes that the costs of sustainable menstrual protection would be reimbursed for insured women, particularly for women younger than age 26. The government recently consulted with UNOCAM about the conditions for reimbursement — UNOCAM is the umbrella organization for different complementary health insurance groups. The draft decree proposes that insured individuals would contribute between 35% and 45%, and they would be covered by responsible contracts. UNOCAM is opposed to any increase in the cost of responsible contracts and issued an unfavorable opinion on the draft decree.
Resources	<a href="#">Announcement</a> (French) (UNOCAM, April 16, 2025)
France (previously covered, with upcoming effective date)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li><a href="#">New gender quotas imposed for senior execs/management teams</a> — key date: March 1, 2026</li> </ul>
Germany (new)	
Status	 <b>Effective June 1, 2025</b>
Development	<b>Career — Health</b> <b>Female employees will be entitled to maternity leave after suffering a miscarriage</b> From June 1, 2025, female employees who experience a miscarriage from the 13th week of their pregnancy will be entitled to maternity leave and protected against dismissal. The measures are included in the draft bill amending the Maternity Protection Act that passed parliament on Feb. 14, 2025, and that propose to give women time to recover. Currently, employees who experience a miscarriage are protected from dismissal from the 12th week of their pregnancy. Highlights of the law include: <ul style="list-style-type: none"> <li>The amount of leave and period of protection will depend on when the miscarriage occurs. Employees can take, but are not required to, up to two weeks from the 13th week of pregnancy; up to six weeks from the 17th week; and up to eight weeks from the 20th week.</li> <li>Employers will be able to request a remuneration refund during the protected period through their health insurance.</li> </ul>
Resources	<a href="#">Maternity Protection Act</a> (German) (Legislature, Feb. 14, 2025)
Germany (previously covered, with upcoming effective date)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li><a href="#">Minimum wage increase for cleaners</a> — key date: 2026</li> </ul>

Greece (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Test period of ERGANI II (digital card) begins</b></p> <p>The O.P.S. ERGANI II (digital card) is being tested ahead of its full implementation (for probation periods, on-demand employment and parallel employment) later in 2025. Highlights include:</p> <ul style="list-style-type: none"> <li>• ERGANI II will provide a unified process for monitoring all types of employment relationships and their changes, and will abolish the requirement to submit forms, such as the E4 Annual Personnel Matrix and the E9 for part-time employment. Forms E3, E5, E6, E7, E8 were replaced by new ones (Start – Change – Termination of Employment).</li> <li>• ERGANI II will enable the electronic management of processes and include new capabilities for modifying submitted declarations (such as corrections, copying or withdrawal of forms). It will also allow for the recording of total weekly working hours for employees that have multiple jobs and provide a "Monthly Employment Status" summary for each employment relationship.</li> </ul> <p>Further information about the technical specifications for the new forms and other aspects are still awaited.</p>
Resources	<p><a href="mailto:maria.markopoulou@marsh.com">maria.markopoulou@marsh.com</a></p> <p><a href="#">Announcement</a> (Greek) (Labor Ministry, April 10, 2025)</p>
Hungary (new)	
Status	 <b>Proposal</b>
Development	<p><b>Health</b></p> <p><b>Personal tax exemption for eligible mothers, further details issued</b></p> <p>From Oct. 1, 2025, mothers of three children could have lifetime exemption from personal income tax calculated on their earned income, regardless of the mother's age. Under the proposal, a mother of three would be eligible for tax exemption if she receives family allowances for her biological or adopted children, has been entitled to such allowances for 12 years, or if her entitlement ceased due to the death of a child. The exemption would apply to income typically earned through work (including commissioned work, self-employment and farming), as specified in the corresponding personal income tax law.</p> <p>In addition, the lifetime personal income tax exemption would also apply to mothers of two children. The exemption would be introduced gradually in four phases, starting on Jan. 1, 2026, for eligible mothers younger than 40.</p>
Resources	<a href="#">Proposal</a> (Hungarian) (Legislature)
Hungary (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Tax-exemption scheme for working mothers announced</a> — key date: October 2025</li> </ul>


**Ireland (new)****Status**  **Effective date unknown****Development****Wealth****Small delay for start of ‘My Future Fund’ for pension autoenrollment**

The Irish government has confirmed that the effective date for the start of the “My Future Fund” for the autoenrollment (AE) retirement savings scheme (scheme) will be delayed “only marginally,” and will now occur “a small number of months” after Sept. 30, 2025. The scheme is included in the Automatic Enrolment Retirement Savings System Act, 2024 that was signed into law on July 9, 2024.

