

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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Remote working	Global employer resources
Reproductive rights	Global employer resources post <i>Dobbs</i> ruling
Right to disconnect	Global employer resources
Americas	
Argentina	Minimum and maximum monthly benefit published
Bermuda	Minimum wage increased
Canada	Workplace anti-harassment legislation now effective in Nova Scotia
Chile	Female board representation boosted
Colombia	Labor laws revised, worker protections expanded; caps on working time now effective
Mexico	Employers must make housing loan payments in certain circumstances for employees
United States	Roundup: Employer resources on tax deduction for overtime pay Plan coverage of GLP-1s for weight loss: Compliance considerations One Big Beautiful Bill includes employer-friendly provisions 2026 mortality tables for defined benefit plans released Guidance on unlawful DEI practices issued Employer contributions to Trump accounts can begin in July 2026 Rulings clarify Equal Employment Opportunity Commission's stance on religious reasonable accommodations Defined contribution plans await Department of Labor's Trump-ordered alternative asset guidance Update on CMS audits and penalties for noncompliant section 111 reporting for group health plans PBGC premium acceleration set to take effect for 2025 Roundup: State accrued paid leave mandates 2025 state paid family and medical leave contributions and benefits roundup Domestic partner benefits remain popular but present challenges Beyond COBRA: State laws add complexity to continuation coverage Group fixed-indemnity plans pose legal and tax issues User's guide to SECURE 2.0 Transportation plans offer valued benefits, but pose compliance issues

Americas (continued)

United States

[Roundup: Employer resources on noncompete restrictions](#)
[Roundup: Employer resources on the changing landscape of DEI](#)
[Roundup: Employer resources on DOL's expansion of overtime protections](#)
[Some states require group health plan reporting](#)
[Resources for tracking state and local retirement initiatives](#)
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[Paid sick and safe leave law clarified by ruling in California](#)
[Health Care Expenditure Rates hiked in San Francisco, California](#)
[Colorado law funds its own 'Enhanced Premium Tax Credit'](#)
[Ground ambulance law passed in Illinois](#)
[Leave required in Illinois for employees with a child in a neonatal intensive care unit](#)
[Leave to be required for employee blood and organ donations in Illinois](#)
[Telehealth law enacted in Illinois](#)
[Pharmacy benefit manager law enacted in Illinois](#)
[Nursing mothers in Illinois to be paid for break time to express milk](#)
[Pharmacy benefit manager law enacted in Louisiana](#)
[Employee separation notice deadline for employers extended in Louisiana](#)
[Paid sick and safe leave's carryover rule changed in Maine](#)
[Rest and meal break requirements for employees clarified in Minnesota](#)
[Ground ambulance surprise billing banned in New Hampshire](#)
[Some 2026 paid family medical leave rates announced in New Jersey](#)
[Comprehensive pharmacy benefit manager law enacted in North Carolina](#)
[Network adequacy standards increased in Oregon](#)
[Laws amend paid family medical leave in Oregon](#)
[Age-related discrimination protections in employment expanded in Oregon](#)
[Lactation rights in workplaces strengthened in Puerto Rico](#)
[Benefit and leave laws vary in Puerto Rico](#)
[Law allows employees donating a living organ/bone marrow transplant to take temporary disability benefits](#)
[New hire notice law enacted in Rhode Island](#)
[Prior authorization law enacted in Rhode Island](#)
[Texas appeals court upholds state preemption law](#)
[Insurance law restricts artificial intelligence law in Texas](#)
[Pharmacy-customer communications law enacted in Texas](#)
[Telehealth coverage broadened in Texas](#)
[Newborn coverage mandate extended in Texas](#)
[Hotel medical rates released for 2026 in Seattle, Washington](#)

Asia Pacific

Australia	Guidance on minimum fraud controls for superannuation funds issued Superannuation service standards for claims handling released Regulator provides additional relief under the breach reporting framework Operational resilience factors highlighted by Prudential Regulatory Authority Reasonable travel and overtime meal expense amounts issued for 2025-2026 Input requested on proposed Retirement Reporting framework Input requested on 'best practices principles' for superannuation solutions High superannuation balances tax legislation expected Consultation on sustainable investment product labels Consultation on updating guidance on approval of financial sector codes Consultation on climate-related transition planning guidance Superannuation performance test review planned
China	Minimum wage increases announced Commercial insurance catalog for innovative medicines developed Social pension amount increased Child care subsidy program launched Measures to boost employment rights of older individuals proposed Social insurance during maternity leave subsidized in Shanghai
Malaysia	Enrollment of foreign employees in Employee Provident Fund required
New Zealand	Employees permitted to disclose salary details
Singapore	Certain work permit scheme changes now effective Second stage of enhanced medical coverage for foreign workers took effect on July 1
South Korea	Major labor reforms finalized
Taiwan	Paid time-off for national holidays confirmed
Thailand	Minimum wage to increase Start date of Employee Welfare Fund postponed
Vietnam	Work permit procedures streamlined for foreign workers

EMEA	
European Union (EU)	Mandatory standards for financial entities using subcontracted ICT services introduced Second consultation on the right to disconnect and telework launched
Austria	Taxation of electric, plug-in hybrid vehicles adjusted Eligibility criteria for early retirement adjusted
Belgium	Summer deal includes employment measures Parental leave expanded to long-term foster parents
Channel Islands	Trainee minimum wage reintroduced in Jersey
Croatia	Pension Act revised
Czech Republic	Simplified employee reporting to be introduced
Egypt	Employment law changed
France	Family-friendly rights expanded to include leave for medically assisted conception, adoption
Hungary	Personal tax exemption scheme for certain mothers expanded
Iceland	Parental leave for multiple births, adoptions expanded
Isle of Man	Shared parental leave, parental bereavement leave to be introduced
Italy	Court ruling expands paid parental leave to nonbiological mothers in same-sex unions Leave for employees with disabling or chronic oncological diseases expanded
Lithuania	Changes to taxation of benefits
Netherlands	Employer disability and sickness benefit premiums increased
Oman	Three workforce insurance schemes postponed Annual salary increment scheme revised
Poland	Rules eased for maternity leave, funeral benefits provided for women experiencing pregnancy loss
Romania	Deadline for transition to national centralized digital employee database coming
Russia	Minimum wage increase proposed
Saudi Arabia	New classification system for all foreign workers introduced
Slovenia	Mandatory long-term care contribution introduced
Spain	Birth and child care leave expanded
United Kingdom (UK)	Government announces launch of a Pensions Commission Third state pension age review launched Government responds to inheritance tax and pensions consultation Expanding nonfinancial misconduct rules to finance services firms proposed

Section 2

Global

Artificial Intelligence

Status



Ongoing initiatives

Development

Career

Roundup: Global employer resources on artificial intelligence

Artificial Intelligence (AI) has become more of a permanent feature of the workplace for many employees and employers around the world and poses numerous challenges and considerations as it reshapes work. To help employers consider the issues associated with AI, the roundup cited below provides links to general information about ongoing legislative and governance initiatives and trends. Sources include Marsh McLennan, organizations, government websites, third-party analysis, news articles and viewpoints.

Resources

[Roundup](#), regularly updated

Minimum wage

Status



Ongoing initiatives

Development

Career

Roundup: Global employer resources on minimum wage increases

To help multinational employers address the different minimum wage rates around the world, the roundup cited below provides links to resources from organizations, government websites, third-party resources, and news articles.

Resources

[Roundup](#), regularly updated

Remote working

Status



Ongoing initiatives

Development

Career — Health — Wealth

Roundup: Countries address remote-working issues

Remote working has become 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.

Resources

[Roundup](#), regularly updated

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

Section 3

Americas

Argentina (new)

Status  **Currently effective**

Development **Wealth**
Minimum and maximum monthly benefit published
 On Aug. 1, 2025, the minimum and maximum monthly retirement and pension benefits increased by 1.62% to AR\$314,305.37 and AR\$2,114,997.60 respectively. This adjustment is based on changes to the Consumer Price Index. An additional 1.9% increase took effect in September, in line with inflation changes.

Resources [Resolution 278/2025](#) (Spanish) (Government, July 25, 2025) and [Announcement](#) (Spanish) (Government, Sept. 1, 2025)

Bermuda (new)

Status  **Currently effective**

Development **Career**
Minimum wage increased
 On Sept. 1, 2025, the hourly minimum wage for part- and full-time workers in all sectors increased to BMD\$17.13, up from BMD\$16.40.

Resources [Public reminder: Minimum wage increase to take effect Sept. 1, 2025](#) (Government, Sept. 1, 2025)

Brazil (previously covered, with an upcoming effective date)

Development **Career**

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

Career — Health

- [Inclusion of psychosocial risks in risk management process postponed](#) — key date: May 26, 2026

Canada — Nova Scotia (new)**Status**  **Currently effective****Development****Career — Health****Workplace harassment legislation now effective**

From Sept. 1, 2025, provincially regulated employers in Nova Scotia must have a written anti-harassment policy and train their staff on the policy. The measures feature in the new Harassment in the Workplace Regulations under the Stronger Workplaces for Nova Scotia Act and follow a 2024 review of the workers' compensation system that highlighted the need to address workplace harassment.

Employers' anti-harassment policies must include expectations, how to report concerns and how complaints will be investigated. The policy must be renewed every three years.

The Department of Labour, Skills and Immigration, Occupational Health and Safety Division has published a guide for employers that includes information on the roles and responsibilities of managers and employees; the development of the policy and training of management and employees about workplace harassment; and complaint and investigation procedures.

Resources

[Harassment in the Workplace Regulations](#) (Government) and [Stronger Workplaces for Nova Scotia Act](#) (Government, Sept. 5, 2025)

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


- [Minimum wage to increase in Manitoba](#) — key date: Oct. 1, 2025
- [Minimum wage to increase in Prince Edward Island](#) — key date: Oct. 1, 2025
- [Pay transparency duties to start in Ontario](#) — key date: Jan. 1, 2026
- [Employers face required disclosures regarding pay in Ontario](#) — key date: Jan. 1, 2026

Career — Health

- [Sick requirement for short-term health leave eased in British Columbia](#) — key date: Fall 2025
- ['Right-to-disconnect' established for employees](#) — key date: Slated to take effect in 2025
- [Revision of workplace laws finalized in Saskatchewan](#): Later in 2025-2026 fiscal year

Wealth

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

Chile (new)	
Status	 Starts Jan. 1, 2026
Development	<p>Career</p> <p>Female board representation boosted</p> <p>On Aug. 19, 2025, Law No. 21757 that aims to increase female representation on the boards of publicly held organizations and special corporations overseen by the Financial Market Commission (CMF), was published in Chile's Official Gazette. Highlights of the law include:</p> <ul style="list-style-type: none">• Starting Jan. 1, 2026, the maximum percentage of board members of the same gender will be 80%. It will then decrease to 70% from Jan 1, 2029, to Dec. 31, 2031; and then to 60% from Jan. 1, 2032.• Organizations must update their bylaws to ensure their board elections meet these gender balance requirements.• The CMF will conduct a preliminary, nonbinding review in July 2028.• Starting in 2032, the CMF will assess — every four years — if at least 80% of eligible organizations meet the 60% gender balance target and if 5% of organizations comprise only one gender.• Organizations are required to report the gender and identity of each board member to the CMF, and if they have not fulfilled the gender balance, they must explain why. This information must also be included in their annual reports.• The CMF can impose sanctions on organizations that fail to meet the targets.• Companies that successfully achieve the gender balance will be recognized as promoters of gender equality and female leadership.
Resources	Law No. 21757 (Spanish) (Government, Aug. 19, 2025)



Colombia (new)**Status****Mostly effective****Development****Career — Health****Labor laws revised, worker protections expanded**

Changes to Colombia's labor laws in Law 2466 of 2025 generally took effect in July 2025 and expand employees' protections. Highlights include:



- Employees must now generally be hired on open-ended contracts. Fixed-term contracts are capped at four years, and new rules apply to their renewal.
- Employers must publish their internal regulations in physical form in two different locations and virtually.
- Employees with caring responsibilities can request flexible working arrangements, and their employer must respond within 15 days.
- Employees are entitled to additional paid leave to attend urgent or specialist medical appointments, and for certain other purposes.
- Different types of telecommuting and hybrid working are permitted.
- Employers must now inform their employees about the start of disciplinary proceedings, allow the employees concerned to access the evidence and provide five days for them to prepare their defense. Employers must incorporate the new disciplinary procedures into their work policies within 12 months of the law taking effect — by July 2026.
- From Dec. 25, 2025, night work will be defined as the period between 7 pm and 6 am.
- Employers must pay an 80% surcharge to employees who work on their mandatory rest day. The surcharge will increase to 90% on July 1, 2026, and to 100% on July 1, 2027. Employers and employees can agree for the weekly rest day to be scheduled on any day.
- Employers must pay overtime or risk a six-month suspension of their right to use overtime hours.
- Employers cannot discriminate based on gender, identity, sexual orientation, race, religion, politics, disability, mental health, pregnancy or status as a victim of violence. They must also introduce protocols and committees.
- From July 1, 2026, companies with 100 or more employees must hire two people with disabilities for every 100 employees — up to 500 employees. After 500 employees, the quota is one disabled person for every 100 employees.
- Changes to apprenticeship agreements include allowance payments and a requirement for employers to pay health, pensions and occupational risks.
- New rules on hiring platform workers
- Government subsidies are payable to employers that hire women, young people and individuals older than age 50.

Resources

[Law 2466 of 2025](#) (Spanish) (Official Journal, June 25, 2025)

Colombia (new)	
Status	 Currently effective
Development	Career — Health Caps on working time now effective From July 15, 2025, working time is capped at eight hours/day and 44 hours/week. A further reduction to 42 hours/week is slated for July 15, 2026, calculated over five or six days each week. A phased reduction of working time was included in Law 2101 of 2021. The first reduction to 47 hours/week took effect in 2023, and a second reduction to 45 hours/week in 2024.
Resources	Law 2101 of 2021 (Spanish) (Government, July 15, 2021)
Colombia (previously covered, with an upcoming effective date)	
Development	Wealth <ul style="list-style-type: none"> Pension reforms issued — key date: Postponed from July 1, 2025, pending judicial decision
Mexico (previously covered, now effective)	
Status	 Currently effective
Development	Career — Health Employers must make housing loan payments in certain circumstances for employees Employers in Mexico recently became 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 that employers can deduct from employees' salaries. On May 15, 2025, the government published a notice that employers must make the first payments of loans to INFONAVIT by Sept. 17, 2025, covering the fourth bimonthly period (July and August) in 2025. The housing loan measures were 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.
Resources	Law (Spanish) (Official Diary, May 15, 2025)
Panama (previously covered, with an upcoming effective date)	
Development	Wealth <ul style="list-style-type: none"> Employer social security contributions increased — key date: March 1, 2027
Peru (previously covered, with an upcoming effective date)	
Career — Wealth <ul style="list-style-type: none"> Pension system modernization law issued — key date: unknown 	

United States (US) (new)

Status	 Currently effective
Development	<p>Career</p> <p>Roundup: Employer resources on tax deduction for overtime pay</p> <p>On July 4, 2025, President Trump signed the “One Big Beautiful Bill,” which includes a federal income tax deduction on nonexempt workers’ overtime pay covered by the Fair Labor Standards Act. The overtime tax deduction is currently scheduled to expire after 2028. To provide employers with some information about the deduction and the varying aspects and issues to consider, this roundup provides links to government information, third-party analyses, news articles and viewpoints.</p>
Resources	Roundup: Employer resources on tax deduction for overtime (Mercer, regularly updated)
US (new)	
Status	 Currently effective
Development	<p>Health</p> <p>Plan coverage of GLP-1s for weight loss: Compliance considerations</p> <p>High cost and increasing demand for GLP-1s for weight management has many employers considering cost-containment measures for coverage in their employer-sponsored group health plans. This GRIST reviews compliance considerations for popular measures, including preauthorization requirements, contemporaneous weight management program participation and other utilization management techniques, cost-sharing adjustments, prescription drug plan steering, and coverage exclusions. Also included are compliance considerations for midyear changes to a group health plan’s GLP-1 coverage for weight management, and a review of market forces and clinical considerations that may impact a plan sponsor’s coverage decisions.</p>
Resources	katharine.marshall@mercer.com and jennifer.wiseman@mercer.com GRIST , July 24, 2025

US (new)

Status



Mostly effective starting on Jan. 1, 2026.

