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Global Legislative Update

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Law & Policy Group

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In this document

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



Employer action required



Potential implications for employers



Developments to monitor

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

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Section 1

Highlights

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Americas	
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Bolivia	Minimum wage increased
Canada	Equal pay regulations for federally regulated employers published Minimum wage to increase in Quebec
Honduras	Minimum wage increased
United States	Department of Labor revives narrower definition of fiduciary investment advice Options for SECURE 2.0 paper statement compliance expanded Civil monetary penalties won't increase for 2026 Excepted fertility benefit proposed Proposed overhaul of public company filer statuses would reduce executive pay disclosure Rescission of annual workforce data reporting proposed Guidance issued on proxy advisors' status as ERISA fiduciaries New joint employer rule proposed Roundup: Employer resources on tax deduction for overtime pay Roundup: Employer resources on H-1B reforms

Americas (continued)

United States

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Americas (continued)	
United States	Benefit and leave laws vary in Puerto Rico Pharmacy benefit manager law enacted in Tennessee Law clarifies when noncompetes are reasonable and bans them for lower wage earners in Tennessee Governor signs paid sick and safe leave bill into law in Virginia Washington Partnership Access Line rates announced in Washington Paid family and medical leave law enacted in Washington
Asia Pacific	
Australia	Securities regulator to focus on financial reporting, audit and sustainability
South Korea	New '5th-generation' medical insurance plan launched Employers prohibited from providing temporary housing structures for foreign workers Constitution Day officially designated as national holiday Collection of overdue wages, payment of overdue wages accelerated Annual leave usage, statutory rest break changed Paid leave for infertility treatment increased Tripartite agreement proposes a retirement pension system to replace severance pay scheme
Europe, Middle East and Africa (EMEA)	
European Union	Talent Pool digital platform to address skill shortages Law to improve gender balance on company boards approved Pay transparency requirements must be implemented into national laws by member states
Belgium	Labor measures aim to increase flexibility, boost competitiveness
Croatia	Mandatory basic military training reintroduced
Egypt	Details of workplace nursery requirements issued
France	Minimum wage increased Copayment exemption for long-term illness to end Reimbursement eligibility for reusable menstrual products expanded
Italy	Measures to incentivize hiring into permanent roles introduced
Luxembourg	Minimum wage increased
Spain	Flexible retirement options to improve
Turkey	Maternity and paternity leave expanded
United Arab Emirates	Unified national health insurance system to be introduced Wage payment system to be introduced

EMEA (continued)

United Kingdom	<u>Interim report issued by Second Pensions Commission</u> <u>The Pensions Regulator issues Annual Funding Statement</u> <u>June 15 bank holiday announced in Scotland</u>
Uzbekistan	<u>Employers no longer pay maternity and certain sick benefits</u>

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, 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, news articles, and viewpoints.
Resources	Roundup , regularly updated


Remote working	
Status	 Ongoing initiatives
Development	<p>Career — Health — Wealth</p> <p>Roundup: Countries address remote-working issues</p> <p>Remote working has become more of a permanent feature for many employees and employers after various countries introduced COVID-19 measures. Remote working poses challenges and considerations for employers devising or adjusting policies. Issues to consider include the definition of remote work, eligibility criteria, hybrid working arrangements, employee engagement and performance, cybersecurity, health and safety, the right to disconnect, the impact of employees relocating to a different country or state, and the post-pandemic return to the workplace. Several jurisdictions have introduced remote-working legislation that clarifies post-pandemic employer and employee requirements, and others are expected to follow suit. To help employers consider the issues associated with remote working, the roundup provides links to government information, third-party analyses, news articles, and viewpoints.</p>
Resources	Roundup , regularly updated
Reproductive rights	
Status	 Ongoing initiatives
Development	<p>Health</p> <p>Roundup: Global employer resources on reproductive rights post-Dobbs ruling</p> <p>In June 2022, the US Supreme Court's <i>Dobbs v. Jackson Women's Health Organization</i> decision overturned <i>Roe v. Wade</i>, finding no federal constitutional right to abortion and allowing states to regulate and ban abortions at all stages of pregnancy. To provide multinational employers some information on countries' positions on reproductive rights and the varying employee health benefit plan issues involved, the roundup cited below provides links to organizations, government websites, third-party analysis, news articles, and viewpoints.</p>
Resources	Roundup , regularly updated
Right to disconnect	
Status	 Ongoing initiatives
Development	<p>Career</p> <p>Roundup: Right to disconnect around the world</p> <p>In recent years, several countries have enacted legislation requiring employers to allow employees the "right to disconnect" — or to "switch off" from work-related electronic communications (such as emails) outside of their normal working hours. To help employers consider the issues associated with the right to disconnect, this roundup provides links to general information about countries' legislative/regulatory governance initiatives and trends. Sources include organizations, government websites, third-party analysis news articles, and viewpoints.</p>
Resources	Roundup , regularly updated

Section 3


Americas

Argentina (previously covered, with an upcoming effective date)	
Development	<p>Career — Health</p> <ul style="list-style-type: none"> Court reinstates labor reforms; constitutional issues remain under judicial review — key date: Constitutional issues remain under judicial review <p>Career</p> <ul style="list-style-type: none"> Labor modernization bill approved by Parliament — key date: Effective date unknown
Barbados (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage increased</p> <p>On January 21, 2026, the government increased the national minimum wage to BB\$428.40, up from BB\$420 for a 40-hour working week for employees who are paid weekly. The daily minimum wage rate increased to BB\$85.68, up from BB\$84, for an eight-hour workday for employees who are not employed on a weekly basis. The hourly rate increased to BB\$10.71, up from BB\$10.50, for employees who are not employed on a weekly or daily basis. The sectoral wage for security guards is BB\$11.66/hour, up from BB\$11.43/hour when employees are paid on an hourly basis.</p>
Resources	National minimum wage (Government)
Bolivia (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage increased</p> <p>On January 2, 2026, Bolivia’s monthly minimum wage increased to 3,300 BOB, up from 2,750 BOB. All workers, regardless of hiring type (fixed-term, indefinite term, seasonal, etc.) are entitled to the salary increase. Executive staff are exempt from the salary increase.</p>
Resources	Announcement (Spanish) (Ministry of Labor)