Despite the delay, employers should still plan for AE and understand what it will mean for them, including the potential operational challenges, cost implications over time, and the effect on their current pension schemes. Employers should also prioritize engagement with their employees.

**Resources**

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[Announcement](#) (Government, April 29, 2025)

**Ireland (new)****Status**  **Proposal****Development****Career — Wealth****Bill to allow employees to work beyond their contractual retirement age published**


Employees in Ireland would be allowed to work beyond their contractual retirement age, if they wish to do so, and to continue working up until they reach the State Pensions Age (SPA) of 66. The proposed measures are included in The Employment (Contractual Retirement Ages) Bill 2025, issued on April 1, 2025. Employees who want to continue working up to the SPA would be required to notify their employer in writing that they do not consent to retiring at their contractual retirement age, if this is younger than the SPA. Employers would need to accept an employee’s request to work to the SPA, unless they can show an objective, justifiable and legitimate aim, and demonstrate that the means for achieving that aim are appropriate and necessary. Employees could bring a complaint to the Workplace Relations Commission, and the bill includes criminal sanctions for employers that do not comply. The Bill is currently under consideration in parliament. Once enacted, employers likely will see an increase interest among employees to work longer.

**Resources**

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[The Employment \(Contractual Retirement Ages\) Bill 2025](#) (Legislature)




**Ireland (new)**

<b>Status</b>	 <b>Consultation is open until May 12, 2025.</b>
<b>Development</b>	<b>Career</b> <b>Consultation on increasing and promoting collective bargaining issued</b> A consultation on how Ireland can “progressively increase and promote collective bargaining” was issued by the Department of Enterprise, Trade and Employment on April 14, 2025, with comments invited through May 12, 2025. The consultation aims to respond to the requirement for certain member states to promote collective wage bargaining under measures included in the European Union’s (EU) directive on adequate minimum wages (directive). The directive requires that each member state whose collective bargaining coverage rate is less than 80% (like Ireland) must provide for a “framework of enabling conditions” for collective bargaining and establish an action plan by end of 2025 to promote collective bargaining in consultation with their social partners (the action plan must be reviewed at least every five years). On a related topic, in January 2025, the EU’s Court of Justice recommended that the directive on minimum wages be annulled on grounds that it regulates wages directly and is outside the scope of the EU’s treaty.
<b>Resources</b>	<a href="#">Consultation on Ireland’s action plan on the promotion of collective bargaining</a> (Government, April 14, 2025) and <a href="#">Adequate minimum wages for workers in the EU</a> (European Commission, Nov. 15, 2024)

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



<b>Development</b>	<b>Career — Health — Wealth</b> <ul style="list-style-type: none"> <li><a href="#">Wage threshold for PRSI contributions to increase</a> — key date: Oct. 1, 2025</li> </ul> <b>Wealth</b> <ul style="list-style-type: none"> <li><a href="#">Pension-related issues included in Finance Bill</a> — key date: Jan. 1, 2026</li> <li><a href="#">More details on Auto Enrolment scheme published</a> — key date: Sept. 20, 2025</li> </ul>
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**Jordan (new)**

<b>Status</b>	 <b>Effective June 15, 2025</b>
<b>Development</b>	<b>Health</b> <b>Doctors’ fees to increase</b> The revised Doctors’ Fee Schedule is expected to take effect on June 15, 2025, following an agreement reached between insurance companies and the Jordan Medical Association. A new fee schedule had been negotiated in 2024 and should have taken effect in July 2024, but the government unexpectedly revoked the fee schedule, citing errors in the regulation. The government then announced that the 2008 fee schedule would continue to apply until a consensus could be reached on the new fee schedule.
<b>Resources</b>	<a href="mailto:dina.shaer@mercermarshbenefits.com">dina.shaer@mercermarshbenefits.com</a>