Development

Career — Health

One Big Beautiful Bill includes employer-friendly provisions



The Republican budget and tax package has many employer-friendly health and welfare provisions. Highlights include:


- Reinstates retroactively to Jan. 1, 2025, and permanently allow (i) HSA-qualifying HDHPs to cover telehealth/other remote care services on a pre- or no-deductible basis, and (ii) an otherwise HSA-eligible individual to receive pre- or no-deductible coverage for telehealth/other remote care services from a stand-alone vendor outside of the HDHP.
- Allow otherwise HSA-eligible individuals enrolled in DPCSA to make or receive HSA contributions and allow individuals to use HSA funds to pay for certain DPCSA services.
- Permanently extend the \$5,250 annual tax exclusion for employer payments of qualified student loans under an educational assistance program (currently set to expire Dec. 31, 2025); indexes the current \$5,250 cap for all IRC Section 127 education assistance programs for inflation.
- Permanently extends the employer tax credit for PFML (currently set to expire Dec. 31, 2025), and makes three enhancements: (i) modifies the credit to allow it to be claimed for an applicable percentage of premiums paid or incurred by an eligible employer for insurance policies that provide PFML for qualifying employees; (ii) makes the credit available in all states; and (iii) lowers the minimum employee work requirement from one year to six months.
- Increase the annual income exclusion for dependent care assistance programs to \$7,500 (from \$5,000), and to \$3,750 (from \$2,500) in the case of a married individual filing separately.
- Enhance the dependent care tax credit by increasing the maximum credit rate to 50% (from 35%) and creating a more generous phase down schedule.
- Increase the maximum employer-provided child care credit from \$150,000 to \$500,000 (adjusted for inflation), and percentage of qualified child care expenses covered from 25% to 40%.
- Enhances the adoption assistance credit by making it partially refundable up to \$5,000 beginning in 2025.
- Permanently eliminate the \$20/month qualified bicycle commuting reimbursement gross income exclusion and add an additional year of inflation adjustment for all other IRC Section 132(f) qualified transportation fringe benefits.
- Treat ACA exchange-based bronze and catastrophic plans offered in individual market as HSA-qualifying HDHPs.
- Establishes new tax-advantaged "Trump accounts" for children under 18, allowing annual contributions of up to \$5,000 (adjusted for inflation). These accounts are governed by specific rules regarding contributions, distributions, and investments. Additionally, a pilot program will be implemented where the Treasury will provide \$1,000 to the "Trump accounts" of U.S. citizen children born between 2025 and 2028.

Resources

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[One Big Beautiful Bill includes employer-friendly provisions](#) (Mercer, July 8, 2025) and [GRIST](#), Aug. 12, 2025

US (new)	
Status	 Effective on Jan. 1, 2026.
Development	Wealth 2026 mortality tables for defined benefit plans released <p>IRS Notice 2025-40 provides the 2026 mortality tables for lump sums under Internal Revenue Code (IRC) section 417(e) and the static mortality tables for certain defined benefit (DB) plans' minimum funding calculations under IRC section 430. The tables use the same methodology as for the 2025 tables, in accordance with the 2023 final regulations.</p>
Resources	margaret.berger@mercer.com and bruce.cadenhead@mercer.com GRIST , July 16, 2025
US (new)	
Status	 Currently effective
Development	Career Guidance on unlawful DEI practices issued <p>The US Department of Justice on July 30, 2025, released guidance to ensure that recipients of federal funding do not engage in unlawful discrimination, which includes diversity, equity and inclusion (DEI) programs or initiatives. While the guidance is directed to federal funding recipients, it explicitly states that private employers “should review this guidance carefully to ensure all programs comply with their legal obligations.”</p> <p>The guidance emphasizes the significant legal risks of initiatives that involve discrimination based on protected characteristics and provides nonbinding best practices to help entities avoid the risk of violations. Key points for employers include:</p> <ul style="list-style-type: none"> • Federal law prohibits discrimination based on protected characteristics like race, sex, color, national origin or religion. • The use of terms such as DEI, equity, or other “euphemistic” terms does not excuse unlawful discrimination or absolve parties from scrutiny regarding potential violations. • Using race, sex, or other protected characteristics for employment, program participation, resource allocation, or other similar activities, opportunities, or benefits, is unlawful, except in rare cases where such discrimination satisfies the relevant level of judicial scrutiny. • Compelling employees to share intimate spaces with the opposite sex would typically be unlawful. • Facially neutral criteria (examples given are cultural competence, lived experience, and geographic targeting) that function as proxies for protected characteristics violate federal law if designed or applied with the intention of advantaging or disadvantaging individuals based on protected characteristics. • Individuals who object to or refuse to participate in discriminatory programs, trainings or policies are protected from adverse actions like termination or exclusion based on that individual's opposition to those practices.
Resources	Justice Department releases guidance for recipients of federal funding regarding unlawful discrimination (US Department of Justice, July 30, 2025)

US (new)	
Status	 Contributions can begin on July 4, 2026.
Development	<p>Wealth</p> <p>Employer contributions to Trump accounts can begin in July 2026</p> <p>Starting next July, employers can voluntarily contribute to the Trump Accounts of employees' dependent children. Created by the "One Big Beautiful Bill Act" (Pub. L. No. 119-21), these accounts are a new kind of tax-preferred savings vehicle for individuals under 18. Employer contributions up to \$2,500 are excludable from an employee's gross income if made pursuant to a program that meets certain conditions. This tax exclusion also applies to employer contributions to accounts of employees who are under 18. Agency guidance is needed to address a variety of key implementation issues. Agency guidance is needed to answer other questions employers might have that aren't directly addressed by the statute, including the following:</p> <ul style="list-style-type: none">• How employers can substantiate that employees or their dependents are eligible to receive contributions for the year, and that the receiving account is indeed a Trump Account• Whether employers have any obligation to confirm the employer contribution won't cause the receiving account to exceed the annual contribution limit when made• Methods for performing nondiscrimination testing and correcting testing failures• Whether employers are permitted to recoup erroneous contributions and how to do so
Resources	<p>matthew.calloway@mercer.com, margaret.berger@mercer.com and brian.kearney@mercer.com GRIST, Aug. 5, 2025</p>

US (new)**Status****Currently effective****Development****Career****Rulings clarify Equal Employment Opportunity Commission's stance on religious reasonable accommodations**

The Equal Employment Opportunity Commission (EEOC) recently issued two appellate decisions that clarify the government's obligation to provide reasonable accommodations to religious federal employees. The decisions "provide a clear statement of the federal government's obligation under Title VII to provide its employees with effective reasonable accommodations for their religious beliefs and practices unless doing so would impose an undue hardship on the government's operations."

In the first decision, the Department of Veterans Affairs was found liable for failing to accommodate a Muslim physician's practice of attending weekly prayer service. In the second decision, the Federal Reserve Board was found liable for failing to accommodate a Christian police officer's request for exemption from the government agency's COVID-19 vaccine mandate.

The Acting Chair stated "[r]eligious liberty is a foundational American principle. These decisions remind federal employers that their employees deserve not only equal opportunity, but also equal respect for their religious beliefs and practices."

These decisions address how federal employers must analyze undue hardship considering the Supreme Court's recent decision in *Groff v. Dejoy*. Under *Groff*, undue hardship is shown only when a burden is substantial in the overall context of an employer's business. In this case, minor inconveniences or speculative concerns are not sufficient grounds to deny an accommodation to an employee or applicant. It is the employer's ultimate responsibility — not the employee's — to persuasively demonstrate that an accommodation would impose an undue hardship.

The Office of Personnel Management also recently published a memo that states that federal employees may pray at work, display religious icons and attempt

Resources

[EEOC issues three significant federal sector appellate decisions](#) (EEOC, Aug. 13, 2025)

US (new)**Status****Department of Labor has until Feb. 3, 2026 to reevaluate current guidance.****Development****Wealth****Defined contribution plans await Department of Labor's Trump-ordered alternative asset guidance**

An Aug. 7, 2025, executive order charges the Department of Labor (DOL) with taking action aimed at encouraging defined contribution (DC) plan fiduciaries to offer participants greater exposure to private equity, digital currencies and other "alternative assets." DOL has until Feb. 3, 2026, to re-evaluate existing ERISA guidance on asset allocation funds that include these investments and clarify the agency's views. The order instructs DOL to prioritize actions that will deter private plaintiffs from bringing ERISA lawsuits. While there is no immediate action for sponsors or fiduciaries to take, the below article provides an overview of the order and key questions DOL may address in future guidance.

Resources

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[GRIST](#), Aug. 25, 2025

US (new)**Status****Audits begin in January 2026.****Development****Health****Update on CMS audits and penalties for noncompliant section 111 reporting for group health plans**

CMS' Section 111 rules established a mandatory reporting program that started in 2009, to help determine when Medicare is a secondary payer on claims. CMS uses this reporting to identify instances where Medicare paid primary for a claim that it should have paid secondary — for example, claims involving active employees covered under an employer group health plan. When such discrepancies are identified, CMS will seek to recover any funds paid incorrectly. For group health plans, the “Responsible Reporting Entity” (RRE) responsible for reporting under Section 111 is typically the carrier or TPA, rather than the employer, unless the plan is self-funded and self-administered.

Starting in January 2026, CMS will audit Section 111 reporting by randomly selecting 250 records to review to ensure compliance. Noncompliance may result in CMS imposing a penalty of \$1,428 per record, per day. This aligns with final regulations issued in 2023 by CMS, clarifying how and when Civil Money Penalties (CMPs) will be used in enforcement.

While employers are generally not responsible for Section 111 reporting, they often provide information to their carrier or TPA to assist in compiling participant data. Over the years, many employers have faced challenges in collecting Taxpayer Identification Numbers (TINs) or Social Security Numbers (SSNs) for employees' dependents — a required Section 111 data field. Recently, some carriers and TPAs apparently have been trying to place more responsibility on employers to obtain TINs or SSNs for all plan participants, including dependents. This may be their effort as an RRE to better prepare for a CMS audit.

It appears that RREs will have opportunities to provide additional information and to appeal audits before CMPs are imposed. It is too early to determine how these audits will unfold or whether any clients might be liable to their carrier or TPA for failing to provide valid TINs or SSNs if CMS enforces a CMP. We will keep you informed as more details about the CMS audit process become available.

Resourcescheryl.hughes@mercer.com

[GRIST](#), Dec. 4, 2008; [Mandatory insurer reporting for group health plans](#) (GHP) (CMS, Sept. 10, 2024); [Final regulations](#) (Federal Register, Oct. 11, 2023) and [Civil money penalty workflow](#) (CMS, Sept. 4, 2024)

US (previously covered, soon to be effective)**Status****For calendar-year plans, premiums are due on Sept. 15, 2025, instead of Oct. 15, 2025.****Development****Wealth****PBGC premium acceleration set to take effect for 2025**

Some single-employer defined benefit (DB) plan sponsors may need to do a little scrambling this year to meet an accelerated deadline for Pension Benefit Guaranty Corporation (PBGC) premiums. PBGC's Technical Update 25-1 reminds sponsors that for 2025 plan years only, premiums are due 8½ months after the start of the plan year. This is one month earlier than the usual deadline and the same date the final 2024 plan year contribution is due. For calendar-year plans, this means premiums are due on September 15 instead of October 15. All plans will have to ensure they don't miss the unusually early deadline, but plans subject to uncapped PBGC variable-rate premiums (VRPs) may find meeting the deadline particularly challenging due to the way the premiums are calculated. Congress could repeal the provision this year, which would restore the October 15 due date, but that outcome is far from certain.

Resources

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[GRIST](#), Jan. 27, 2025

US

Status

**Effective dates vary.**

Development

Career — Health**Roundup: State accrued paid leave mandates**

More than one-third of all states have some form of accrued paid leave requirement. All these laws have certain common features, including the following:

- Which employers must comply, and which employees can accrue and take paid
- How much paid leave employees may accumulate, use and carry over from one year to the next
- Whether a new hire waiting period is permissible before using accrued paid leave, and whether leave may be accrued and/or taken in increments other than one hour
- Whether employers may front-load or credit total annual paid leave at the start of each year and avoid the need to track hourly accruals or provide year-end carryovers
- What reasons — in addition to an employee's own illness — justify the use of accrued paid leave
- What notice or documentation employers may require employees to provide, and what information about the paid leave entitlement employers must provide to employees
- What protections — in addition to job protections — apply to employees who exercise rights to accrued paid leave
- Whether employers must pay out unused accrued leave when employees separate from service, and what rules apply when an individual is rehired

The accrued paid leave laws summarized in the Section 2 tables generally have common features — not featured in the tables — including the following:

- Paid leave requirements are based on the employee's work location and accruals start on the date of hire.
- Employers whose existing paid leave programs meet or exceed the maximum accrual and allow the same leave uses without more restrictions or limitations don't have to provide additional paid leave.
- The term "health" includes mental health, preventive care and chronic conditions in addition to physical illness.
- Employees exempt from federal minimum wage and overtime standards are considered to work 40 hours per week.
- Properly classified independent contractors are not eligible for accrued paid leave.
- Employers may require reasonable notice if the leave is foreseeable.
- If leave is unforeseeable, employees should provide notice as soon as practicable.
- Worker protections and antiretaliation provisions apply.
- Leave mandates don't apply to federal government employers but often apply to state and/or local government employers.
- Workers covered under the federal Railroad Unemployment Insurance Act are excluded because of preemption.
- Requirements typically don't apply to employees covered by a collective bargaining agreement (CBA) in effect at the time of a law's passage. CBAs negotiated after a law's enactment typically would not be subject to these laws if the CBA expressly waives the law's requirements and provides for equivalent or more generous paid sick leave.