Brazil (previously covered, with an upcoming effective date)	
Development	<p>Career — Health</p> <ul style="list-style-type: none"> • Paid paternity leave expanded — key date: January 1, 2027 <p>Career</p> <ul style="list-style-type: none"> • Payroll tax to increase — key date: January 1, 2027
Canada (new)	
Status	 Effective October 26, 2026
Development	<p>Career</p> <p>Equal pay regulations for federally regulated employers published</p> <p>Equal Pay Regulations will take effect on October 20, 2026, following their proclamation on May 6, 2026. The Regulations strengthen the “equal pay for equal work” provisions that were enacted as part of Bill C-86 (Budget Implementation Act, 2018, No. 2) by prohibiting federally regulated employers from paying different wage rates based on an employee’s employment status where employees perform substantially the same kind of work. They also impose specific obligations on temporary help agencies, including requirements to pay equal wages and prohibitions on charging certain fees to workers. <i>Two Interpretations, Policies and Guidelines</i> on equal treatment and temporary help agencies accompany these changes. Highlights of the Regulations include:</p> <ul style="list-style-type: none"> • Employees must be paid fairly, regardless of employment status (for example, full-time, part-time, casual or temporary), subject to legitimate exceptions such as bona fide seniority and merit systems. • Employees may request a review of their wage rate. Employers must respond within 90 days, complete the review, and either increase the wage or confirm that the current wage is compliant and provide supporting reasons. • Key terms are clarified and defined, including employment status, full-time, part-time, permanent and temporary employment, and industrial establishment (which accounts for remote work and atypical workers in transportation). The Regulations also clarify requirements for seniority/merit systems, methods for calculating wage rates, exceptions to the equal wage requirement, record-keeping obligations, and the notices that employers must post. • A two-year transition period is provided to allow adaptation of existing collective agreements. • Temporary help agencies are prohibited from charging certain fees to individuals in connection with their employment (or must instead pay the equivalent amount to the worker). They are also prohibited from paying an employee less than the rate paid by the client to its own employees.
Resources	<p>Order (Government, May 6, 2026); Equal Treatment — IPG-122 (Government, May 6, 2026) and Temporary help agencies — IPG-123 (Government, May 6, 2026)</p>


Canada — Quebec (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage to increase</p> <p>On May 1, 2026, the minimum wage increased to C\$16.60/hour, up from C\$16.10/hour.</p>
Resources	Announcement (French) (Government, January 22, 2026)
Canada (previously covered, with an upcoming effective date)	
Development	<p>Career — Health</p> <ul style="list-style-type: none"> • ‘Right-to-disconnect’ established for employees — key date: Expected to take effect later in 2026 <p>Health</p> <ul style="list-style-type: none"> • Significant public and private healthcare reforms introduced in Alberta — key date: To be implemented in stages throughout 2026 and 2027 <p>Wealth</p> <ul style="list-style-type: none"> • Pension super priority federal legislation enacted — key date: April 27, 2027
Colombia (previously covered, with an upcoming effective date)	
Development	<p>Career — Wealth</p> <ul style="list-style-type: none"> • Labor laws revised, worker protections expanded — key date: July 1, 2026 • New regulation on provision of breastfeeding spaces issued — key date: July 1, 2026 <p>Wealth</p> <ul style="list-style-type: none"> • Pension reforms issued — key date: Postponed from July 1, 2025, pending judicial decision
El Salvador (previously covered, with an upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Annual bonus payments mandated —key date: January 1, 2027



Honduras (new)	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Minimum wage increased</p> <p>Increases to the minimum wage for 2026 and 2027 were agreed to on April 27, 2026. The 2026 increase (between 6% and 7%) is applicable from January 1, 2026, and employers have until July 2026 to make retroactive payments in installments if they are unable to make a single payment. The wage rates vary according to the employer's workforce size and by industry sector. The 2027 increase will be between 6% and 7.5%. Workers in the maquiladora textile sector and companies located in free-trade zones are excluded from the scope of this agreement.</p>
Resources	Information on minimum wage rates (Spanish) (Ministry of Labor, April 29, 2026)
Jamaica (previously covered, with an upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> Minimum wage increased — key date: July 1, 2026
Mexico (previously covered, with an upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> Maximum working week to be gradually reduced — key date: Beginning in 2027
Panama (previously covered, with an upcoming effective date)	
Development	<p>Wealth</p> <ul style="list-style-type: none"> Employer social security contributions increased — key date: March 1, 2027
Peru (previously covered, with an upcoming effective date)	
Development	<p>Career — Wealth</p> <ul style="list-style-type: none"> Pension system modernization law issued — key dates: 2027 and 2028 Regulations to support pension system reform issued — key date: starting in June 2027