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

<b>Development</b>	<b>Career — Health</b> <ul style="list-style-type: none"> <li><a href="#">Social protection for foreign employees expanded</a> — key date: July 2025</li> </ul>
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Poland (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Rules for employing non-EU nationals change</b></p> <p>From May 1, 2025, Poland's rules on employing individuals who are not European Union nationals have changed under measures included in the Act on the Employment of Foreign Nationals (Polish). Highlights include:</p> <ul style="list-style-type: none"> <li>• Work permits are now consolidated into three categories: local hire, performance within a management board and intra-corporate transfers (new rules will govern the granting of intra-corporate visas).</li> <li>• Additional grounds have been introduced for refusing work permits, and the work permit application procedures will be digitized to reduce processing time.</li> <li>• Employers can no longer have to show that a role cannot be filled by a Polish citizen.</li> <li>• Signed employment contracts (in a language that the employee understands) must be submitted to the authorities. Employers must retain foreign employees' data for their employment duration and for two years after.</li> <li>• Faster visa processing will be introduced for Polish companies that make local hires.</li> <li>• The validity of work permits issued to newly established companies is capped at one year, down from three.</li> <li>• Stricter compliance checks by the Border Guard and National Labor Inspectorate will be introduced, and sanctions will include fines ranging between 3,000 PLN and 50,000 PLN.</li> </ul>
Resources	<a href="#">Act on the Employment of Foreign Nationals</a> (Polish) (Government)
Portugal (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Health</b></p> <p><b>Paid leave for endometriosis, adenomyosis during menstrual cycle introduced</b></p> <p>Effective April 26, 2025, employees in Portugal who suffer from severe pain due to endometriosis or adenomyosis are allowed up to three consecutive days of paid leave during their menstrual period. The measures are included in Law No. 32/2025 that will amend the labor code. Employees must provide a medical certificate to their employer (although the certificate will not require renewal every month).</p>
Resources	<a href="#">Law No. 32/2025</a> (Portuguese) (Official Diary, March 27, 2025)
Qatar (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <p><a href="#">Nationalization program launched to boost employment rate</a> — key date: unknown</p>
Saudi Arabia (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Revised national hiring targets for certain sectors issued</a> — key date: July 27, 2025</li> </ul>

South Africa (new)	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Sectoral numerical targets for employment equity plans published</b> South Africa published on April 15, 2025, the sectoral numerical targets (sectoral targets) to accompany the amended Employment Equity Act, 1998 that took effect on Jan. 1, 2025. The targets were immediately effective and apply for a five-year period. Companies must align their employment equity plans with them. The targets identify national economic sectors and determine the applicable sectoral numerical targets for different population groups, genders and occupational levels (top management, senior management, professionally qualified and skilled levels, and employees with disabilities).
Resources	<a href="#">Determination of sectoral numerical targets</a> (Government, April 15, 2025)
South Africa (previously covered, with upcoming effective date)	
Development	<b>Career</b> <ul style="list-style-type: none"><li><a href="#">Expanded remuneration and pay gap disclosures required</a> — key date: Upon proclamation</li></ul>

Spain (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Wealth</b></p> <p><b>Measures to encourage delayed, partial and active retirement introduced</b></p> <p>Spain introduced measures to give workers more flexibility in how and when they retire to incentivize individuals to work beyond the standards retirement age and strike a balance between flexibility and ensuring the pension system's financial stability. Highlights include:</p> <ul style="list-style-type: none"> <li>• Elimination of the requirement for individuals to prove they have paid sufficient contributions to obtain 100% of the regulatory pension base. Individuals must only have the minimum years of contribution to access pension benefits, and the change will simplify the process for individuals who choose to continue working and receive their pension.</li> <li>• The amount of "active retirement" generally ceases to be 50% of the recognized pension and is replaced by a variable percentage. The percentage amount will vary between 45% of the recognized retirement pension (if the delay in accessing the pension is one year, and 100% of the pension if access is delayed by five or more years). Likewise, the percentage of the pension has increased by five percentage points for every 12 uninterrupted months during which the retiree continues in "active retirement," but prohibits the retiree from exceeding 100% of their pension.</li> <li>• The permitted work reduction is expanded to between 25% and 75% of the workday for individuals of ordinary retirement age who choose to access partial retirement.</li> <li>• Individuals who want to take early partial retirement can reduce their working hours three years before the standard retirement age (previously it was capped at two years).</li> <li>• Individuals who want to take partial retirement before the standard retirement age must have a full-time and indefinite relief contract for at least two years following the termination of partial retirement. If the relief contract is terminated before the partial retiree fully retires, the employer must establish a new contract under the same terms.</li> <li>• Individuals who take early access partial retirement more than two years before the standard retirement age must reduce their work by 20% to 33% for the first year. The parties may agree to alter the reduction from the second year.</li> <li>• Partial retirement is now open to certain worker members of cooperatives, as provided for in the new section 6 of article 215 of the consolidated text of the General Social Security Law, approved by Royal Decree 8/2015, of October 30.</li> <li>• The period during which the worker has been in a "high situation" under a fixed-discontinuous contract will be multiplied by the coefficient of 1.5. However, the total number of days counted as contributions per year cannot exceed the number of calendar days in each year.</li> <li>• A financial pension supplement is introduced for individuals who delay their retirement beyond the standard retirement age. Individuals who delay their retirement for more than six months and less than one year will receive an additional 2% from the second full year of delay. The supplementary benefit will be paid using one of the methods permitted under Article 210 of the Spanish General Social Security Law. The benefit is compatible with individuals who take "active retirement," but not for individuals taking partial retirement, flexible retirement or who retire from a situation equivalent to being on leave.</li> </ul>
Resources	<p><a href="mailto:juanluis.alonso@mercer.com">juanluis.alonso@mercer.com</a></p> <p><a href="#">Royal Decree 11/2024</a> (Spanish) (Government, Dec. 23, 2024)</p>