Resources

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[Roundup: State accrued paid leave mandates](#) (Mercer, regularly updated)

US	
Status	 Effective dates vary.
Development	Career — Health 2025 state paid family and medical leave contributions and benefits 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	rich.glass@mercer.com and katharine.marshall@mercer.com GRIST , updated Jan. 29, 2025 and Paid family and medical leave: Snapshots across the US (Mercer, Feb. 24, 2025)
US	
Status	 Currently effective
Development	Career — Health Domestic partner benefits remain popular but present challenges Domestic partner benefits continue to be common among many employers. However, compliance complexities present challenges for employers. The GRIST cited below (with minor updates and clarifications) reviews the major issues, particularly related to taxation and documentation, and provides useful tools, including a tax dependent flow chart, an employer domestic partner checklist and two tables summarizing applicable state laws.
Resources	rich.glass@mercer.com and patty.cartwright@mercer.com GRIST , regularly updated
US	
Status	 Currently effective
Development	Health Beyond COBRA: State laws add complexity to continuation coverage 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	rich.glass@mercer.com GRIST , Nov. 12, 2024

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

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[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 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 is updated periodically to reflect additional information and guidance.

Resources

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

US

Status



Effective dates vary.

Development

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

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

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

Resources

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[GRIST](#), regularly updated

US

Status



Effective dates vary.

Development

Career**Roundup: Employer resources on noncompete restrictions**

Noncompete agreements prevent former employees from working for a competing employer or starting a competing business for a certain time 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 on 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.

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

Resources

[Roundup](#), regularly updated

US

Status  **Currently effective**

Development**Career****Roundup: Employer resources on the changing landscape of DEI**

In June 2023, the US Supreme Court in *Students for Fair Admissions, Inc. v. President and Fellows of Harvard College* ruled colleges' use of race as a factor in student admissions is unconstitutional under the 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.

Resources

[Roundup](#), regularly updated

US

Status  **Currently effective**

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

This roundup provides some information on the US Department of Labor's (DOL) final rule that would have significantly expanded overtime protections. This rule has been challenged in multiple lawsuits, and on Nov. 15, 2024, a Texas federal district court judge vacated and set aside the final rule on a nationwide basis — holding that it exceeded the DOL's statutory authority under the Fair Labor Standards Act (FLSA). As a result, the 2025 increases 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.

Resources

[Roundup](#), regularly updated

US — States

Status  **Compliance dates vary.**

Development**Health****Some states require group health plan sponsor reporting**

Several states and localities have group health plan reporting requirements. 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.


Resources

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[GRIST](#), regularly updated


US — States

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

US — States

Status	 Effective dates vary.
Development	Career Roundup: Employer resources on states' recent equal pay laws The federal Equal Pay Act of 1963 requires that men and women in the same workplace receive equal pay for equal work. In recent years, many states have taken further efforts to address equal pay, such as enacting laws that prohibit employers from asking job applicants about salary history, requiring disclosure of salary ranges and pay data, protecting employees who disclose their pay, expanding equal pay protections for characteristics other than sex, and broadening comparisons of work and pay. In 2023, New Jersey and Illinois expanded equal pay protections to temporary workers. Stronger federal legislation — the Paycheck Fairness Act — was first introduced in 1997 but has not passed after numerous attempts — most recently in June 2021. 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**  **Effective dates vary.****Development****Career****Roundup: Employer resources on minimum wage increases**

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.

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

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

Resources[Roundup](#), regularly updated

US — California (new)	
Status	 Currently effective
Development	Career — Health Paid sick and safe leave law clarified by ruling A state appeals court has ruled that California's PSSSL law — called the Health Workplaces, Healthy Families Act — allows an employer to calculate exempt outside sales employees' paid leave at the base hourly rate, excluding commissions, if an employer calculates other forms of paid leave the same manner.
Resources	rich.glass@mercer.com Ruling (Fourth Appellate District California, Aug. 4, 2025)
US — California — San Francisco (new)	
Status	 Effective on Jan. 1, 2026
Development	Health Health Care Expenditure rates hiked San Francisco announced an approximate 7% increase for the 2026 Health Care Expenditure (HCE) rates under the Health Care Security Ordinance (HCSO) rules. The HCSO applies to all employers that must obtain a San Francisco business registration certificate and that have at least 20 employees in any location if at least one works in the city and county of San Francisco. Covered employers with San Francisco workers will need to ensure their health benefits comply with the newly updated 2026 HCE amounts and understand the HCE's application to San Francisco workers. Once premiums are set for insured plans, plan sponsors can review any deficits and determine the best approach to addressing any shortfall and making the quarterly payments. Self-funded plans may want to work with their third-party administrators and actuaries to evaluate spending options. Payments for self-funded plans may be measured quarterly or annually, subject to plan design and the availability of claims data. An employer that discovers an HCSO failure can consider making a voluntary correction with the OLSE, which would require calculating and paying any missed HCEs for all covered employees over a three-year look-back period. Finally, employers subject to the HCSO should become familiar with the notice-posting requirements, complaint process and penalties for noncompliance.
Resources	rich.glass@mercer.com and patty.cartwright@mercer.com GRIST , Aug. 12, 2025

US — Colorado (new)**Status**

Currently effective, but operative provisions will take effect only if Congress fails to extend the enhanced premium tax credit by Dec. 31 for the 2026 plan year.

Development**Health****Law funds its own ‘Enhanced Premium Tax Credit’**

Apparently in response to the “One Big Beautiful Bill” Act, Colorado enacted a law providing an enhanced premium tax credit (EPTC) to replace the EPTC established by the American Rescue Plan Act (ARPA) and continued by the Inflation Reduction Act (IRA).

Specifically, HB 25B-1006 directs the Colorado Health Insurance Affordability Enterprise (a state government-owned business) to allocate up to \$50 million to the state’s reinsurance program cash fund and another \$50 million to insurers to reduce the cost of individual health coverage on the state-facilitated ACA marketplace. ARPA and IRA rules will govern eligibility.

The law generally took effect on Aug. 28, 2025. However, the operative provisions will take effect only if Congress fails to extend the enhanced premium tax credit by Dec. 31 for the 2026 plan year.

Resources

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[HB 25B-1006](#) (Legislature, Aug. 28, 2025)

US — Illinois (new)**Status**

Effective for plan years on or after Jan. 1, 2027.

Development**Health****Ground ambulance law passed**

An Illinois law requires fully insured plans to cover emergency and urgent ground ambulance services, regardless of whether the provider is in or out of network and bans surprise billing.

Effective for plan years on or after Jan. 1, 2027, the law (2025 Pub. Act 104-0248, HB 2785) requires plans to ensure the participant costs for out-of-network ambulance providers is at the lesser of in-network cost sharing or 10% of the recognized amount. The term “recognized amount” means the lesser of the amount initially billed by the provider or the qualifying payment amount under the federal No Surprises Act (NSA). The NSA currently omits ground ambulance services from its surprise billing protections.

Effective on Jan. 1, 2027, the plan’s reimbursement of the provider is as follows:

- Subject to a local jurisdiction’s rules. The rate is equal to the rate established by the local government entity.
- Not subject to a local jurisdiction’s rules. The rate is equal to the lesser of the negotiated rate between the provider and insurer; 85% of the provider’s billed charges; or (iii) the average gross charge rate effect for the date of service for a base charge and a loaded mileage charge (if applicable).


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

Resources


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[2025 Pub. Act 104-0248](#), HB 2785 (Legislature, Aug. 15, 2025)


US — Illinois (new)



Status	 Effective on June 1, 2026.
Development	Career — Health Leave required for employees with a child in a neonatal intensive care unit 2025 Pub. Law 104-0259 (HB 2978). This law requires employers with at least 16 employees to provide leave for employees when a child is a NICU patient. For employers with 16-50 employees, the maximum duration is 10 days. For larger employers, the maximum duration is 20 days. Leave must be available on either a continuous or intermittent basis. Employees have a right of action. Violations carry a penalty of up to \$5,000.
Resources	rich.glass@mercer.com 2025 Pub. Law 104-0259 (HB 2978) (Legislature, Aug. 15, 2025)

US — Illinois (new)

Status	 Effective on June 1, 2026.
Development	Career— Health Leave to be required for employee blood and organ donation 2025 Pub. Law 104-0193 (HB 1616) amends the existing statute to require employers to make blood and organ donation leave available to part-time employees. The benefit amount is based on the daily average pay during the prior two months of employment. The existing law requires this type of leave every 56 days.
Resources	rich.glass@mercer.com 2025 Pub. Law 104-0193 (HB 1616) (Legislature, Aug. 15, 2025)

US — Illinois (new)

Status	 Currently effective
Development	Health Telehealth law enacted Under 2025 Pub. Act 104-0411 (SB 2153), licensed physical therapists can perform initial evaluations via telehealth without a referral or established diagnosis, based on the physical therapist's clinical judgment and the applicable standard of care. This replaced the higher standard of necessity to address a documented hardship. The law applies to all coverage occurring in the state, both fully insured and self-funded. The law took effect on Aug. 15.
Resources	rich.glass@mercer.com 2025 Pub. Act 104-0411 (SB 2153) (Legislature, Aug. 15, 2025)

US — Illinois (new)	
Status	 Effective on Jan. 1, 2026.
Development	<p>Health</p> <p>Pharmacy benefit manager law enacted</p> <p>The Prescription Drug Affordability Act (2025 Pub. Act 104-0027, HB 1697) imposes these limitations:</p> <ul style="list-style-type: none"> • Prohibition on requiring participant payment greater than the lesser of cost sharing, retail price, discounted price through a no-cost drug program, a manufacturer voucher or the discounted price through a discounted healthcare services plan • No spread pricing • No steerage to an affiliated pharmacy (including mail order and specialty) or different cost sharing or reimbursement • 100% rebate pass-through to the plan sponsor, covered individual or employer • No limits on drug access by designating a drug as a specialty drug • An annual \$15 per-enrollee fee for all health benefit plans (starting Sept 1) to finance a newly created Prescription Drug Affordability Fund. <p>The law's application to self-funded ERISA plans is not entirely clear. On the one hand, it defines health benefit plans to include "self-funded employee welfare benefit plans except for self-funded multiemployer plans that are nonfederal government plans [i.e., union plans]." On the other hand, the terms health insurer and insurer explicitly exclude a "plan sponsor of a self-funded, single-employer employee welfare plan or self-funded multiemployer plan subject to 29 U.S.C. 1144 [the preemption portion of ERISA]."</p> <p>Other than the per-enrollee fee, the law will take effect on Jan. 1, 2026. Illinois generally does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state.</p>
Resources	rich.glass@mercer.com Prescription Drug Affordability Act (2025 Pub. Act 104-0027, HB 1697) (Legislature, July 1, 2025)
US — Illinois (new)	
Status	 Effective on Jan. 1, 2026.
Development	<p>Career — Health</p> <p>Nursing mothers to be paid for break time to express milk required</p> <p>A new law (Public Act 104-0076), effective on Jan. 1, 2026, amends Illinois' Nursing Mothers in the Workplace Act to require break time for expressing breast milk to be paid at the employee's regular rate of compensation.</p>
Resources	Public Act 104-0076 (Legislature, Aug. 1, 2025) and Nursing Mothers in the Workplace Act (Legislature)

US — Louisiana (new)**Status****Effective dates vary.****Development****Health****Pharmacy benefit manager law enacted**

As a result of 2025 Act 474 (HB 264), these restrictions will apply to pharmacy benefit managers (PBMs):

- Bans on spread pricing and effective rate contracting
- 100% rebate pass-through to the plan sponsor for the purposes of lowering premiums, reducing cost sharing or providing broader drug coverage
- Requirement to reimburse pharmacies at a rate at least equal to the national average drug acquisition cost (known as NADAC), plus a professional dispensing fee
- Additional transparency, disclosure and certification obligations
- Broadening of the ban on participant steerage to an affiliated pharmacy to include communications.

Based on existing statutory definitions of PBM and pharmacy benefits plan or program, the law appears to apply to self-funded ERISA plans. The law has varying effective dates between June 20, 2025, and Jan. 1, 2027. Louisiana generally applies its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state.

Resources

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[2025 Act 474](#) (HB 264) (Legislature, June 20, 2025)

US — Louisiana (new)**Status****Currently effective****Development****Career****Employee separation notice deadline for employers extended**

Effective on Aug. 1, 2025, employers in Louisiana will have 10 days to complete employee separation from service notices, up from three. The measures are included in SB 248 that also requires that the notices be provided electronically to the Workforce Commission — instead of mailed or delivered.

Resources

[SB 248](#) (Legislature, June 11, 2025)

US — Maine (new)	
Status	 Effective on or about Sept. 24, 2025.
Development	<p>Career — Health</p> <p>Paid sick and safe leave’s carryover rule changed</p> <p>A Maine law changes a carryover rule under the state’s paid sick and safe leave (PSSL) law. Under 2025 Ch. 438 (LD 55), any carryover of accrued, unused leave does not reduce the annual allotment for the following year, currently capped at 40 hours or the accrual limit specified in an employer’s leave policy, whichever is higher. Previously, the carryover amount counted toward next year’s accrual limit. For example, an employee carrying over eight hours of paid leave will have up to 48 hours in the next year under the new law; previously, an employer could cap leave at 40 hours.</p> <p>Employers may still avoid carryover by simply front-loading 40 hours at the start of each year.</p>
Resources	<p>rich.glass@mercer.com</p> <p>2025 Ch. 438 (LD 55) (Legislature, July 1, 2025)</p>
US — Minnesota (new)	
Status	 Effective on Jan. 1, 2026.
Development	<p>Career — Health</p> <p>Rest and meal break requirements for employees clarified</p> <p>SF 17 clarifies rest and meal breaks for employees in Minnesota. Beginning Jan. 1, 2026, employers must provide “a rest break of at least 15 minutes or enough time to utilize the nearest convenient restroom, whichever is longer.” Meal breaks must be at least 30 minutes for employees working for a minimum of six consecutive hours. Currently, employers only need to provide “adequate time” for rest breaks and “sufficient time to eat” for meal breaks. The law also makes changes to the state’s paid family and medical leave and its paid sick and safe leave programs</p>
Resources	<p>SF 17 (Legislature, June 14, 2025)</p>

US — New Hampshire (new)**Status**  **Effective on Jan. 1, 2026.****Development****Health****Ground ambulance surprise billing banned**

New Hampshire has enacted an insurance law prohibiting surprise billing and establishing reimbursement rates for ground ambulance services — an unaddressed area in the federal No Surprises Act (NSA) enacted in 2020.

Starting in 2026, SB 245 stops ground ambulances from balance billing participants. The prohibition does not apply to scheduled inter-facility transfers if a provider satisfies the NSA's notice and consent requirements. For 2026 and 2027, the law requires insurers to reimburse ground ambulance providers at a rate of 3.25 times the Medicare rate. Thereafter, the insurance commissioner will set the rate. By the end of 2025, the insurance commissioner must provide a standard contract template for use by insurers and providers.

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

Resources

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[Governor Ayotte signs new law to protect Granite Staters from surprise ambulance bills and ensure fair EMS reimbursement](#) (Governor's office, July 31, 2025) and [SB 245](#) (Legislature, July 31, 2025)

US — New Jersey (new)**Status**  **Effective on Jan. 1, 2026.****Development****Career — Health****Some 2026 paid family medical leave rates announced**

New Jersey posted some paid family and medical leave (PFML) rate changes for 2026. Temporary disability insurance (TDI) and family leave insurance (FLI) together constitute PFML in the state. Employers will have to collect and remit contributions up to the \$171,100 taxable wage base for 2026, up from \$165,400 in 2025. The 2026 maximum TDI/FLI weekly benefit rate of \$1,199 reflects an increase from \$1,081 in 2025. Employee contributions for TDI and FLI (at 0.23% and 0.33% for 2025, respectively) have not yet been announced for 2026. Employer FLI contributions are not required.