United States (US) (new)	
Status	 Currently effective
Development	<p>Wealth</p> <p>Department of Labor revives narrower definition of fiduciary investment advice</p> <p>For the second time this decade, the Department of Labor (DOL) has officially reinstated the agency's longstanding regulatory definition, from 1975, of ERISA fiduciary investment advice. This action follows two court rulings vacating a Biden-era regulation that would have significantly expanded that definition, as well as accompanying changes to seven prohibited transaction exemptions (PTEs). DOL also revived its 2005 advisory opinion providing that one-time rollover recommendations generally aren't investment advice under the 1975 definition. DOL took this step to resolve a separate lawsuit challenging the first Trump administration's broader interpretation of rollover advice in the preamble to PTE 2020-02.</p> <p>A news release accompanying DOL's reinstatement of the 1975 regulation indicates that the agency "has no current plans to engage in notice and comment rulemaking" on the scope of fiduciary investment advice. However, the agency "will consider whether any additional guidance, including transitional or nonenforcement relief, is appropriate."</p>
Resources	<p>matthew.calloway@mercer.com and brian.kearney@mercer.com</p> <p>GRIST, May 7, 2026</p>
US (new)	
Status	 Currently effective
Development	<p>Wealth</p> <p>Options for SECURE 2.0 paper statement compliance expanded</p> <p>The Department of Labor (DOL) announced a temporary enforcement policy for retirement plan sponsors navigating compliance with the SECURE 2.0 Act (Div. T of Pub. L. No. 117-328) requirement that retirement plans give certain pension benefit statements on paper starting with the 2026 plan year. Field Assistance Bulletin (FAB) 2026-02 provides that until DOL finalizes recently proposed changes to its two electronic disclosure safe-harbor regulations, the agency won't take enforcement action against plan administrators that comply in good faith with a reasonable interpretation of SECURE 2.0's statutory paper statement provision. This includes furnishing pension benefit statements electronically under DOL's current 2002 e-delivery safe harbor. DOL also reaffirmed that plan administrators who comply with a reasonable, good-faith interpretation of the proposed regulations won't face agency enforcement action.</p>
Resources	<p>matthew.calloway@mercer.com and margaret.berger@mercer.com</p> <p>GRIST, May 19, 2026</p>

US (new)	
Status	 Currently effective
Development	<p>Health — Wealth</p> <p>Civil monetary penalties won't increase for 2026</p> <p>A recent memo from the US Office of Management and Budget (OMB) directs federal agencies not to increase inflation-adjusted civil monetary penalties for employee benefit plans for 2026. Ordinarily, the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (the Act) requires federal agencies to adjust their civil penalties for inflation by January 15 of each year. Under the Act, the 2026 penalties are supposed to be calculated by multiplying the 2025 penalty amounts by the percentage increase in the Consumer Price Index for all Urban Consumers (CPI-U) between October 2024 and October 2025. However, due to the 43-day government shutdown that began October 1, 2025, the Bureau of Labor Statistics never released CPI-U figures for October 2025, leaving the agencies without a multiplier to apply to their 2025 penalties. The OMB memo explains that no explicit statutory authority exists to use an alternative method of calculation. Further, OMB explains that an effort to use an alternative method, without that authority, could subject penalty calculations to “significant and disruptive litigation risks.” Accordingly, the memo directs the agencies to continue using 2025 penalties (shown below) for 2026.</p> <p>The agencies may be in a similar situation next year, as the Act requires that 2027 penalties reflect the increase in CPI-U between October 2025 (which does not exist) and October 2026.</p>
Resources	<p>brian. Kearney@mercer.com, margaret.berger@mercer.com, and dorian.smith@mercer.com</p> <p>GRIST, May 27, 2026</p>
US (new)	
Status	 Proposal
Development	<p>Career</p> <p>Rescission of annual workforce data reporting proposed</p> <p>On May 14, 2026, the U.S. Equal Employment Opportunity Commission (EEOC) submitted a proposed rule to the Office of Management and Budget’s Office of Information and Regulatory Affairs for review — Rescission of EEO-1, EEO-2, EEO-3, EEO-4, EEO-5, and Reporting Requirements Under Title VII, the ADA, GINA, and the PWFA. Once review is completed, the EEOC will publish the proposed rule in the Federal Register, which will begin the comment period.</p>
Resources	<p>Rescission of EEO-1, EEO-2, EEO-3, EEO-4, EEO-5, and Reporting Requirement Under Title VII, the ADA, GINA, and the PWFA (Reginfo.gov, May 14, 2026)</p>



US (new)	
Status	 Comments are due by July 13, 2026
Development	<p>Health</p> <p>Excepted fertility benefit proposed</p> <p>Regulators released proposed rules on Mother’s Day that if finalized, would add a new category of “limited excepted benefit” for fertility benefits. Under the proposal, employers could offer stand-alone fertility benefits (outside of their medical plan) similar to limited scope dental and vision benefits, either through self-funded or insured programs. Comments are due July 13, 2026. Regulators intend for final rules to apply for the first plan year beginning on or after January 1, 2027.</p> <p>Employers may want to revisit their fertility solutions if the rules are finalized. Notably, the proposal doesn’t require employers to provide fertility coverage or define essential health benefits to include fertility. Many large employers already cover fertility benefits under their medical plan, but many smaller employers do not. The proposal would expand the options for fertility benefits for all employers.</p> <p>Last year, President Trump signed an executive order intended to make fertility treatment more accessible and affordable, a priority of the White House. The options that employers already have for offering fertility benefits outside of their medical plans were revisited in FAQs explaining how existing excepted benefit rules might be used specifically to provide a standalone fertility benefit.</p>
Resources	<p>cheryl.hughes@mercero.com</p> <p>Excepted fertility benefits (Federal Register, May 13, 2026) and Delivering efficient and affordable IVF coverage to employees (Mercer, March 6, 2026)</p>