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

- [New paid family leave entitlement](#) — key date: unknown

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

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

**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 — Health****Initiative to prevent psychological harassment in workplaces launched**


Turkey has published The Circular on Prevention of Psychological Harassment (Mobbing) in Workplaces. Psychological harassment in the workplace includes intentional and systematic humiliation, belittling, exclusion, ill-treatment and intimidation of individuals. Highlights of the Circular include:

- Reestablishment of the Board for Combating Psychological Harassment with responsibility for issuing nationwide policies, training and other initiatives. The board's membership will include representatives from the Ministry of Justice, the Human Rights and Equality Institution of Turkey, the Ombudsman's Office, the Ethics Committee of Public Officials, the Ministry of Labour and Social Security and employer and trade unions.
- Employees can now complain of harassment to agencies other than the ALO 170 (Social Security Institution's Communication Centre) or the Minister of Labour and Social Security — such as CIMER (Presidential Communication Centre), the Parliamentary Petitions Commission, the Human Rights and Equality Institution of Turkey and the Ombudsman's Office.
- Responsibility for combating workplace psychological harassment lies with employers and managers, and emphasis on the importance of preserving confidentiality during the investigation of alleged mobbing incidents.
- Recommendation that collective agreements and collective labor agreements include provisions to prevent psychological harassment.

**Resources**

[Circular 2025/3](#) (Turkish) (Government, March 6, 2025)

United Kingdom (UK) (new)	
Status	 <b>Framework planned</b>
Development	<b>Wealth</b> <b>The Pensions Regulator to regulate professional trustees</b> <p>The Pensions Regulator (TPR) plans to introduce a framework for overseeing professional trustees following an evidence-gathering exercise to understand the business models, risks and opportunities and potential conflicts of interest of 11 of the largest trustee firms. In its market oversight report and accompanying press release, TPR discusses the areas where risks and opportunities for schemes and members could arise as a result of the shift toward more schemes using professional or sole trustees. Starting summer 2025, TPR will establish ongoing supervisory relationships with professional trustee firms with the aim of engaging more closely with them to assess and manage risks, share good practices and raise standards in the market.</p>
Resources	<a href="mailto:richard.wyatt@mercer.com">richard.wyatt@mercer.com</a> <a href="#">TPR extends its oversight to professional trustee firms</a> (TPR, April 2, 2025)
UK (new)	
Status	 <b>Consultation is open through June 30, 2025.</b>
Development	<b>Career</b> <b>Consultation on equality reforms issued</b> <p>The government has issued a consultation on proposed reforms to eight aspects of equality law that will help shape the Equality (Race and Disability) Bill, with comments invited through June 30, 2025. They include establishment of the Equal Pay Regulatory and Enforcement Unit, with the involvement of trade unions; improved pay transparency; expansion of equal pay reporting to include race and disability; inclusion of outsourced workers in equal pay rules; stronger protection against combined discrimination provisions; and expansion of the protection against sexual harassment to volunteers. Other topics address the public sector equality duty and implementation of the socioeconomic duty for public authorities in England.</p>
Resources	<a href="#">Equality law call for evidence</a> (Government, April 7, 2025)