Resources

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[Rate information, contributions and due dates](#) (Department of Labor & Workforce Development)

US — North Carolina (new)**Status**  **Generally effective on Oct. 1, 2025.****Development****Health****Comprehensive pharmacy benefit manager law enacted**

North Carolina passed the Supporting Community Retail Pharmacies and Improving Transparency (SCRIPT) Act, which imposes restrictions and standards on pharmacy benefit managers (PBMs). Under 2025 Ch. 69 (SB 479), the following provisions apply to PBMs:

- Pharmacy reimbursements. PBMs cannot require independent pharmacies (10 or fewer pharmacies with common ownership) or pharmacies in a defined pharmacy desert to accept reimbursement that is less than acquisition cost.
- Network adequacy. Pharmacy networks must meet or exceed Medicare Part D standards.
- Fiduciary duty. PBMs have duty of good faith and fair dealing in the performance of contractual duties.
- Anti-affiliate provisions. Pharmacy reimbursements must be on par with PBM-affiliated pharmacies, taking into account all manufacturer rebates.
- Rebates. Cost sharing at the point of sale must be reduced by 90% of rebates received.
- Transparency. PBMs must report various financial details regarding drug benefits — including spread pricing — to the state.

The law generally will take effect on Oct. 1, 2025. The new law uses the existing statutory definition of PBM (i.e., an entity contracting with a pharmacy on behalf of an insurer or third-party administrator), which arguably brings self-funded ERISA plans within its scope. North Carolina generally applies its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state.

Resources

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[2025 Ch. 69](#) (SB 479) (Legislature)

US — Oregon (new)**Status**  **Effective on Jan. 1, 2026.****Development****Health****Network adequacy standards increased**



Oregon expanded its provider network law to include reproductive healthcare, among other changes.

SB 822 directs the Department of Consumer and Business Services (DCBS) to develop network adequacy regulations consistent with federal rules applicable to ACA qualified health plans. Specifically, networks must provide appropriate and culturally competent care to enrollees, including those with diverse cultural and ethnic backgrounds, varying sexual orientations and gender identities, disabilities, or physical and mental health conditions. Insurers may not use telemedicine providers to meet these standards, except as permitted by DCBS rules.

The law will take effect on Jan. 1, 2026. Oregon generally does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state. The law does not affect self-funded ERISA plans.

Resources

rich.glass@mercer.com
[SB 822](#) (Legislature)

US — Oregon (previously covered, effective soon)	
Status	 Effective on Sept. 24, 2025.
Development	<p>Career — Health</p> <p>Laws amend paid family medical leave</p> <p>Two laws have been enacted that make relatively minor changes to its paid family and medical leave (PFML) law.</p> <ul style="list-style-type: none"> • SB 69. Leave to care for a child is available only if the child is younger than age 18 or has a substantially limiting physical or mental impairment. Closure of a school or child care provider due to a public health emergency is an additional exception to employees' 30-day advance notice requirement, unless the announcement occurs at least 30 days before leave starts. • SB 858. An individual is ineligible for PFML benefits in any week in which he or she is receiving unemployment benefits.
Resources	rich.glass@mercer.com SB 69 (Legislature) and SB 858 (Legislature)
US — Oregon (previously covered, effective soon)	
Status	 Effective on or about Sept. 28, 2025.
Development	<p>Career — Health</p> <p>Age-related discrimination protections in employment expanded</p> <p>Oregon has enacted legislation (HB 3187) that expands age-related protections in employment. First, the legislation makes it an unlawful employment practice for an employer, prospective employer or employment agency, prior to completing an initial interview, or if there is no interview, and prior to making a conditional offer of employment, to request or require disclosure of the applicant's age, date of birth, or when the applicant attended or graduated from any educational institution. Employers may request this information when required to affirm that the applicant meets bona fide occupational qualifications or comply with any provision of federal, state or local law, rule or regulation. Second, the legislation repeals a provision that allowed apprenticeship programs to exclude elderly applicants.</p>
Resources	HB 3187 (Legislature)

US — Puerto Rico (new)**Status****Currently effective****Development****Career — Health****Lactation rights in workplaces strengthened**

On Aug. 1, 2025, Puerto Rico enacted the Lactation/Breastfeeding Code that consolidates and expands the workplace protections for breastfeeding employees and employers' responsibilities into one statute. The code repeals Law 427-2000 and other lactation measures.

In addition to the requirements imposed by the code, employers must ensure compliance with federal workplace protections, particularly the Providing Urgent Maternal Protections for Nursing Mothers Act and the Pregnant Workers Fairness Act. Highlights of the code include:

- Both public and private employers must provide working mothers with the opportunity to breastfeed or express milk during a reasonable period (at least one hour per day) each workday, without any reduction in pay. This right applies for at least 12 months after returning to work from maternity leave.
- The relevant laws and regulations should be interpreted in a way that is most beneficial to lactating mothers.
- Employees are no longer required to provide a medical certificate to access lactation breaks, and they are protected from retaliation if they exercise their breastfeeding rights.
- Employers cannot use an employee's breastfeeding or breast pumping activities as a basis for evaluating their performance and efficiency, or to justify negative employment actions such as reduced hours, reclassification, suspension or dismissal.
- Employers must provide a dedicated lactation space that meets specific minimum standards, such as having a locking door, seating, electrical outlets, refrigeration for storing breastmilk and access to water.
- Collective bargaining agreements in the private sector can include provisions that further expand these rights.
- Stronger enforcement measures for violation of these rights include administrative, civil, and criminal penalties.

Employers should update their workplace lactation policies and communicate these policies clearly to all employees.

Resources

[Law Number 87 of Aug. 1, 2025](#) (Spanish) (Legislature, Aug. 1, 2025)



US — Puerto Rico**Status****Currently effective****Development****Career — Health****Benefit and leave laws vary**



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

Resources

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

US — Rhode Island (new)	
Status	 Effective on Jan. 1, 2026.
Development	Career — Health Law allows employees donating a living organ or bone marrow to take paid family medical leave Rhode Island's HB 6065/SB 829A allows employees participating as a living organ or bone marrow transplant donor to take temporary disability insurance benefits under the state's paid family and medical leave (PFML) program. Paid leave is available to cover time for procedures, medical tests and surgeries related to the donation. The duration limit is no more than 30 business days of recovery from a living organ transplant and five business days of recovery from a bone marrow transplant.
Resources	rich.glass@mercer.com HB 6065/SB 829A (Legislature)
US — Rhode Island (new)	
Status	 Currently effective
Development	Career — Health New hire notice law enacted Under HB 5679/SB 70, employers must provide to each employee, upon hire, a notice containing major employment information, including: <ul style="list-style-type: none"> • Sick, vacation, personal leave and holiday policies • Exempt/nonexempt status • Rate of pay. Employers must collect and maintain an employee's signed acknowledgement of receipt. A penalty applies for noncompliance.
Resources	rich.glass@mercer.com HB 5679/SB 70 (Legislature)
US — Rhode Island (new)	
Status	 Begins on Oct. 1, 2025.
Development	Health Prior authorization law enacted Under HB 5120A/SB 168B, a fully insured plan cannot use prior authorization for in-network primary care providers for three years, starting on Oct. 1, 2025. Rhode Island generally applies its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state. The law does not affect self-funded ERISA plans.
Resources	rich.glass@mercer.com HB 5120A/SB 168B (Legislature)

US — Texas (new)	
Status	 Currently effective
Development	<p>Health</p> <p>Texas appeals court upholds state preemption law</p> <p>A state appeals court upheld a 2023 Texas law that preempts certain city and county ordinances and regulations and other laws, including those under the Texas insurance and labor codes. Specifically, this law prohibits cities from enacting paid sick and safe leave (PSSL) and insurance mandates.</p> <p>The Texas Regulatory Consistency Act (TRCA) prohibits localities from adopting laws in a field of regulation that falls into one of eight state codes: agriculture, business and commerce, finance, insurance, labor, local government, natural resources, occupations and property. The law (effective on Sept. 1, 2023) took aim at a “patchwork” of local regulations to provide statewide consistency and was enacted on the heels of the cities of Austin, Dallas and San Antonio passing PSSL mandates. Opponents called TRCA the “Death Star law.”</p> <p>The city Houston (later joined by San Antonio and El Paso) challenged the law based on the “home rule” doctrine contained in the state constitution. The cities won at the trial court level, but the state obtained an automatic stay on appeal to the 3rd District Court of Appeals. The appeals court reversed the trial court judgment and dismissed the suit without prejudice for lack of subject-matter jurisdiction because they failed to show an injury-in-fact. Very likely, this marks a pause, not an end, to the dispute.</p>
Resources	<p>rich.glass@mercercor.com</p> <p>Ruling (Texas Court of Appeals, Third District at Austin, July 18, 2025)</p>
US — Texas (previously covered, soon to be effective)	
Status	 Currently effective
Development	<p>Health</p> <p>Insurance law restricts artificial intelligence law</p> <p>Texas passed an insurance law (SB 815) that prohibits any use of an automated decision system, including one using artificial intelligence, in making adverse benefit determinations. Insurers may use these systems for administrative support or fraud detection.</p> <p>The law took effect on Sept. 1, 2025. Texas generally applies its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state. The law does not affect self-funded ERISA plans.</p>
Resources	<p>rich.glass@mercercor.com</p> <p>SB 815 (Legislature, June 20, 2025)</p>

US — Texas (previously covered, soon to be effective)**Status**  **Currently effective**

Development **Health**
Pharmacy-customer communications law enacted
 Pharmacy benefit manager (PBM) contracts with pharmacies cannot prohibit or restrict a pharmacy from informing a participant of any difference between the cash price and participant's plan cost. The law applies to PBMs working on behalf of fully insured and self-funded ERISA plans. The law became effective on Sept. 1, 2025.

Resources rich.glass@mercer.com
[SB 493](#) (Legislature, June 20, 2025)

US — Texas (previously covered, now effective)**Status**  **Currently effective**

Development **Health**
Telehealth coverage broadened
 Fully insured plans must cover telehealth (including teledentistry) with an originating or distant site located outside Texas on the same basis and to the same extent it covers those services in Texas. This obligation applies only to participants who reside primarily in this state and the licensed health professional has a physical office in this state. The law does not affect self-funded ERISA plans. The law took effect on Sept. 1, 2025.

Resources rich.glass@mercer.com
[HB 1052](#) (Legislature, June 22, 2025)

US — Texas (previously covered, now effective)**Status**  **Currently effective**

Development **Health**
Newborn coverage mandate extended
 Fully insured plans and multiemployer welfare arrangements currently must now provide newborn coverage for 60 days after birth — up from 31 days. The law does not affect self-funded ERISA plans and took effect on Sept. 1, 2025.

Resources rich.glass@mercer.com
[SB 896](#) (Legislature, June 20, 2025)

US — Washington — Seattle (new)

Status	 Effective on Jan. 1, 2025.
Development	<p>Health</p> <p>Hotel medical rates released for 2026</p> <p>Seattle has announced the 2026 monthly rates that covered hotel industry employers must make to or on behalf of each covered employee for medical care. Rates will increase based on family status:</p> <ul style="list-style-type: none">• Employee only (no children, spouse/domestic partner) — \$561 (2025), \$612 (2026)• Employee + dependent(s) — \$955 (\$1,043)• Employee + spouse/domestic partner — \$1,124 (\$1,225)• Employee + spouse/domestic partner + dependent(s) — \$1,686 (\$1,837). <p>The ordinance (Mun. Code Ch. 14.28) applies to most businesses that own, control, or operate a Seattle hotel or motel with 100 or more guest rooms and to “ancillary hotel businesses” with 50 or more employees worldwide.</p>
Resources	<p>rich.glass@mercer.com</p> <p>Improving Access to Medical Care for Hotel Employees Ordinance (Office of Labor Standards)</p>

US (previously covered, with upcoming effective dates)

Development

Career

[Salary history ban, pay transparency law enacted in Cleveland, Ohio](#) — key date: Oct. 25, 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

[Employers required to provide new hires with additional payroll information in Oregon](#) — key date: Jan. 1, 2026

[Artificial intelligence law enacted; will significantly affect employers in Colorado](#) — key date: Feb. 1, 2026

Career — Health

[Paid sick leave initiative approved in Nebraska](#) — key date: Oct. 1, 2025

[Paid sick time law modified in Nebraska](#) — key date: Oct. 1, 2025

[Paid family and medical leave law enacted in Colorado](#) — key date: Jan. 1, 2026

[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

[Paid family and medical leave law enacted in Minnesota](#) — key date: Jan. 1, 2026

[Paid family medical leave regulations issued in Minnesota](#) — key date: Jan. 1, 2026

[Minor changes made to paid family medical leave and paid sick and safe leave programs in Minnesota](#) — key date: Jan. 1, 2026

[Paid sick and safe leave allowed for voluntary blood donation in Oregon](#) — key date: Jan. 1, 2026

[Paid family medical leave law modified in Rhode Island](#) — key date: Jan. 1, 2026

[Coverage required for adverse effects of gender transition in Texas](#) — key date: Jan. 1, 2026

[Paid family medical leave grant program, job protections expanded in Washington](#) — key date: Jan. 1, 2026

[Hate crimes a permitted use of paid/unpaid domestic violence leave in Washington](#) — key date: Jan. 1, 2026

[Paid family and medical leave law tweaked in Maine](#) — key date: May 1, 2026

[Paid family medical leave law delayed in Maryland](#) — key date: Jan. 1, 2027

Health

[Pharmacy benefit manager law enacted in Connecticut](#) — key date: Oct. 1, 2025

[Standards for insurers and pharmacy benefit managers when using AI in Maryland](#) — key date: Oct. 1, 2025

[Montana joins telehealth compact](#) — key date: Oct. 1, 2025

[Insulin mandate enacted in Nevada](#) — key date: Oct. 1, 2025

[Limits on administration of prescription drug benefits in Oklahoma imposed](#) — key date: Nov. 1, 2025

[2026 HSA, HDHP and excepted-benefit HRA figures set](#) — key date: Jan. 1, 2026

[Mental health parity changes](#) — key date: Jan. 1, 2026

[Prescription law enacted in Arizona](#) — key date: Jan. 1, 2026

[Breastfeeding consultation services coverage required in Arkansas](#) — key date: Plan years starting in 2026

[Portable benefit plan for independent contractors created in Alabama](#) — key date: Jan. 1, 2026

[Telehealth law enacted in Colorado](#) — key date: Jan. 1, 2026

US (previously covered, with upcoming effective dates)

Development

[New law focuses on prior authorization practices for fully insured plans in Colorado](#) — key date: Jan. 1, 2026

[Law eliminates the exception for individual and small-group market-plans regarding abortion coverage mandate in Colorado](#) — key date: Jan. 1, 2026

[Doula coverage mandated in Delaware](#) — key date: Plan years beginning in 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

[Pharmacy benefit manager laws enacted in Indiana](#) — key date: Jan. 1, 2026

[Dependent coverage law enacted in Illinois](#) — key date: Plan years starting in 2026

[Autism spectrum disorder coverage mandate enacted in Iowa](#) — key date: Jan. 1, 2026