US (new)	
Status	 Comments due by July 20, 2026
Development	<p>Career</p> <p>Proposed overhaul of public company filer statuses would reduce executive pay disclosure</p> <p>On May 19, 2026, as part of its efforts to simplify US public company reporting and disclosure requirements, the Securities and Exchange Commission (SEC) proposed sweeping amendments to its public company reporting framework. Changes include significant reductions to required executive pay disclosure for most public companies. Only large accelerated filers (LAFs), defined as those with public float of \$2 billion or more, would still be required to comply with the current rules. All other companies (approximately 80% of current public companies) and, for at least a five-year period after going public, newly public companies, would be categorized as nonaccelerated filers (NAFs). NAFs would be able to take advantage of scaled disclosure rules that currently apply only to emerging growth companies (EGCs) and smaller reporting companies (SRCs). A subcategory of small nonaccelerated filers with total assets of \$35 million or less small non-accelerated filers (SNFs) would receive additional accommodations.</p> <p>The article cited below summarizes how executive pay disclosure would be scaled for NAFs and SNFs. Highlights of the proposed amendments are discussed in the SEC’s fact sheet.</p> <p>NAFs and SNFs will likely welcome the reduced compliance obligations and costs, and scaled disclosure could help the SEC achieve its stated goal of making it easier for companies to go and stay public. But the changes would also significantly reduce the information available for benchmarking pay and for investors making investment decisions.</p> <p>Comments on the proposal are due by July 20, 2026. The SEC will review the comments before issuing a final rule (which may differ from the proposal). During this period, companies weighing the pros and cons of going or staying public should factor in the reduced obligations and cost, and current filers should determine their status under the proposal and the potential impact on future pay disclosure and governance.</p>
Resources	<p>carol.silverman@mercer.com and amy.knieriem@mercer.com</p> <p>SEC’s proposed overhaul of public company filer statuses would reduce executive pay disclosure for all new and most current filers (Mercer, May 26, 2026)</p>


US	
Status	 Currently effective
Development	<p>Wealth</p> <p>Guidance issued on proxy advisors’ status as ERISA fiduciaries</p> <p>The Department of Labor (DOL) recently released guidance explaining when the agency considers proxy advisors to be acting as ERISA fiduciaries. DOL Technical Release 2026-01 implements portions of a December 11, 2025, executive order (EO) directing the agency to consider treating proxy advisors as ERISA investment advice fiduciaries. The guidance also says DOL believes ERISA doesn’t preempt state laws that require proxy advisors to disclose when recommendations involve consideration of nonfinancial factors. The guidance applies to proxy advisory services for both retirement plans and funded health and welfare plans, such as voluntary employees’ beneficiary associations (VEBAs). Plan sponsors and fiduciaries that rely on recommendations from a proxy advisor might want to confirm that their understanding of the advisor’s fiduciary status aligns with the guidance.</p>
Resources	<p>matthew.calloway@mercer.com and brian.kearney@mercer.com</p> <p>GRIST, May 20, 2026</p>
US	
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	<p>Roundup: Employer resources on tax deduction for overtime, regularly updated</p>

US	
Status	 Comments can be submitted until June 22, 2026.
Development	<p>Career — Health</p> <p>New joint-employer rule proposed</p> <p>On April 22, 2026, the Department of Labor announced a proposed rule to revise the analysis of joint-employer status under the Fair Labor Standards Act, the Family and Medical Leave Act, and the Migrant and Seasonal Agricultural Worker Protection Act. This employer-friendly proposal would:</p> <ul style="list-style-type: none"> • Set forth distinct standards for determining joint-employer status in "vertical" and "horizontal" scenarios. • Advise that horizontal joint employment arises when separate employers are sufficiently connected with respect to the employment of the same employee. However, business relationships that do not relate to the employment of specific employees are not, by themselves, sufficient to establish joint employment. • Adopt a four-factor analysis for use in every case of potential vertical joint employment. • Explain that additional factors may be relevant in assessing vertical joint employment, but that a unanimous finding on the four factors in either direction would establish a "substantial likelihood" regarding whether an individual or entity is a joint employer with another. • Advise that "reserved control" may be considered but is less indicative of vertical joint employment than "exercised control," consistent with the judicial focus on "economic reality" in FLSA employment disputes. • Exclude the consideration of factors that are relevant only in assessing whether a worker is an employee or independent contractor. • Exclude the relevance of the following general business models and business practices when determining joint employment: certain contractual agreements related to health, safety, or legal compliance, including anti-harassment policies, background checks, and workplace safety protocols; providing a sample employee handbook or other forms to another employer; offering an association health plan or association retirement plan to another employer or participating in such a plan with the employer; jointly participating in an apprenticeship program with another employer; operating as a franchisor or entering into a brand and supply agreement, or using a similar business model; and quality control standards to ensure the consistent quality of the work product, brand, or business reputation. • Provide examples illustrating how the proposed analysis would apply in certain factual circumstances.
Resources	DOL proposes rule clarifying joint-employer status under wage and hour laws (DOL, April 22, 2026)

US	
Status	 Ongoing developments
Development	<p>Career</p> <p>Roundup: Employer resources on H-1B reforms</p> <p>On September 19, 2025, President Trump signed a proclamation to restrict the entry into the US of H-1B alien workers in specialty occupations, requiring a \$100,000 payment to accompany or supplement H-1B visa petitions for new applications. Other planned H1-B changes were also included in the proclamation. Guidance in response to the proclamation was issued by US Citizenship and Immigration Services, US Customs and Border Protection (USCIS), the Department of State, and the Department of Homeland Security. However, implementation of the proclamation has caused confusion among employers and H-1B holders. On September 20, 2025, the Chamber of Commerce released the following statement: “We’re concerned about the impact on employees, their families, and American employers. We’re working with the Administration and our members to understand the full implications and the best path forward.” On December 29, 2025, USCIS published a final rule that will replace the prior random lottery process for the selection of new H-1B visas with a system that prioritizes the allocation of visas to higher skilled and higher paid foreign workers.</p> <p>To provide employers with some information about the new H-1B visa requirements 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 H-1B reforms , regularly updated
US	
Status	 Effective dates vary.
Development	<p>Career — Health</p> <p>2025 state paid family and medical leave contributions and benefits</p> <p>Mandates requiring paid leave for an employee’s own health condition exist in 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.</p>
Resources	rich.glass@mercer.com and katharine.marshall@mercer.com GRIST , updated January 29, 2025 and Paid family and medical leave: Snapshots across the US (Mercer, February 6, 2026)