**UK (new)****Status**  **Proposal****Development****Wealth****Default consolidator for small pension pots planned**

The government has reaffirmed its plan to bring individuals' small, deferred pension pots (those valued at £1,000 or less) into a default consolidator unless the member actively chooses otherwise. A report by the Small Pots Delivery Group outlines the key recommendations to facilitate the consolidation of small, deferred pension pots, primarily focusing on the role and remit of the small pots data platform (previously referred to as the "clearing house").


The Pensions and Lifetime Savings Association will lead a feasibility review in spring 2025, working with the wider pensions industry to determine the viability and practicality of the options recommended in the report, including the potential interaction between the pensions dashboards and the small pots ecosystems. Key findings will be reported back to the Department for Work and Pensions in June 2025, and will support the passage of the Pension Schemes Bill. The intention is for pension schemes to start to transfer and consolidate eligible pots from 2030.

**Resources**[richard.wyatt@mercer.com](mailto:richard.wyatt@mercer.com)[£1,000 retirement savings boost from plans to bring together small pension pots](#) (Government, April 24, 2025)**UK****Status**  **Consultation is open through June 10, 2025.****Development****Career****Consultation on introduction of compulsory ethnicity and disability pay-gap reporting issued**

The UK government has issued a consultation on the introduction of compulsory ethnicity and disability pay gap reporting for large employers with 250 or more employees that would eventually be included in Equality (Race and Disability) Bill. Comments are invited through June 10, 2025. The government is also seeking views on imposing additional reporting criteria for public sector bodies. The UK introduced voluntary ethnicity pay gap reporting guidance in 2023. Gender pay gap reporting was introduced in the UK in 2017. Highlights of the consultation include:

- Employers would have to ask employees to report their own ethnicity using the government's ethnicity harmonized standard. A minimum of 10 employees would have to be included in each ethnic group to be analyzed to preserve employee privacy. Employers would be allowed to aggregate different ethnic groups to achieve the minimum threshold, and they would have to follow the Office for National Statistics guidance on ethnicity data.
- Employees would self-identify as disabled — employees would not be compelled to identify or disclose their disability. A binary approach would measure the disability pay gap, comparing employees that have a disability with employees who do not (with at least 10 employees in each comparison group). Employers would collect disability data using the disability definition in the Equality Act 2010.
- The reporting dates, online reporting requirements and enforcement regime through the Equality and Human Rights Commission would be the same as already required for gender pay gap reporting. Employers would have to report on the same six set of pay gap measures (mean differences in average hourly pay, median differences in average hourly pay, pay quarters; mean differences in bonus pay, median differences in bonus pay, and the percentage of employees of the relevant protected characteristic that receive bonus pay).
- Employers would also have to report on the breakdown of their workforce by ethnicity and disability and the percentage of employees who did not disclose their ethnicity and disability.

**Resources**[Equality \(race and disability\) bill: Mandatory ethnicity and disability pay gap reporting](#) (Government, March 18, 2025)

UK — Northern Ireland (new)	
Status	 Proposal
Development	<p><b>Career — Health</b></p> <p><b>Plans to issue employment rights bill announced</b></p> <p>Northern Ireland's economy minister announced on April 28, 2025, that the Executive's agreement will be sought to issue an Employment Bill (bill). The bill would address:</p> <ul style="list-style-type: none"><li>• Ending exploitative zero-hours contracts</li><li>• Enhancing the protection of agency workers</li><li>• Ending abusive fire and rehire tactics</li><li>• Ensuring that tips left for workers are passed on in full</li><li>• Modernizing the trade union framework</li><li>• Obtaining flexible working arrangements</li><li>• Enhancing family-related leave rights.</li></ul> <p>The measures would be supported by secondary legislation, codes of practice and guidance. The announcement follows a consultation in 2024.</p>
Resources	<p><a href="#">Minister announces most significant upgrade of employment legislation in 25 years</a> (Department for the Economy, April 28, 2025)</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: unknown</li><li>• <a href="#">Benefits-in-kind digitization reporting confirmed</a> — key date: April 2026</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></ul>





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