[Pharmacy benefit manager law enacted in Iowa](#) — key date: Jan. 1, 2026

[Pharmacy benefit manager law enacted in Maine](#) — key date: Jan. 1, 2026

[Law requires fully insured plans to apply third-party financial assistance to cost sharing in Maryland](#) — key date: Plan years starting in 2026

[Pharmacy benefit manager licensure law to take effect in Massachusetts](#) — key date: Jan. 1, 2026

[2026 individual-mandate coverage dollar limits set in Massachusetts](#) — key date: Jan. 1, 2026

[Pharmacy benefit manager law to change in Nebraska](#) — key date: Jan. 1, 2026

[Fertility mandate enacted in Nevada](#) — key date: Jan. 1, 2026

[Pharmacy benefit manager law enacted in Pennsylvania](#) — key date: Jan. 1, 2026

[Telehealth law enacted in Oregon](#) — 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

[Insurance law mandates gender detransition coverage in Montana](#) — key date: Oct. 1, 2026

[State-based exchange delivery to change in Oregon](#) — key date: Nov. 1, 2026

[Pharmacy benefit manager law enacted in Colorado](#) — key date: Jan. 1, 2027

[Obesity and pre-diabetes treatment coverage mandated in Colorado](#) — key date: Jan. 1, 2027

[Telehealth reimbursement parity extended in Hawaii](#) — key date: Dec. 31, 2027

Wealth


[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	 Currently effective
Development	Wealth Guidance on minimum fraud controls for superannuation funds issued <p>The Australian Superannuation Funds Association (ASFA) issued updated guidance on Minimum Fraud Controls for Superannuation Funds. The guidance builds on its current Cyber Security Toolkit, reflects industry learnings from recent cyber events and forms part of ASFA's Financial Crimes Protection Initiative (FCPI). It sets out a baseline for fraud prevention across the superannuation system and is designed to help entities complete actions related to information security and authentication controls and meet the Australian Prudential Regulation Authority's deadline of Aug. 31, 2025. The guidance provides:</p> <ul style="list-style-type: none"> • Practical, minimum fraud controls across key transaction types • Clear expectations for identity verification using the Document Verification Service • Enhanced multi-factor authentication applicable for login and for high-risk transactions.
Resources	tasnima.bhuyian@mercero.com Minimum Fraud Controls for Superannuation Funds (ASFA, July 2025)
Australia (new)	
Status	 Trustees are encouraged to voluntarily adopt standard no later than July 1, 2026.
Development	Wealth Superannuation service standards for claims handling released <p>The Australian Superannuation Funds Association (ASFA) released its second Service Standard Claims Handling in Superannuation (standard) for superannuation trustees (trustees) and funds. The standard took immediate effect, and all trustees are encouraged to voluntarily adopt it, no later than July 1, 2026.</p> <p>The standard sets out good practices for trustees for the handling of members' insurance claims and other health-related claims. Trustees should consider incorporating the standards into their arrangements with relevant service providers.</p>
Resources	anthony.nemec@mercero.com Service Standard Claims Handling in Superannuation (ASFA, July 2025)

Australia (new)**Status**  **Currently effective****Development****Wealth****Regulator provides additional relief under the breach reporting framework**

The Australian Securities and Investments Commission (ASIC) has introduced additional targeted relief under the reportable situations regime. The new relief:

- Exempts industry from reporting certain breaches of the misleading and deceptive conduct provisions, and certain contraventions of civil penalties
- Extends the length of investigations that are reportable to ASIC to 60 days, up from 30.
- Clarifies that a report is lodged with ASIC if a licensee has submitted a breach report to the Australian Prudential Regulation Authority that includes all the requested information.
- Although the changes aim to reduce the reporting burden on the industry, ASIC said that more substantial modifications to the legislative framework would require government action.
- Licensees are also reminded to maintain strong systems and processes for identifying, escalating, investigating, rectifying, and documenting incidents and breaches in accordance with their general obligations.

Resources

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[ASIC gives further relief for licensees under the reportable situations regime](#) (ASIC, June 27, 2025)

Australia (new)**Status**  **Currently effective****Development****Wealth****Operational resilience factors highlighted by Australian Prudential Regulatory Authority**

The Executive Director of the Australian Prudential Regulatory Authority (APRA) recently outlined the key operational issues facing the financial system. Three topical issues have the potential to impact the stability of the financial system:

- Deeper integration of technology into financial systems increases their vulnerability to cyber-attacks and other operational disruptions.
- A growing reliance on external service providers increases exposure to disruptions outside the financial system.
- Changes in the geopolitical landscape amplify risks, including cyber-attacks and personnel risks.

Three areas of regulatory focus were also highlighted:

- CPS 230 Operational Risk Management (CPS 230) — this new prudential standard that commenced on July 1, 2025, will help entities to understand their supply chain vulnerabilities and develop contingency plans.
- APRA is reinforcing the importance of cyber resilience for entities, including the need for robust authentication controls such as multi-factor authentication.
- The Council of Financial Regulators is actively monitoring current and emerging vulnerabilities that could threaten Australia's financial stability.

Resources

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[APRA Executive Director of Cross-industry Risk Chris Gower speech to AFIA Risk Summit 2025](#) (APRA, June 18, 2025)

Australia (new)**Status**  **Currently effective****Development****Career****Reasonable travel and overtime meal expense amounts issued for 2025-2026**

The Australian Taxation Office issued Taxation Determination No. TD 2025/4 with the reasonable travel and overtime meal expense amounts for the 2025-2026 income year which taxpayers are permitted to claim without a requirement to substantiate their expenses. The Determination includes the limits for overtime meal expenses; domestic and overseas travel expenses; and expenses incidental to domestic and overseas travel.

Resources

[No. TD 2025/4](#) (Australian Taxation Office, June 25, 2025)

Australia (new)**Status**  **Consultation was open through Sept. 5, 2025.****Development****Wealth****Input requested on proposed Retirement Reporting framework**

Australia's Treasury issued a consultation on a proposed Retirement Reporting Framework (framework) that would measure the progress made by funds in the retirement phase of superannuation and increase members' transparency. This proposal is one of four initial reforms featured in the government's response to feedback from its 2023 discussion paper Superannuation in Retirement.

Under the framework, trustees of superannuation funds would be required to submit data to the Australian Prudential Regulatory Authority on prescribed metrics that would measure fund offerings, member outcomes and cohorting practices.

Resources

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[Retirement reporting framework](#) (The Treasury, Aug. 7, 2025)

Australia (new)**Status**  **Consultation is open through Sept. 18, 2025.****Development****Wealth****Input requested on 'best practices principles' for superannuation solutions**


A consultation issued by Australia's Treasury proposes best practice principles that respond to reforms discussed in the Superannuation in Retirement paper, and that would guide superannuation funds when they design innovative financial retirement solutions.

Three key themes would underpin the principles: understanding the membership base; increased accessibility of retirement products and features; and effective communication with members. The principles would be voluntary and complement current legislation and regulation.

Resources

ante.cugura@mercer.com
[Best practice principles — superannuation retirement income solutions](#) (The Treasury, Aug. 7, 2025)

Australia (new)

Status	 Legislation expected
Development	Wealth High superannuation balances tax legislation expected Legislation will be published that would establish a new tax on earnings of superannuation account balances exceeding AU\$3m (without indexation), effective for the 2025/26 financial year onwards. Proposed measures — Treasury Laws Amendment — Better Targeted Superannuation Concessions and Other Measures) Bill 2023 — failed to pass the previous Parliament, and would have been complex to apply, especially with regard to defined benefits. The government has indicated its intention to issue new proposals, and the next opportunity to do so would be when parliamentary sittings resume on Aug. 25, 2025.
Resources	anthony.nemec@mercer.com Better Targeted Superannuation Concessions and Other Measures) Bill 2023 (Legislature)


Australia (new)



Status	 Consultation was open through Aug. 29, 2025.
Development	Wealth Consultation on sustainable investment product labels Australia's Treasury issued a consultation on the development of sustainable investment product labels as part of its Sustainable Finance Roadmap and comments were invited through Aug. 29, 2025. The consultation considered current regulation and disclosure requirements for financial products, overseas frameworks and design options for a labelling framework. The initiative is part of ongoing efforts to enhance transparency and trust in sustainable finance by establishing clear, standardized labels that help investors identify, compare and make informed decisions about sustainable investments products.
Resources	tasnima.bhuyian@mercer.com Sustainable investment product labels (Treasury, July 18, 2025)

Australia (new)

Status	 Consultation was open through Sept. 1, 2025.
Development	<p>Wealth</p> <p>Consultation on updating guidance on approval of financial sector codes</p> <p>The Australia Securities and Investments Commission (ASIC) issued a consultation on its proposed updates to Regulatory Guide 183 Approval of financial sector codes of conduct (RG 183), soon to be renamed Codes of Conduct for the Financial Services and Credit Sectors. The update aims to:</p> <ul style="list-style-type: none"> • Reflect legislative reform since RG 183 was last updated, including changes to the industry codes of conduct regime introduced by the Financial Sector Reform (Hayne Royal Commission Response) Act 2020 • Clarify ASIC's role in relation to industry codes and its process for approving codes • Simplify the existing RG 183 where possible <p>The proposed amendments clarify that ASIC can also approve codes relating to superannuation, including a specific provision that ASIC's regulatory responsibilities for code approval purposes include some obligations in the Superannuation Industry (Supervision) Act 1993.</p>
Resources	<p>ante.cugura@mercer.com</p> <p>Attachment 2 to CS 26: Draft updated RG 183 — Summary of key changes (ASIC, July 24, 2025)</p>

Australia (new)

Status	 Consultation is open through Sept. 24, 2025.
Development	<p>Wealth</p> <p>Consultation on climate-related transition planning guidance</p> <p>Australia's Treasury has released the consultation paper titled "Climate-related Transition Planning Guidance." The guidance incorporates best practices to establish a framework to assist organizations — including superannuation funds — in navigating the complex landscape of climate risks and opportunities.</p> <p>The consultation paper is divided into two key parts. The first part outlines the role of transition planning and presents the proposed design approach of the guidance. The second part provides illustrative draft guidance that offer practical examples and recommendations to assist organizations in implementation.</p> <p>Final guidance will be published by the end of 2025 and will align with priorities outlined in the Sustainable Finance Roadmap.</p>
Resources	<p>tasnima.bhuyian@mercer.com</p> <p>Climate-related transition planning guidance (The Treasury, Aug. 15, 2025)</p>

Australia (new)	
Status	 Review planned
Development	Wealth Superannuation performance test review planned <p>Australia's treasurer recently announced at the Economic Reform Roundtable that the government plans to review the annual superannuation performance test. The treasurer clarified that the government does not intend to eliminate the test. Instead, the review aims to ensure the test does not create "unnecessary obstacles or impediments to institutional investors like super investing" in areas like housing and other sectors that serve a clear national need.</p>
Resources	anthony.nemec@mercer.com Secretary remarks: Fiscal sustainability (The Treasury, Aug. 21, 2025)
Australia (new)	
Development	Wealth <ul style="list-style-type: none"> • APRA Super Data Transformation, Phase 2 enhancements finalized — key date: December 2025 • Extension of superannuation disclosure relief confirmed — key date: Jan. 1, 2026 • Anti-money laundering, counter-terrorism legislation effective — key date: March 31, 2026 • Superannuation, Medicare implications of 2025/26 federal budget highlights — key date: July 1, 2026
China (new)	
Status	 Currently effective
Development	Career Minimum wage increases announced <p>The Ministry of Human Resources and Social Security announced the following minimum wages increases:</p> <ul style="list-style-type: none"> • Shanghai has the highest monthly minimum wage among 31 provinces (2,740 CNY/ month), and Beijing has the highest hourly minimum wage (27.7 CNY/hour). • 31 regions — Anhui, Beijing, Chongqing, Fujian, Gansu, Guangdong (including Shenzhen), Guangxi, Guizhou, Hainan, Hebei, Heilongjiang, Henan, Hubei, Hunan, Inner Mongolia, Jiangsu, Jiangxi, Jilin, Liaoning, Ningxia, Qinghai, Shaanxi, Shandong, Shanghai, Shanxi, Sichuan, Tianjin, Tibet, Xinjiang, Yunnan and Zhejiang — have surpassed the 2,000 CNY mark in their monthly minimum wage standards. • At the lower end, Hunan and Liaoning have the lowest minimum wage level (1,700 CNY/month).
Resources	angela.li@mercer.com Announcement (Chinese) (Ministry of Human Resources and Social Security, July 15, 2025)

China (new)**Status**  **Effective date unknown****Development****Health****Commercial insurance catalog for innovative medicines developed**

On July 1, 2025, China's healthcare security authority announced a series of measures to encourage novel drug development, including the creation of a commercial insurance catalog for innovative medicines for which patients could be reimbursed.

The list will feature highly innovative drugs and those with significant clinical value or that offer substantial patient benefits that are not covered by the nation's basic medical insurance. It will be recommended for reference and adoption by commercial health insurance programs, medical aid programs and other healthcare insurance plans, according to a notice jointly issued by the National Healthcare Security Administration and the National Health Commission.

Resources

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[Announcement](#) (Chinese) (National Healthcare Security Administration, July 1, 2025)

China (new)**Status**  **Currently effective****Development****Wealth****Social pension amount increased**

The social pension for individuals who retired before Dec. 31, 2024, increased by 2%.

Resources

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[Announcement](#) (Chinese) (Government, July 7, 2025)

China (new)**Status**  **Currently effective****Development****Career****Child care subsidy program launched**

On July 28, 2025, China announced a nationwide child care subsidy program, effective on Jan. 1, 2025, as part of its broader initiatives to support families and promote childbirth. The subsidy amount is 3,600 CNY per year for each child younger than three years, and payments are exempt from personal taxation.

Resources

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[Announcement](#) (Chinese) (Government, July 28, 2025)

China (new)

Status



Proposal

Development

Career — Health

Measures to boost employment rights of older individuals proposed

Proposals that aim to improve the employment rights of employees who are older than retirement age feature in a consultation that was open for comments until Aug. 31, 2025. The proposals were issued by five central departments, including the Ministry of Human Resources and Social Security, the National Health Commission and the Ministry of Emergency Management. Highlights include:

- Employers would be encouraged to offer appropriate roles to individuals beyond retirement age, considering their expertise, skills and background.
- Written agreements should outline job responsibilities, work location, hours, breaks, holidays, compensation, social insurance and workplace protections.
- Older employees in regular jobs would have to be paid at least the local minimum wage rate, and employers could not assign them to roles that would harm their physical or mental well-being.

Resources

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[Consultation](#) (Chinese) (Government, July 31, 2025)

China — Shanghai (new)**Status**  **Currently effective****Developments****Career — Health****Social insurance during maternity leave subsidized**

Increased social insurance subsidies will be paid to eligible employers in Shanghai that support female employees during their maternity leave. The policy was announced by Shanghai's Human Resources and Social Security Bureau and other city authorities on Aug. 8, 2025, and aims to foster a more "childbirth-friendly" society and help employees balance their family and professional responsibilities. Highlights of the policy include:

- The subsidy is backdated to births occurring on or after Jan. 1, 2025, and is paid for a six-month period starting in the month of the baby's birth.
- Eligible companies will receive a 50% subsidy on the social insurance premiums paid for employees on maternity or childbirth leave, including pensions, medical insurance (this covers maternity insurance), unemployment insurance and work-related injury insurance.
- Employers must provide a 158-day maternity leave (as mandated by local regulations) and continue to pay the employee's social insurance contribution during this period.
- Employers are encouraged to offer roles to ease employees' return to work, including flexible working hours, leave adjustments and options to work remotely. A pilot program launched in December 2024 reportedly created 5,000 such roles.