US	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Domestic partner benefits remain popular, but present challenges</p> <p>Domestic partner benefits continue to be common among many employers. However, compliance complexities present challenges for employers. The GRIST cited below (with minor updates and clarifications) reviews the major issues, particularly related to taxation and documentation, and provides useful tools, including a tax dependent flow chart, an employer domestic partner checklist, and two tables summarizing applicable state laws.</p>
Resources	<p>rich.glass@mercer.com and patty.cartwright@mercer.com</p> <p>GRIST, regularly updated</p>
US	
Status	 Effective dates vary.
Development	<p>Career — Health</p> <p>Roundup: State accrued paid leave mandates</p> <p>More than one-third of all states have some form of accrued paid leave requirement. These laws have certain common features, including the following:</p> <ul style="list-style-type: none"> • Which employers must comply, and which employees can accrue and take paid leave • 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 — 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 • Requirements typically don’t apply to employees covered by a collective bargaining agreement (CBA) in effect at the time of a law’s passage.
Resources	<p>rich.glass@mercer.com and katharine.marshall@mercer.com</p> <p>Roundup: State accrued paid leave mandates (Mercer, regularly updated)</p>

US	
Status	 Currently effective
Development	<p>Health</p> <p>Beyond COBRA: State laws add complexity to continuation coverage</p> <p>Though COBRA has endured for decades, state continuation laws are its less familiar sidekick. These laws (often referred to as “mini-COBRA” laws), fill in COBRA’s gaps, particularly for small employers offering fully insured group health plans as well as fully insured large-employer group health plans (often referred to as “post-COBRA” laws), where coverage is required beyond COBRA’s normal time frames. The GRIST cited below summarizes the major aspects of state continuation requirements.</p>
Resources	<p>rich.glass@mercer.com GRIST, November 12, 2024</p>
US	
Status	 Currently effective
Development	<p>Health</p> <p>Group fixed-indemnity plans pose legal and tax issues</p> <p>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.</p>
Resources	<p>jennifer.wiseman@mercer.com and cheryl.hughes@mercer.com GRIST, August 27, 2024</p>

US	
Status	 Effective dates vary.
Development	<p>Wealth</p> <p>User's Guide to SECURE 2.0</p> <p>A dizzying array of legislation affecting defined contribution (DC) and defined benefit (DB) plans became law on December 29, 2022, as part of a fiscal 2023 government spending package. Capping several years of congressional efforts, the SECURE 2.0 Act of 2022 (Div. T of Pub. L. No. 117-328) is intended to build on changes made by the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019 (Div. O of Pub. L. No. 116-94).</p> <p>Navigating SECURE 2.0 is a formidable challenge. The statute consists of 120 pages of text and 90 individual sections — with no table of contents. To help employers and plan sponsors understand the legislation's implications, this guide provides a high-level summary of SECURE 2.0 provisions grouped topically, including separate treatment of provisions specific to DC and DB plans.</p> <p>The six tables in this guide describe statutory changes and their effective dates, identify whether the changes are mandatory or optional for employers, and provide initial observations, including implementation challenges for which agency guidance would be helpful. The act also includes several apparent drafting errors for which Congress intends to introduce technical corrections legislation. Those errors are noted in the relevant sections of the guide.</p> <p>This guide doesn't address SECURE 2.0's employee stock ownership plan (ESOP) provisions and a handful of other nonbenefit-related provisions. When referring to the original SECURE Act, this guide uses the term "SECURE 1.0" to avoid any confusion between the laws.</p> <p>This guide is updated periodically to reflect additional information and guidance.</p>
Resources	<p>margaret.berger@mercer.com, matthew.calloway@mercer.com, and brian.kearney@mercer.com</p> <p>User's guide to SECURE 2.0, periodically updated</p>

US	
Status	 Effective dates vary.
Development	<p>Career — Health</p> <p>Transportation plans offer valued benefits, but pose compliance issues</p> <p>Since 1998, employees have been able to pay for qualified transportation fringe benefits through pretax salary reductions under Internal Revenue Code (IRC) § 132(f), and these benefits have become quite popular. (Employers could provide this benefit on a tax-advantaged basis as early as 1992.) The tax exemption extends to commuting expenses for transit passes, qualified parking, van pools, and in certain years, bicycles. While these benefits are not subject to cafeteria plan or ERISA rules, compliance difficulties exist, and a 2018 tax law that expired at the end of 2025 added complexities. The federal monthly limits are adjusted every year. Some state and local jurisdictions have imposed employer mandates, such as leveraging the tax advantage of commuter benefits and providing tax-related incentives.</p>
Resources	<p>rich.glass@mercer.com and cheryl.hughes@mercer.com</p> <p>GRIST, regularly updated</p>
US	
Status	 Currently effective
Development	<p>Career</p> <p>Roundup: Employer resources on the changing landscape of DEI</p> <p>In June 2023, the US Supreme Court in <i>Students for Fair Admissions, Inc. v. President and Fellows of Harvard College</i> ruled colleges' use of race as a factor in student admissions is unconstitutional under the 14th Amendment's equal protection clause. Since the decision, various viewpoints have emerged on the ruling's effect on companies' diversity, equity and inclusion (DEI) programs. While the Biden administration actively supported affirmative action and various DEI initiatives, President Trump's administration adopted a firm stance against DEI programs in both the federal government and private sectors, issuing several executive orders (EOs) to limit these efforts. This roundup provides links to government information, third-party analyses, news articles, and viewpoints about the varying aspects and issues to consider regarding employers' DEI programs.</p>
Resources	<p>Roundup, regularly updated</p>

US

Status  **Effective dates vary.**

Development **Career**
Roundup: Employer resources on noncompete restrictions
 Noncompete agreements prevent former employees from working for a competing employer or starting a competing business for a certain time period after their employment ends. At the federal level, the Federal Trade Commission (FTC), under the Biden administration, finalized a rule banning noncompetes. In August 2024, a federal judge in Texas blocked the rule from taking effect nationwide. While the FTC appealed the decision, the current FTC, under the Trump administration, will not defend this rule. At the moment, it is unclear as to what position the FTC will take on noncompete agreements. On September 4, 2025, the FTC launched a public inquiry to better understand the scope, prevalence and effects of employer noncompete actions, as well as to gather information to inform possible enforcement actions.
 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 analyses, news articles, and viewpoints.


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 rich.glass@mercer.com and dorian.smith@mercer.com
[GRIST](#), regularly updated

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



US — States	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Roundup: Employer resources on states’ recreational marijuana laws</p> <p>Twenty-four states, plus Guam and Washington, DC, have legalized the possession and personal use of marijuana for recreational purposes. To provide employers with some information on states’ actions and the varying employment considerations involved, this roundup provides links to government information, third-party analyses, news articles, and viewpoints on marijuana usage for recreational purposes. Thirty-eight states, plus Guam, Puerto Rico, the US Virgin Islands and Washington, DC, have legalized marijuana use for medical purposes, but this roundup focuses on legal recreational marijuana use and its implications for employers. The aggregated content in each section is organized in reverse chronological order and is by no means comprehensive. It also does not necessarily reflect Mercer’s or the authors’ point of view on the subject.</p>
Resources	Roundup , regularly updated
US — States	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Roundup: Employer resources on minimum wage increases</p> <p>On 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 January 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 government information, third-party analyses, news articles, and viewpoints.</p>
Resources	Roundup , regularly updated

US — States	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Roundup: Employer resources on hairstyle nondiscrimination laws</p> <p>The Creating a Respectful and Open World for Natural Hair (CROWN) Act movement in the United States is meant 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, this roundup provides links to government information, third-party analyses, news articles, and viewpoints.</p>
Resources	Roundup , regularly updated
US — California — San Francisco (new)	
Status	 Effective July 1, 2026
Development	<p>Health</p> <p>Health Care Accountability Ordinance rates announced</p> <p>The Health Care Accountability Ordinance (HCAO) requires most city contractors to provide healthcare benefits meeting minimum standards. Alternatively, employers can make a payment to the San Francisco General Hospital based on an hourly rate for each covered employee. These rates change every July 1. Here are the upcoming and current rates:</p> <ul style="list-style-type: none"> • As of July 1: \$8 per hour, capped at \$320 per week • Through June 30: \$7.50 per hour, capped at \$300 per week
Resources	rich.glass@mercer.com Health Care Accountability Ordinance (Government)

US — Connecticut (new)	
Status	 Effective October 1, 2026
Development	<p>Career — Health</p> <p>Broad workforce law that includes expanded wage transparency requirements enacted</p> <p>Connecticut's governor recently signed a broad workforce law (HB 5003) that will expand its wage transparency requirements and require other employer action beginning October 1, 2026.</p> <p>Highlights of the wage transparency requirements include:</p> <ul style="list-style-type: none"> • Employers will be required to post the wage range and a general description of benefits in internal and public job postings. Currently, Connecticut only requires employers to provide the wage range upon request of an applicant or at the time an offer was made. • Benefits means health insurance benefits, retirement benefits, fringe benefits, paid leave and any other compensation other than wages to be offered with a position. • Anti-retaliation protections will be expanded to prohibit refusing to interview, hire and promote or to terminate any applicant or employee for exercising their rights. • Punitive damages will no longer be available, but the statute of limitations is extended from one to two years. • The provisions will apply to any position where the duties will be performed within the state or outside of the state when the employee must report directly to a supervisor, office or other worksite located within the state. <p>Other employment changes worth highlighting include:</p> <ul style="list-style-type: none"> • Employers will be required to provide reasonable break times for an employee to express breast milk, in addition to scheduled breaks — current law only permits use of existing meal/break time. • The prohibition on employment promissory notes (such as repayment of training costs) will be expanded to all employers — currently, it only applies to employers with 26 or more employees. Certain exceptions remain. • Employers must provide written notice of the right to reasonable accommodations for a disability under the federal Americans with Disabilities Act to new employees at the commencement of employment; existing employees within 120 days of October 1, 2026; and any employee who notifies the employer of their disability within 10 days. An employer may comply with these notice obligations by conspicuously displaying a poster created by the Connecticut DOL. • Employers with 100 or more employees will be required to create a guide for their employees on the pay codes used for overtime and commonly used pay differentials such as on-call pay, hazard pay, call-back pay, holiday and weekend pay, or geographic pay differentials.
Resources	Governor Lamont signs legislation protecting worker's rights (Governor's office, May 11, 2026) and HB 5003 (Legislature)

US — Georgia (new)	
Status	 Effective July 1, 2026
Development	<p>Health</p> <p>Portable benefits accounts for nonemployees enacted</p> <p>The Voluntary Portable Benefit Plan Act (2026 Act 466 (HB 987)) enables voluntary contributions to PBAs, allowing independent contractors to fund the accounts via withdrawals from compensation. PBAs can be used to fund health insurance, unemployment insurance, disability insurance, life insurance, or retirement benefits. PBA contributions will not affect the individual's employment classification. The law does not provide favorable state tax treatment, even though Georgia has a state income tax.</p>
Resources	<p>rich.glass@mercer.com</p> <p>2026 Act 466 (HB 987) (Legislature, May 11, 2026)</p>
US — Georgia (new)	
Status	 Effective January 1, 2027
Development	<p>Health</p> <p>Law addresses artificial intelligence in insurance coverage</p> <p>Law 2026 Act 411 (SB 444)) permits private review agents and utilization review entities to use AI and related tools in utilization review, requiring clinical peer review by a qualifying natural person for adverse determinations. Georgia generally does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state. This law does not affect self-funded Employment Retirement Income Security Act plans.</p>
Resources	<p>rich.glass@mercer.com</p> <p>2026 Act 411 (SB 444) (Legislature, May 5, 2026)</p>
US — Hawaii (new)	
Status	 Effective July 1, 2026
Development	<p>Career — Health</p> <p>Unpaid family leave law changed to include qualifying military exigencies</p> <p>Per 2026 Act 13 (SB 3082), eligible employees will be able to take up to four weeks of unpaid family leave for a qualifying military exigency, as defined under federal Family and Medical Leave Act regulations.</p>
Resources	2026 Act 13 (SB 3082) (Legislature, May 19, 2026)