Resourcesangela.li@mercer.com[Policy](#) (Chinese) (Government, Aug. 8, 2025)**China (previously covered, with upcoming effective date)****Development****Career**

- [Unemployment insurance contribution refund policy extended](#) — key date: Dec. 31, 2025
- [Preferential taxation policy for expatriates expanded](#) — key date: Dec. 31, 2027
- [Preferential taxation policy for annual one-time bonus extended](#) — key date: Dec. 31, 2027

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

- [Working time threshold for 'continuous contracts' reduced](#) — key date: Jan. 18, 2026

Health

- [Revised fee schedule for public healthcare services gazetted](#) — key date: Jan. 1, 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

Health

- [New insurance regulation for health insurance products issued](#) — key date: Delayed from Jan. 1, 2026

Japan (previously covered, with upcoming effective date)

Development

Career — Health

- [Employers must offer flexible working options](#) — key date: October 2025

Malaysia (new)

Status



Effective in October 2025.

Development

Career — Wealth

Enrollment of foreign employees in Employee Provident Fund required

From October 2025, employers must pay contributions to the Employees Provident Fund (EPF) on behalf of their foreign employees. The measures are included in The Employees Provident Fund (Amendment) Bill 2025 that passed parliament in March 2025, and they will increase the costs for organizations that employ certain categories of foreign workers. Currently, the payment of EPF contributions for foreign employees younger than age 60 is voluntary, and the contribution rates are 11% for employees, and 5 MYR/month for employers. Highlights of the measures include:

- From Oct. 1, 2025, EPF contributions must be paid for foreign employees younger than age 75. These include employees who are not Malaysian citizens; are domiciled outside Malaysia; and enter Malaysia with an immigration permit. The first contribution must be paid no later than Nov. 15, 2025. However, EPF enrolment is not compulsory for foreign domestic workers. The EPF is also streamlining processes for the registration of non-Malaysian employees.
- From October 2025, the EPF contribution rate for foreign employees will be 4%, divided equally between the employer and the employee. The same contribution rate will also apply to foreign employees who had voluntarily enrolled in the EPF on or after Aug. 1, 1998. EPF contributions for foreign employees should be stopped in the last two months before the employee's immigration permit expires.
- The contribution rates for foreign employees who enrolled in the EPF before Aug. 1, 1998, will remain unchanged. For foreign employees younger than 60, the employee contribution rate is 11% and the employer rate is 13% or 12%. For foreign employees older than 60, the employee contribution rate is 5.5% and the employer rate is 6.5% or 6%. These same rates also apply to foreign employees who are now permanently resident in Malaysia.
- Employers must pay both the employee's and the employer's EPF contributions, but employers can deduct the employee's contribution from their salary. EPF Contributions must be paid only in ringgit denominations and without any cent value.
- Foreign employees will be allowed to withdraw their EPF balance in certain circumstances, e.g. final departure.

Resources

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[The Employees Provident Fund \(Amendment\) Bill 2025](#) (Legislature, April 24, 2025)

New Zealand (new)

Status



Currently effective

Development

Career

Employees permitted to disclose salary details

The Employment Relations (Employee Remuneration Disclosure) Amendment Act (act) received royal assent on Aug. 26, 2025, and began on Aug. 27, 2025. It amends the Employment Relations Act 2000 and allows employees to disclose their salary with the aim of increasing pay transparency and reducing pay inequalities. Highlights of the act include:

- Employees can lawfully disclose their pay (including their salary, bonus payments, allowances and employer pension contributions). Previously, employers could impose pay secrecy provisions and could take disciplinary action if an employee had failed to keep their remuneration details confidential.
- Employees can bring a personal grievance claim if their employer engages in “adverse conduct” in direct relation to a remuneration disclosure by the employee. Adverse conduct includes dismissal, different terms of employment, or any other negative treatment.
- Employment contracts that already include pay secrecy clauses do not have to be changed, but the clauses will not be enforceable.

Resources

[Employment Relations \(Employee Remuneration Disclosure\) Amendment Act](#) (Legislature, Aug. 26, 2025)

New Zealand (previously covered, with upcoming effective date)

Development

Career

- [KiwiSaver scheme and contribution amounts adjusted](#) — key date: Jan. 1, 2026

Singapore (previously covered, now effective)**Status**  **Currently effective****Development****Career****Certain work permit scheme changes now effective**

On March 6, 2025, Singapore's Minister of Manpower announced changes to its foreign worker schemes that aim to balance the country's need to employ foreign workers with improved skilled job opportunities for Singaporean employees. The following S pass changes took effect on Sept. 1, 2025:

- The minimum qualifying salary for new S Pass applications increased to SG\$3,300, up from SG\$3,150, and the minimum qualifying salary in the financial sector is SG\$3,800, up from SG\$3,650. The new rate applies to S Pass renewals from Sept. 1, 2026. The government will continue to review the S Pass qualifying salary against the benchmark given prevailing economic conditions.
- The S Pass levy rate is standardized.

Resources [Speech](#) (Ministry of Manpower, March 6, 2025)**Singapore (previously covered, now effective)****Status**  **Currently effective****Development****Career****Second stage of enhanced medical coverage for foreign workers took effect on July 1**

The second stage of enhanced medical coverage for foreign workers began on July 1, 2025. This stage includes:

- Standardization of allowable exclusion clauses
- Age-differentiated premiums by two age bands (50 years old and younger and older than 50 years old)
- Direct payment by insurers to hospitals upon the admissibility of the claim.

The first stage began on July 1, 2023, and included a higher annual claim limit of at least SG \$60,000, with a copayment of 75% by insurers and 25% by employers for claims amounts above SG \$15,000.

Resources [Medical insurance requirements for migrant workers](#) (Ministry of Manpower)**Singapore (previously covered, with upcoming effective date)****Development****Career**

- [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 (new)**Status**  **Effective within six months after promulgation.****Development****Career****Major labor reforms finalized**

On Aug. 24, 2025, South Korea's National Assembly passed the "Yellow Envelope Act," which amends key provisions of the Trade Unions and Labor Relations Adjustment Act. The changes will strengthen the rights of organized labor, impacting employers in all industry sectors. After the president signs the act, it will be promulgated and become effective within six months. Key highlights include:

- The definition of "employer" will be expanded to include those who can substantially and specifically control workers' conditions, even if they are not directly party to the employment contract. As a result, companies that use subcontractors could now qualify as employers of a subcontractor's workforce and could be required to engage in collective bargaining with subcontractors' unions.
- Broader eligibility for union membership, including permission for former employees to join labor unions.
- Employer claims for damages against unions and individual workers will be limited and immunity from union actions will be expanded.
- Unions will have broader grounds to initiate disputes, including management decisions impacting working conditions, collective bargaining agreements and worker status.

Resources [Law](#) (Korean) (Ministry of Employment and Labor, July 31, 2025)**South Korea (previously covered, with upcoming effective date)****Development****Career**

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

Wealth

- [Plans to increase pension premiums, expand coverage](#) — key date: Jan. 1, 2026

Taiwan (new)**Status**  **Currently effective****Development****Wealth****Paid time-off for national holidays confirmed**

On July 15, 2025, Taiwan's Ministry of Labor confirmed that employers should grant paid time-off on national holidays and pay double wages to employees who are required to work on these days.

Legislation promulgated on May 28, 2025 added four new national holidays: Confucius' birthday (September 28); the anniversary of the Battle of Guningtou (October 25); Constitution Day (December 25) and Little New Year — the day before Lunar New Year's Eve. It also extended Labor Day (May 1) to employees in all industry sectors. The legislation became effective on the day of promulgation so there are three additional holidays in the second half of 2025.

Additionally, indigenous peoples can now choose three holidays based on their traditions. Employers must comply with these regulations to avoid penalties and protect workers' rights.

Resources [Announcement](#) (Chinese) (Ministry of Labor, July 15, 2025) and [Legislation](#) (Chinese) (Government, May 28, 2025)

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

- [Program that aims to boost work-family balance and female employment](#) — key date: Oct. 1, 2025

Career — Wealth

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

Thailand (new)**Status**

Effective 90 days after publication in the Royal Gazette.

Development**Career****Minimum wage to increase**

On May 20, 2025, the Thai government announced new wage rates for 13 skilled job types in different industry sectors. The new minimum wage rates will be between 485 and 800 THB/day.

Resources

[Wage rates according to skill standards in 13 fields](#) (PRD, May 23, 2025)

Thailand (updated)**Status**

Effective date postponed until Oct. 1, 2026.

Development**Health****Start date of Employee Welfare Fund postponed**

On Aug. 26, 2025, the Thai Cabinet decided to postpone the start of the Employee Welfare Fund (EWF) by one year — to Oct. 1, 2026. Legislation still needs to be formally enacted.

Employers that have more than 10 employees in Thailand will have to register their employees and contribute to the EWF, which aims to support employees' financial security upon their termination or death, and address current socioeconomic issues.

The EWF was established in 1998 under the Labor Protection Act B.E 2541 (1998) (LPA) but had not been fully implemented. However, three Ministerial Regulations issued in November 2024 announced the start of contributions in October 2025.

Resources

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

- [Details about Employee Welfare Fund provided, contributions required](#) — key date: Oct. 1, 2025

Vietnam (new)

Status



Currently effective

Development

Career

Work permit procedures for foreign workers streamlined

On Aug. 7, 2025, Vietnam's government issued Decree No. 219/2025/ND-CP, which addresses the employment of foreign workers in Vietnam and the recruitment and management of Vietnamese employees working for foreign organizations or individuals in Vietnam. This new decree took effect immediately and replaces the previous Decree No. 70/2023/ND-CP. Its main goal is to make hiring processes easier and more flexible for both employers and foreign workers. Highlights of the decree include:

- A simplified work permit application that no longer requires employers to post recruitment notices or seek approval to hire foreign workers.
- Easier renewal of work permit exemption certificates.
- More categories of workers can now qualify for exemption from work permits.
- New experience requirements for roles like “executive director,” “expert,” and “technician.”
- Updated qualification standards for “business manager” and “executive director” roles.
- New work categories that better distinguish different job positions.
- Extended short-term work assignments that allow managers, executive directors, experts and technical workers to work up to 90 days, up from the previous limit of 30 days.

Resources

[Decree No. 219/2025/ND-CP](#) (Vietnamese) (Government, Aug. 7, 2025)

Section 5

Europe, Middle East and Africa (EMEA)

European Union (EU) (new)

Status



Currently effective

Development

Wealth

Mandatory standards for financial entities using subcontracted ICT services introduced

The EU's Delegated Regulation (EU) 2025/532 (the Regulation), published on July 2, 2025, and effective on July 22, 2025, establishes mandatory technical standards for all financial entities subject to the Digital Operational Resilience Act (DORA) (Regulation (EU) 2022/2554) — particularly those utilizing subcontracted information and communications technology (ICT) for critical or important functions. Its primary objective is to enhance the digital operational resilience of the financial sector and to impose continuous risk management practices across the EU's financial system. The Regulation's significance for pension plans will depend on several factors, including if the plan falls within the scope of DORA; the level of proportionality applicable to the plan concerning DORA's requirements; the nature and domicile of its service providers — specifically whether they are considered ICT providers or financial institutions, and if the latter, if they are EU-domiciled; and the extent that ICT subcontracting occurs within the plan's service providers. Highlights include:

- The Regulation is directly applicable in EU member states with no requirement for national transposition.
- In-scope financial entities must replace existing outsourcing arrangements with contractual safeguards tailored to their specific risk profiles. They are responsible for regularly updating their risk assessments, especially when significant changes occur in their ICT infrastructure or subcontractor chain. Even when services are subcontracted, entities must show they maintain full control and oversight over all outsourced functions.
- The parent company within group structures is responsible for providing the necessary financial statements and for ensuring that subcontracting requirements are consistently applied across all relevant subsidiaries and group entities.
- Entities must perform due diligence on direct ICT service providers and any expected subcontractors. This assessment should encompass their technical capabilities, resource adequacy, financial stability and information security practices. Special consideration must be given to subcontracting chains outside the EU, particularly in jurisdictions with weak legal frameworks.
- Any material modifications to the subcontractor chain — including the addition, removal or relocation of a subcontractor that supports a critical or significant function— must be communicated to the financial entity in advance. If necessary, the financial entities can object to the changes and may terminate outsourcing arrangements if the risks become unmanageable.

Resources

[Delegated Regulation \(EU\) 2025/532](#) (Official Journal of the European Union, March 24, 2025)

EU (new)	
Status	 Consultation is open until Oct. 6, 2025.
Development	<p>Career</p> <p>Second consultation on the right to disconnect and telework launched</p> <p>The European Commission (Commission) published on July 25, 2025, a second consultation with EU-level social partners on the right to disconnect and 'fair telework' with social partners required to respond by Oct. 6, 2025. The first-stage consultation was from April to June 2024.</p> <p>The social partners could decide to negotiate the terms of an agreement, or they could decline to do so, leaving the Commission to analyze the feedback and consider if action at EU-level is appropriate. The Commission has also launched a second study to further assess the added value and impacts of potential EU action on this topic — a first study was issued in 2024.</p>
Resources	Commission starts second-stage talks with social partners on right to disconnect and fair telework (European Commission, July 24, 2025)
EU (previously covered, with upcoming effective dates)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Law approved to improve gender balance on company boards — key date: June 30, 2026 • Corporate sustainability, human rights due diligence directive finalized — key date: July 26, 2026 • Ban on forced or child labor finalized — key date: Dec. 14, 2027 <p>Career — Health</p> <ul style="list-style-type: none"> • Platform Worker's Directive moves forward — key date: Dec. 2, 2026 <p>Career — Health — Wealth</p> <ul style="list-style-type: none"> • Agreement on postponement of corporate sustainability, due diligence reporting rules — key date: Dec. 31, 2025 • Pay transparency law must be transposed into national law — key date: June 7, 2026

Austria (new)**Status****Currently effective****Development****Career****Taxation of electric, plug-in hybrid vehicles adjusted**

Changes to Austria's taxation of electric and hybrid vehicles took effect on April 1, 2025, under measures included in the Budget Stabilization Measures Act 2025 (BSMG 2025). The new motor vehicle insurance tax is applicable to all electric and hybrid motor vehicles (new and previously registered in Austria), and that weigh up to 3.5 tons. Highlights of the changes include:

- 100% electric vehicles. Previously exempt from this tax, fully electric vehicles with 0 g/km CO₂ emissions are subject to an engine-related insurance tax that is assessed alongside civil liability insurance. The calculation takes account of both the vehicle's rated continuous power and its empty weight.
- Plug-in hybrid vehicles. The tax continues to apply to plug-in hybrids, and it is calculated on the engine power and CO₂ emissions. New deduction amounts apply to vehicles registered after Sept. 30, 2020 and will decrease annually.
- Exemptions apply to vehicles used by individuals that have a disability and to mopeds (up to 4 KW).