US — Illinois (previously covered, now effective)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Leave required for employee blood and organ donation</p> <p>2025 Pub. Law 104-0193 (HB 1616) requires 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 prior law required this type of leave every 56 days.</p>
Resources	<p>rich.glass@mercer.com</p> <p>2025 Pub. Law 104-0193 (HB 1616) (Legislature, August 15, 2025)</p>
US — Illinois (previously covered, now effective)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Leave required for employees with a child in a neonatal intensive care unit</p> <p>2025 Pub. Law 104-0259 (HB 2978) requires employers with at least 16 employees to provide leave for employees when a child is a neonatal intensive care unit 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.</p>
Resources	<p>rich.glass@mercer.com</p> <p>2025 Pub. Law 104-0259 (HB 2978) (Legislature, August 15, 2025)</p>
US — Iowa (new)	
Status	 Effective July 1, 2026
Development	<p>Health</p> <p>Clarification of how insurance laws apply to HSA qualifying high-deductible health plans</p> <p>A new law (HF 2185) clarifies that if any plan’s cost sharing would result in HSA ineligibility, the cost sharing will apply only after the participant has met the minimum annual deductible. Moreover, this excludes preventive care services as defined by tax codes. Iowa generally does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state. This law does not affect self-funded Employment Retirement Income Security Act plans.</p>
Resources	<p>rich.glass@mercer.com</p> <p>HF 2185 (Legislature, May 15, 2026)</p>

US — Iowa (new)	
Status	 Currently effective
Development	<p>Health</p> <p>Iowa joins telehealth compact</p> <p>The Iowa Make America Healthy Again Act (HF 2676) is a far-reaching law affecting health professions, nutrition, medication, and education. Iowa has joined the Psychology Interjurisdictional Compact (PSYPACT), an agreement among states that facilitates the interstate practice of mental health services. Iowa becomes the 42nd state to join PSYPACT. Massachusetts, and New York currently have pending PSYPACT bills.</p>
Resources	<p>rich.glass@mercer.com</p> <p>HF 2676 (Legislature, May 20, 2026) and Psychology Interjurisdictional Compact (PSYPACT)</p>
US — Kansas (new)	
Status	 Currently effective
Development	<p>Health</p> <p>Pharmacy benefit manager restrictions and reporting required</p> <p>A new law (SB 20) imposes restrictions on pharmacy benefit managers (PBMs) and requires annual reporting by PBMs, as well as fully insured and self-funded ERISA plans.</p> <p>Restrictions. These rules apply to PBMs (with an express exemption for self-funded ERISA plans):</p> <ul style="list-style-type: none"> • PBMs cannot reimburse a pharmacy less than the National Average Drug Acquisition Cost (NADAC) — or wholesale Acquisition Cost, if NADAC is unavailable — for a drug, plus a dispensing fee equal to the greater of \$10.50 or the state Medicaid (KanCare) rate. • PBMs cannot reimburse a pharmacy less than the amount it reimburses an affiliated pharmacy. • Spread pricing is banned. • PBMs must pass through 100% of rebates to the fully insured plan or to participants at point of sale. Rebates are broadly defined to include all payments received directly or indirectly from a manufacturer, including discounts, administration fees, credits, incentives, or penalties. There is an express exemption for the 340B program. • PBMs cannot collect participant cost sharing that exceeds a pharmacy’s submitted charges. <p>Reporting. PBMs, fully insured plan, and covered entities must submit annual reports to the Kansas Department of Insurance (KDOI). The definition of a covered entity was changed to include “any entity that provides, administers or manages a self-funded health benefit plan including a governmental plan or any other entity that provides prescription drug coverages.” This duty does not apply to insurers of property and casualty coverage or workers’ compensation.</p>
Resources	<p>rich.glass@mercer.com</p> <p>SB 20 (Legislature, April 9, 2026)</p>

US — Louisiana (new)	
Status	 Effective on August 1, 2026
Development	<p>Health</p> <p>Portable benefit accounts for independent workers established</p> <p>The Independent Contractor Voluntary Portable Benefits Act establishes portable benefits accounts (PBAs), which may be administered by banks, investment managers, or technology/program managers offering services through a bank or investment management firm. The accounts can fund benefits, including health, income-replacement, disability, life, and retirement. A hiring party may contribute or withhold contributions from pay with proper notice to, and consent of, the individual. Contributions cannot be used to determine employment classification, employer liability, or be treated as evidence of an employment relationship under Louisiana workers' compensation or employment security laws. The law does not address state taxation, even though Louisiana has a state income tax.</p>
Resources	<p>rich.glass@mercer.com</p> <p>2026 Act 299 (HB 301) (Legislature, May 22, 2026)</p>
US — Louisiana (new)	
Status	 Currently effective
Development	<p>Health</p> <p>Louisiana joins the Psychological Interjurisdictional Compact</p> <p>Louisiana has joined the Psychology Interjurisdictional Compact (PSYPACT), an agreement among states that facilitates the interstate practice of mental health services. The law will take effect January 1, 2028. The state becomes the 43rd state to join PSYPACT. Massachusetts and New York currently have pending PSYPACT bills.</p>
Resources	<p>rich.glass@mercer.com</p> <p>2026 Act 302 (HB 486) (Legislature, May 22, 2026)</p>
US — Louisiana (new)	
Status	 Currently effective
Development	<p>Health</p> <p>Telehealth law enacted</p> <p>The law permits licensed providers to use telehealth to evaluate, diagnose, or treat obesity and to deliver weight-management services, provided the care involves a synchronous interaction and the provider practices within their licensed scope and the applicable standard of care. The law took effect May 22, 2026.</p>
Resources	<p>rich.glass@mercer.com</p> <p>2026 Act 345 (SB 30) (Legislature, May 22, 2026)</p>