Resources

Budget Stabilization Measures Act 2025 ([BSMG 2025](#)) (German) (Government)

Austria (new)**Status****Effective on Jan. 1, 2026****Development****Wealth****Eligibility criteria for early retirement adjusted**

From Jan. 1 2026, the eligibility age for the “corridor pension” (a special form of early retirement) in Austria will increase to age 63, and the required insurance period will increase to 42 years under measures agreed to on June 16, 2025, and included in Budget Accompanying Act 2025 (Budgetbegleitgesetz 2025). The reforms are part of the government's broader plan to address healthcare, pensions, child care, education and the labor market. Highlights of the early retirement changes include:

- Employees born on or after April 1, 1965, will only be able to take early retirement from age 63, and the gradual increase will occur in two-month increments.
- Insurance periods required to be eligible for early retirement will gradually increase to age 42, up from 40.
- Individuals born on or after Oct. 1, 1966, must have a minimum insurance period of 42 years.

The changes do not apply to “old-age part-time” agreements that took effect before April 1, 2025.

Resources

Budget Accompanying Act 2025 ([Budgetbegleitgesetz 2025](#)) (German) (Government)

Belgium (new)**Status****Implementing legislation must be agreed to, and clarification is still required for some measures.****Development****Career — Health****Summer deal includes employment measures**



Belgium's government issued on July 21, 2025, its 'Summer Deal' that provides further information on several measures outlined in the federal coalition agreement published earlier in 2025. Parliament must still agree to implementing legislation, and clarification is still required for some of the measures, but highlights at this point include:

- From Jan. 1, 2026, a bonus-malus system will apply. An additional 2% pension bonus per year will be paid to individuals who work beyond the statutory retirement age, and conversely a 2% reduction will apply to each year of early retirement. Periods of long-term illness, care leave and temporary unemployment will not be penalized. By 2062, the government plans to gradually harmonize public sector pensions with those of employees and the self-employed, and public sector pensions will be calculated on the final 45 years of wages. However, certain public sector workers will continue to benefit from more favorable traditional rules.
- Night work will be generally permitted and defined as work performed between midnight and 5:00am, rather than between 8 pm and 6 am — this will reduce employers' overtime costs. However, the pay for workers who already perform night work based on the old hours will be protected, and employees that enter into a night work regime after the effective date of the new legislation will still be eligible for a night work allowance, if they work after midnight. Collective agreements that include different night work hours remain valid, unless renegotiated.
- Employees in any industrial sector can perform up to 360 hours of voluntary overtime per year (or 450 hours in the hospitality sector). Pay for voluntary overtime is not required for the first 240 hours (or 360 hours in the hospitality sector); it is exempt from income tax and social security charges and does not have to be compensated with time-off in-lieu.
- Employer and employee agreements can agree to voluntary overtime for a fixed-term of one year, automatically renewable, but either party can terminate them with prior notice.
- Dismissal notice compensation is capped at 52 weeks for new hires starting on or after Jan. 1, 2026. However, this will impact employees and employers only after 2043 as employees are only entitled to a notice period of 54 weeks after 17 years of service. The notice period will be extended to 62 weeks for individuals with a service period of 20 years, and they will also be paid one additional week of pay for each year of service exceeding 20 years.
- Employers will no longer be required to provide part-time employees with a minimum work schedule of at least one-third of a full-time employee's weekly schedule.

Resources

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[Announcement](#) (French) (Government, July 23, 2025)

Belgium (new)	
Status	 Effective when published in the Official Journal.
Development	Career — Health Parental leave expanded to long-term foster parents Foster parents who provide care for at least six months for a child placed with them by an official agency, will be entitled to parental leave of up to four months on the same terms as actual parents. The measures feature in a law that recently passed parliament and that will apply to both private and public sector employees. It was slated to take effect on July 1, 2025, and to apply to foster arrangements from that date, but the law has not yet been published in the Official Journal.
Resources	Announcement (Dutch) (Government, July 22, 2025)
Belgium (previously covered, with upcoming effective date)	
Development	Wealth <ul style="list-style-type: none"> • Blue- and white-collar pension harmonization postponed — key date: Jan. 1, 2027 • Federal government agrees on pension reforms — key date: Jan. 1, 2028
Channel Islands — Jersey (new)	
Status	 Currently effective
Development	Career Trainee minimum wage reintroduced On Sept. 1, 2025, the government reintroduced the trainee minimum wage rates for trainees and apprentices on approved training programs. The two rates are £10.50 for year one, and £11.75 for year two.
Resources	Government reintroduces trainee minimum wage rates to support access to skills training (Government, Aug. 12, 2025)

Croatia (new)**Status****Currently effective****Development****Wealth****Pension Act revised**

Croatia's new Pension Insurance Act largely took effect on July 1, 2025, with some measures scheduled to begin on Jan. 1, 2026. The act aims to enhance labor market flexibility by expanding the opportunities for individuals to continue working — either full- or part-time — and to receive partial retirement pensions. Key highlights include:

- The minimum pension has increased to 106% of the current pension value, up from 103%.
- The additional service period given to foster parents has doubled to 12 months and is credited for each child. It now includes traditional and kinship foster parents who provide care for more than 10 years, subject to meeting certain criteria.
- All pensioners will receive an annual pension supplement (commonly called the 13th pension). This amount will vary based on the individual's pensionable employment, and it will be announced each year by October 31.
- Pension incentives are enhanced for individuals who continue working and defer retirement.
- Measures to encourage individuals aged 65 and older with at least 15 years of pensionable employment to work at least half time and receive 50% of their retirement pension. Previously, the maximum weekly hours for combining employment and pension receipt were capped at 20 hours.
- The pension adjustment formula has been revised to account for consumer price and wage growth indices.
- Early retirement penalties will be abolished from January 2026 for individuals reaching age 70 who had retired early.

Resources

[Pension Insurance Act](#) (Croatian) (Government, June 27, 2025)

Czech Republic (new)**Status****Effective on Jan. 1, 2026.****Development****Career****Simplified employee reporting to be introduced**

Simplified reporting of employee data will enter into force on Jan. 1, 2026, and employers will have to submit employee data monthly using the unified report (JMHZ) from April 2026. The measures are included in the Single Monthly Employer Report bill that passed the Senate on July 23, 2025. Highlights of the bill include:

- The JMHZ will replace up to 25 different forms that employers must currently submit to five different authorities (Czech Social Security Administration, Labour Offices, Tax Office, Czech Statistical Office and Ministry of Labour and Social Affairs).
- The JMHZ will contain up to 300 items, including data on employee earnings, social insurance contributions and taxes. However, employers will not need to complete all 300 items.
- Employers will submit the JMHZ electronically to the Ministry of Labour and Social Affairs.

The government is expected to publish more details about the data that will be included in the unified report.

Resources

[Announcement](#) (Czech) (Government, July 23, 2025)



Egypt (previously covered, now effective)**Status**  **Currently effective****Development****Career — Health****Employment law changed**

Changes to Egypt's employment law took effect on Sept. 1, 2025. Law No. 14 of 2025 replaces Labor Law No. 12 of 2003 and includes measures that aim to modernize employment relations and boost worker protection. Highlights include:

- A new end-of-service benefit equal to one month per year of service payable by employees is introduced for workers on fixed-term contracts where the total duration is five years or more.
- Employment contracts must be in Arabic and issued in four copies (for the employer, employee, social insurance authority and the Labor Office). Contracts are presumed to be indefinite, unless otherwise justified.
- Different types of employment are also recognized for the first time, such as remote working, part-time employment and gig economy/platform work roles.
- A minimum three-month notice period must be given to terminate indefinite-term workers (where there is no misconduct), and severance is calculated on two months of wages per year of service.
- Employees are entitled to maternity leave from the first day of employment — currently, employees must have at least 10 months of service. Maternity leave has increased to 120 days, up from 90 days, and is capped at three leave periods during the employee's employment (currently, maternity leave is capped at two times).
- Women can also reduce their working hours by one hour per day starting from the sixth month of pregnancy, and they are exempt from performing overtime for up to six months following their baby's birth.
- Women are entitled to up to two years of unpaid child care leave in larger enterprises.
- The employers' contribution to the training and rehabilitation fund is reduced to 0.25% of the minimum social insurance wage, down from 1% of the enterprise's profits, and is capped at EGP £30 per employee. Only employees with 30 or more employees (up from 10) must pay the contribution, and employers that already offer internal training programs are exempt.
- A specialized labor court will deal with employment disputes.
- A National Wages Council will be established to propose changes to the national minimum wage. Private sector employees' wages will increase by 3% per year, calculated on their insurable wage; employers that face financial hardship could petition the National Wages Council for a reduction or exemption.
- Guidelines on occupational safety and health inspections will be available.
- Provisions that criminalize sexual harassment and workplace bullying
- Anti-harassment measures

Resources

[Law No. 14 of 2025](#) (Arabic) (Government)

France (new)	
Status	 Currently effective
Development	Career — Health Family-friendly rights expanded to include leave for medically assisted conception, adoption <p>A new law in France expands the protection for male and female employees undergoing medically assisted conception, or if they are in the process of adopting a child, against discrimination regarding their pay, training, promotion, etc. Since 2016, employees undergoing medically assisted conception have been protected from a refusal to hire, dismissal or forced transfers and they do not bear the burden of proof in the event of a dispute with their employer. Now, they are also entitled to leave to attend medical or administrative appointments and absences related to the adoption process.</p>
Resources	Loi No 2025-595 (French) (Government, June 30, 2025)
France (previously covered, with upcoming effective date)	
Development	Career <ul style="list-style-type: none"> New gender quotas imposed for senior execs/management teams — key date: March 1, 2026
Germany (previously covered, with upcoming effective date)	
Development	Career <ul style="list-style-type: none"> Minimum wage increase for cleaners — key date: 2026
Hungary (updated)	
Status	 Beginning on Oct. 1, 2025
Development	Career Personal tax exemption scheme for certain mothers expanded <p>The scheme allowing lifetime exemption from personal income tax for mothers in Hungary with four or more children will be expanded on Oct. 1, 2025, to mothers that have three children. The tax exemption applies to income derived from work (such as salaries, fees for services, or withdrawals from sole proprietorship).</p> <p>The exemption will be further expanded to mothers with two children beginning in 2026 based on age as follows:</p> <ul style="list-style-type: none"> 2026: mothers aged younger than 40 2027: mothers aged 40 to 49 2028: mothers aged 50 to 59 2029 mothers older than 60. <p>Single mothers younger than age 30 have been eligible for partial personal tax exemptions since 2023, and they will be fully exempt by 2026.</p> <p>The tax benefit can be claimed during the year through a tax advance declaration via the employer, or a refund can be requested in the annual tax return after the end of the tax year.</p>
Resources	rahel.tompa@mercermarshbenefits.com Law (Hungarian) (Government, June 14, 2025)

Iceland (new)

Status



Currently effective

Development

Career — Health

Parental leave for multiple births, adoptions expanded

Parents in Iceland who experience multiple births or adoptions are now entitled to extended paid parental leave entitlement. The measures are included in the Act on Amendments to the Maternity and Parental Leave Act that took effect on July 1, 2025. Highlights include:

- Parents can now take six months of parental leave, up from three, for each child born or adopted at the same time.
- Mothers who experience an illness that is directly attributable to pregnancy or childbirth can take an additional two months of leave.
- The government pays individuals taking parental leave a monthly benefit capped at 800,000 ISK per month in 2025, and that will increase to 900,000 ISK per month in 2026.

Resources

[Act on Amendments to the Maternity and Parental Leave Act](#) (Icelandic) (Legislature, June 30, 2025)

Ireland (previously covered, with upcoming effective date)


Development

Career — Health — Wealth

- [Wage threshold for PRSI contributions to increase](#) — key date: Oct. 1, 2025

Wealth

- [Small delay for start of 'My Future Fund' for pension autoenrollment](#) — Jan. 1, 2026
- [Pension-related issues included in Finance Bill](#) — key date: Jan. 1, 2026

Isle of Man (new)	
Status	 Will be introduced on Nov. 1, 2025.
Development	<p>Career — Health</p> <p>Shared parental leave, parental bereavement leave to be introduced</p> <p>Shared parental leave and parental bereavement leave will be introduced in the Isle of Man from Nov. 1, 2025, under measures included in the Employment (Amendment) Act 2024. The necessary legislation will be brought forward to Parliament before November. Highlights include:</p> <ul style="list-style-type: none">• Parents — including adoptive parents — will be able to take up to 50 weeks of shared parental leave to care for a new baby during the first 12 months following the birth, or adoption. Both maternity and paternity leave will still be available for new parents. Eligible employees will be paid a shared parental allowance.• Parents will be entitled to take an additional two weeks of leave following the death of a child younger than age of 18, including for stillbirths. Expectant parents who suffer a miscarriage will be entitled to one week of leave.• The leave can be taken as a single two-week block or two separate one-week blocks during the first year after the child's death.• Employees will be paid a parental bereavement allowance for up to two weeks following the death of a child or stillbirth after 24 weeks of pregnancy, or one week following a miscarriage before 24 weeks of pregnancy. Eligibility criteria will apply. <p>The government also announced that new rights for neonatal care leave and carer's leave secondary legislation for rest breaks will be published in the coming months.</p>
Resources	New employment rights for shared parental leave and parental bereavement leave (Government, Aug. 7. 2025) and Employment (Amendment) Act 2024 (Legislature)

Italy (new)**Status**  **Currently effective****Development****Career — Health****Court ruling expands paid parental leave to nonbiological mothers in same-sex unions**

In May 2025, Italy's constitutional court ruled that nonbiological mothers in same-sex unions are entitled to paid parental leave. The decision also affirms that parents in a same-sex couple with a legal relationship in Italy are recognized as equals under Italian law.

A 2001 decree on parental leave had not recognized the entitlement of a nonbiological mother in a lesbian civil union to the permitted 10 days of paid parental leave. The ruling also applies to women who travel abroad to have a child through assisted reproduction.

Resources [Official Notice](#) (Italian) (Official Gazette, May 23, 2025)**Italy (new)****Status**  **Effective on Jan. 1, 2026.****Development****Career — Health****Leave for employees with disabling or chronic oncological diseases expanded**

Starting Jan. 1, 2026, employees diagnosed with disabling or chronic oncological conditions will be eligible for an additional 24 months of unpaid leave, along with certain employment protections. These measures are outlined in Law 106/2025. Highlights include:

- Employees with a medical certification indicating a disability of 74% or higher due to illness are eligible for 24 months of unpaid leave.
- Employees can only take this leave after exhausting their regular leave entitlements. However, those who used their normal leave before Aug. 9, 2025, can access the additional 24 months immediately, without waiting until Jan. 2026.
- The unpaid leave can be taken all at once or in installments. During this time, employees' jobs are protected, but they do not accrue seniority and cannot perform any work.
- After using the full 24 months of leave, employees may request remote work (smart working), if their job allows.

Resources [Law 106/2025](#) (Italian) (Government, July 18, 2025)

Lithuania (new)**Status**  **Starting on Jan. 1, 2026.****Development****Health****Changes to taxation of benefits**

Starting Jan. 1, 2026, health insurance premiums exceeding €350 will be fully taxed as income. Employers that provide health, accident and travel insurance as a benefit could face an additional tax burden ranging from approximately 10% to 45%, depending on the premiums. A 10% tax rate will apply to non-life insurance premiums (military tax).

Resources

[Law](#) (Lithuanian) (Government, June 27, 2025) and [Law](#) (Lithuanian) (Government, June 20, 2025)

Netherlands (new)**Status**  **Effective on Jan. 1, 2026.****Development****Health****Employer disability and sickness benefit premiums increased**

Beginning Jan. 1, 2026, employer premiums for disability insurance (WGA) and Sickness Benefits Act (ZW), also known as the Work Resumption Fund (Whk), will increase.

The average premium for WGA will increase to 0.96%, reflecting a 0.13% increase on the current rate. This increase is mainly due to more individuals (especially young people) experiencing long-term illnesses and claiming disability benefits. The average premium for the Sickness Benefits Act will increase to 0.56%, a 0.06% increase. This increase has driven higher expenditures under the Act.



Employers have the option to self-insure for these benefits instead of relying on the Employee Insurance Agency (UWV), but they must decide to start or end their self-insurance status by Oct. 1, 2025.



Resources



[Announcement](#) (Dutch) (Government, July 15, 2025)

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

- [Significant reforms to the occupational pension system](#) — key date: Date not yet finalized

Oman (new)	
Status	 Postponement dates vary.
Development	<p>Health — Wealth</p> <p>Three workforce insurance schemes postponed</p> <p>The introduction of three workforce insurance schemes in Oman that were included in the 2023 social insurance law will be delayed under measures included in Decree 60/2025. The schemes are:</p> <ul style="list-style-type: none"> Insurance for Sick and Other Leaves will provide a framework for addressing employee absences due to illness or other exceptional circumstances. It is postponed to July 19, 2026, from 2025. The Provident Fund Scheme for non-Omani employees will provide a long-term replacement for the traditional end-of-service gratuity. It is postponed to July 19, 2027, from 2026. The Insurance for Work Injuries and Occupational Diseases for non-Omani workers will provide financial protection for employees who suffer a workplace accident or occupational illness during their employment. It is postponed to July 19, 2028, from 2026.
Resources	Decree 60/2025 (Government, July 13, 2025)
Oman (new)	
Status	 Effective on Jan. 1, 2026.
Development	<p>Career</p> <p>Annual salary increment scheme revised</p> <p>Starting Jan. 1, 2026, eligible Omani employees will receive revised annual salary increments based on their performance ratings. Employers will be required to conduct annual performance evaluations to determine the increment amount. This change is outlined in Ministerial Decision No. 317/2025, which replaces the previous Ministerial Decision No. 541/2013. The earlier decision mandated a fixed 3% annual pay increase for employees with satisfactory performance. Key points of the new decision include:</p> <ul style="list-style-type: none"> Employees must have completed at least six months of service by the date of the increment, which will be based on basic salary and performance rating: 5% for "excellent," 4% for "very good," 3% for "good," 2% for "fair," and no increase for "weak." Employees can file grievances with the Ministry of Labor regarding their performance ratings. The decision also covers salary increments for employees who change employers, as well as potential reductions or suspensions in specific cases. Examples include employer hardship, employee absences of six months or more, unpaid leave, or investigations for workplace misconduct. Employers who fail to comply may face a penalty of 50 OMR per affected employee.
Resources	Ministerial Decision No. 317/2025 (Arabic) (Ministry of Labor, June 18, 2025)

Oman (previously covered, with upcoming effective date)	
Development	Career <ul style="list-style-type: none"> Social protection for foreign employees expanded — key date: July 2026
Poland (new)	
Status	 Currently effective
Development	Career — Health Rules eased for maternity leave, funeral benefits provided for women experiencing pregnancy loss <p>From Aug. 6, 2025, mothers in Poland who experience a pregnancy loss can take a shortened period of maternity leave and receive funeral benefits without the need to specify the gender of the lost pregnancy.</p> <p>Previously, women who experienced a pregnancy loss — especially before the 16th week — were not entitled to reduced maternity leave or funeral benefits if the medical records did not specify the baby's gender. Often, it was only possible to determine the baby's gender by using an expensive genetic test.</p> <p>Parents can now provide an attestation of still birth issued by a specialist in obstetrics and gynecology (or a trainee in this specialization), or a midwife. The attestation can be issued regardless of the duration of the pregnancy, and no gender sex determination is required. Also, mothers are now entitled to a funeral allowance on the issuance of a death certificate or attestation, and to an allowance for the period of reduced leave (this was formerly a maternity benefit).</p> <p>Mothers can still receive the leave and funeral benefits using a birth certificate with a note on stillbirth.</p>
Resources	We are changing the rules for women after pregnancy loss (Ministry of Family, Labour and Social Policy, Aug. 4, 2025)
Romania (new)	
Status	 Transition must be completed by Sept. 30, 2025.
Development	Career Deadline for transition to national centralized digital employee database coming <p>Employers in Romania must complete their transition to the national centralized digital employee database, REGES-ONLINE, by Sept. 30, 2025. This new system, which took effect on March 31, 2025, replaces the previous REVISAL system used to report key employment details to labor authorities. Employers were given a six-month transition period to switch to REGES-ONLINE.</p> <p>These measures are outlined in Government Decision No. 295/2025, with additional details on data submission, retrieval and processing provided in Order No. 1107-2025.</p> <p>The database allows for real-time online updates of employment information, including contract changes, suspensions (such as medical leave and other absences) and submission deadlines for various updates. Employees and former employees can also access their personal records on the platform.</p>
Resources	Government Decision No. 295/2025 (Romanian) (Official Portal, March 31, 2025) and Order No. 1107-2025 (Romanian) (Official Portal, May 9, 2025)

Russia (new)	
Status	 Proposal
Development	Career Minimum wage increase proposed The Ministry of Labor has proposed increasing the monthly minimum wage to 27,093 RUB starting in 2026. The current minimum wage is 22,440 RUB/month.
Resources	Russia proposes raising minimum wage by over 20% (General Confederation of Trade Unions, July 23, 2025)
Saudi Arabia (new)	
Status	 Currently effective
Development	Career New classification system for all foreign workers introduced In July 2025, Saudi Arabia introduced a new three-tier classification system for foreign workers that must be used for recruiting non-Saudi employees and applying for work permits. This new system replaces the previous job title-based classification. Employers are required to reclassify their current foreign workforce and update employee records through the Qiwa digital platform. Highlights of the classification include: <ul style="list-style-type: none"> • The rollout occurred in two phases. The first phase (July 2025) applied to foreign workers already employed in Saudi Arabia, and the second phase (August 3, 2025) applies to new hires. • “High-skilled” visas will be granted to professionals such as engineers, doctors and IT specialists, based on a points-based assessment that considers education, experience and salary. • “Skilled” visas will be granted to technicians, supervisors and administrative personnel • “Basic” visas will be granted to manual laborers up to age 60. • Employers must classify their foreign employees according to this system and ensure the classifications are accurate. Failure to do so could result in penalties and affect the employer’s ability to hire foreign staff.
Resources	Guidelines for classification of work permits by skill categories (Human Resources & Social Development, July 2025)
Saudi Arabia (previously covered, with upcoming effective date)	
Development	Career <ul style="list-style-type: none"> • Revised national hiring targets for certain sectors issued — key date: Oct. 27, 2025

Slovenia (new)

Status



Currently effective

Development

Health

Mandatory long-term care contribution introduced

Starting July 1, 2025, Slovenia implemented a mandatory long-term care (LTC) contribution. These measures are part of the Long-Term Care Act (ZDOsk-1), which aims to strengthen intergenerational solidarity and fund LTC services. This contribution is in addition to mandatory health insurance. Highlights include:

- Eligible employees and employers each pay 1% of the gross salary. Pensioners pay 1% of their net pension and self-employed individuals pay 2% of their gross salary.
- The LTC contribution must be paid by employed individuals covered by the mandatory health insurance system.
- Insured individuals are eligible for LTC services, subject to certain conditions like illness type, frailty, contribution period and residence in Slovenia.
- The LTC contribution is collected similarly to health insurance contributions. For employees, it is automatically deducted from salaries; for pensioners, it is deducted from pension payments. Contributions are paid into a fund managed by the Health Insurance Institute of Slovenia.

Resources


[Announcement](#) (Slovenian) (Government, July 18, 2025)

South Africa (previously covered, with upcoming effective date)

Development

Career

- Expanded remuneration and pay gap disclosures required — key date: Upon proclamation

Spain (new)	
Status	 Applies to leave periods starting on Jan. 1, 2025.
Development	<p>Career — Health</p> <p>Birth and child care leave expanded</p> <p>Parents in Spain will be entitled to paid birth and child care leave of 19 or 32 weeks under measures included in Royal Decree-Law 9/2025, which amends the Workers' Statute and aims to transpose the European Union's Directive that includes establishing minimum requirements for parental leave, paternity leave and flexible working arrangements. The Royal Decree law took effect on July 31, 2025, for leave periods starting on Jan. 1, 2026. Highlights of the measures include:</p> <ul style="list-style-type: none"> • "Birth" includes childbirth and the care of a baby and by a parent who is not the biological mother, including adoptive parents. • Individual's income is paid at 100% of the maximum social security contribution base (€163.65/day in 2025) and is paid for by social security. • The employment contract may be suspended for 19 weeks for both the biological mother and the other parent in cases of birth, adoption, guardianship for adoption purposes, and foster care. Single mothers/fathers are entitled to 32 weeks. • Biological mothers can take up to four weeks prior to their baby's birth. • Mothers must take a single block of six weeks immediately following the birth or following the placement of a child for adoption or guardianship. • Eleven weeks (22 weeks for single mothers) can be taken flexibly, either as single weeks or as a combination of weeks, up until the child is 12 months old. • The paid parental leave is extended to two weeks, to be taken until the child turns eight years, and retrospectively applies from August 2024. For single-parent families, the leave is expanded to four weeks.
Resources	Royal Decree-Law 9/2025 (Spanish) (Official Bulletin, July 29, 2025)
Spain (previously covered, with upcoming effective date)	
Development	<p>Career — Health</p> <ul style="list-style-type: none"> • New paid family leave entitlement — key date: unknown
Sweden (previously covered, with upcoming effective date)	
Development	<p>Wealth</p> <ul style="list-style-type: none"> • Flexibility of receiving occupational pension benefit payments increased — key date: Oct. 1, 2025
Switzerland (previously covered, with upcoming effective date)	
Development	<p>Career — Health</p> <ul style="list-style-type: none"> • Paid parental leave introduced in Geneva — key date: unknown

United Kingdom (UK) (new)**Status**  **Launch of a Pensions Commission****Development****Wealth****Government announces launch of a Pensions Commission**

The government recently announced the launch of a Pensions Commission to explore the long-term future of its pensions system. The Commission will build on the findings of the Pensions Investment Review and measures included in the Pension Schemes Bill that focused on boosting investment and economic growth. It will also make recommendations to the government on broader issues such as retirement income adequacy, fairness and sustainability. The final report is expected in 2027.

Additionally, the Pensions Minister confirmed that minimum contribution levels for automatic enrolment will not be increased during this Parliamentary term.

Resourcesrichard.wyatt@mercer.com[The Pensions Commission](#) (The Department for Work and Pensions, July 21, 2025)**UK (new)****Status**  **Responses to call for evidence must be submitted by Oct. 24, 2025.****Development****Wealth****Third state pension age review launched**

The Department for Work and Pensions (DWP) recently announced the launch of the third State Pension age (SPA) review that will consider if the current rules on pensionable age remain appropriate, taking into account the latest life expectancy data and other relevant evidence. The DWP is required to review the SPA every six years — the last review was published in May 2023. After the announcement, the DWP published on Aug. 18, 2025, a call for evidence on the third SPA review.

Responses to the call for evidence must be submitted by Oct. 24, 2025, and they will inform the independent report that will make recommendations to government regarding the SPA. Factors that will be considered include the merits of linking SPA to life expectancy; the role of SPA in managing the long-term sustainability of the state pension; and the international experience of automatic adjustment mechanisms (these are predefined rules that automatically change set parameters based on demographic, economic or financial indicators).

Resourceschris.mcnay@mercer.com[Third State Pension age review: independent report call for evidence](#) (DWP, 18 August 2025)

UK (new)	
Status	 Policy paper will become effective from April 6, 2027, and the consultation on the draft legislation was open through Sept. 5, 2025.
Development	<p>Wealth</p> <p>Government responds to inheritance tax and pensions consultation</p> <p>The government has issued a response to its consultation on the inclusion of pension death benefits and unused funds within the scope of inheritance tax (IHT) and has published a policy paper and draft legislation. The policy will become effective from April 6, 2027, and was included in the 2024 Autumn Budget.</p> <p>The government has chosen to exempt death-in-service lump sums from IHT and to make Personal Representatives responsible for reporting and paying the tax, rather than the trustees or managers of the scheme as it had originally proposed.</p> <p>Comments on the draft legislation are invited through Sept. 15, 2025, and additional legislation will be introduced to provide the framework for trustees and personal representatives to exchange information.</p>
Resources	<p>richard.wyatt@mercer.com</p> <p>Inheritance Tax on pensions: liability, reporting and payment — Summary of responses (HM Revenue & Customs, 21 July 2025)</p>
UK (new)	
Status	 Consultation is open through Sept. 10, 2025.
Development	<p>Career</p> <p>Expanding nonfinancial misconduct rules to finance services firms proposed</p> <p>From Sept. 1, 2026, financial services companies would have to report serious bullying, harassment and violence under proposed changes to the Financial Conduct Authority's (FCA) code of conduct, announced on July 2, 2025. The change would impact around 37,000 additional regulated firms and would align financial services companies with the rules on nonfinancial misconduct (NFM) that are already applicable to banks and non-banks. The FCA says that expansion of the rules would give firms confidence to take robust action against serious misconduct; drive consistency across the financial sector; and clarify when NFM may breach the FCA's rules.</p> <p>The FCA also issued a consultation on draft guidance to determine if further guidance would be helpful and proportionate for companies as they implement the code of conduct change, with input invited through Sept. 10, 2025. The draft guidance addresses how companies should consider nonfinancial misconduct to assess if an individual is fit and proper to work in financial services — this includes the use of social media and the relevance of behavior in private and personal lives. The FCA confirmed it will not proceed with guidance that is not necessary to achieve its aims.</p> <p>Previously, the FCA issued in September 2023 a consultation on proposals for a new regulatory framework on diversity and inclusion in the financial sector (this would have included proposals on NFM), but it confirmed on March 12, 2025, that it would only proceed with NFM measures</p>
Resources	<p>CP 25/18: Tackling nonfinancial misconduct in financial services (FCA, July 2, 2025) and FCA clarifies expectations on bullying, harassment and violence to deepen trust in financial services (FCA, July 2, 2025)</p>

UK (previously covered, with upcoming effective date)	
Development	Career — Health
	<ul style="list-style-type: none">• Paternity leave to be expanded to bereaved partners — key date: provisionally 2026• Benefits-in-kind digitization reporting confirmed — key date: April 2026
	Wealth
	<ul style="list-style-type: none">• Pension auto enrollment to expand, reducing eligible age and abolishing earnings threshold — key date: unknown



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