US — Maine (new)

Status



Effective July 1, 2026

Development

Career — Health

Increases to average weekly wage to affect paid family and medical leave benefit amounts


The state average weekly wage (SAWW) will increase by 4.2% to \$1,249.12 (up from \$1,198.84) from July 1, 2026, to June 30, 2027. Maine paid family and medical leave (PFML) uses the SAWW in three different ways:


- The minimum earnings threshold (a worker must have earned six times the SAWW in their Base Period to be eligible)
- The weekly benefit amount (WBA), where a worker's Average Weekly Wage (AWW) up to half the SAWW is replaced at 90% and the AWW above that level is replaced at 66%
- The maximum WBA (100% of the SAWW)



Claims with an application date and a leave start date after July 1, 2026, will use the new SAWW.



Resources



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US — Massachusetts (new)	
Status	 Effective January 1, 2027
Development	<p>Health</p> <p>2027 individual-mandate coverage dollar limits set</p> <p>The Massachusetts Health Connector announced the 2027 dollar limits on deductibles and other cost sharing for minimum creditable coverage (MCC) requirements. Here are the maximum thresholds:</p> <p>Deductibles. These remain unchanged:</p> <ul style="list-style-type: none">• Individual tier: \$3,200 (2027), \$3,020 (2026)• Individual tier separate prescription: \$400 (2027), \$360 (2026)• Family tier: \$6,400 (2027), \$6,400 (2026)• Family tier separate prescription: \$800 (2027), \$800 (2026) <p>Out-of-pocket maximums. These will increase by more than 17%:</p> <ul style="list-style-type: none">• Individual tier: \$12,000 (2027), \$10,150 (2026)• Family tier: \$24,000 (2027), \$20,300 (2026) <p>As background, the deductibles were supposed to increase significantly, but a February Health Connector board meeting froze them for 2027.</p> <p>In addition, the Department of Revenue recently announced the 2026 monthly penalties for uninsured Massachusetts residents (based on individual income as a percentage of the federal poverty level (FPL)):</p> <ul style="list-style-type: none">• 150.1%-200% FPL: \$26• 200.1%-250% FPL: \$51• 250.1%-300% FPL: \$76• 300.1%-400% FPL: \$117• Above 400% FPL: \$211 <p>The state's individual mandate requires state residents to maintain MCC or face a potential state tax penalty. Plan sponsors (or their vendors) must determine whether coverage meets MCC standards.</p>
Resources	<p>rich.glass@mercer.com</p> <p>Administrative Information Bulletin 01-26 (MA Health Connector, May 7, 2026)</p>

US — New Mexico (new)	
Status	 Plan years starting in 2027
Development	<p>Career — Health</p> <p>Emergency rule mandating gender-affirming care coverage finalized</p> <p>The New Mexico Office of Superintendent of Insurance (OSI) adopted an emergency rule requiring fully insured plans to cover specified sex trait modification procedures, consistent with existing state discrimination laws. Under the rule, and based on prohibitions on discrimination by sex or health status, insurers must cover a sex trait modification procedure (as defined by federal law) when a participant’s provider, in consultation with the insurer, determines it to be medically necessary. The rule imposes no minimum age requirement and requires plans to describe the coverage in their evidence-of-coverage documents.</p> <p>OSI said the emergency action was prompted by “[r]ecent updates to federal regulations created ambiguity about whether health insurers needed to cover aspects of gender-affirming healthcare.” The emergency rule technically expires 180 days after May 5, 2026, but OSI indicated it intends to adopt a final rule. The rule applies to plan years starting in 2027.</p> <p>New Mexico generally does not apply its insurance laws and rules on an extraterritorial basis to fully insured plans issued in another state. This rule does not affect self-funded ERISA plans.</p>
Resources	<p>rich.glass@mercer.com</p> <p>Emergency rule (May 6, 2026)</p>

US — New Jersey (new)	
Status	 Effective October 1, 2026
Development	<p>Career — Health — Wealth</p> <p>Independent contractor/employee classification rules adopted</p> <p>The New Jersey Department of Labor and Workforce Development (NJDOLE) recently adopted new regulations that clarify the statutory ABC test for determining whether a worker is an independent contractor or employee under New Jersey’s Unemployment Compensation Law, Wage and Hour Law, and the Wage Payment Law. The final regulations scaled back on several of the controversial proposals issued in 2025. Under the final regulations, an employer must prove all three “prongs” of the ABC test to classify a worker as an independent contractor:</p> <ol style="list-style-type: none"> 1. The worker has been and will continue to be free from control or direction over the performance of services, both under the worker’s contract of service and in fact; 2. Work performed is either outside the usual course of the business for which the work is being performed, or the work is performed outside of all the places of business of the enterprise; and 3. The worker is customarily engaged in an independently established trade, occupation, profession or business. <p>The regulations, which also provide enforcement guidelines, will take effect on October 1, 2026.</p>
Resources	NJDOLE adopts clear rules on worker classification to protect workers’ rights, level the playing field for businesses (NJDOLE, May 5, 2026)
US — Puerto Rico	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Benefit and leave laws vary</p> <p>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.</p>
Resources	rich.glass@mercer.com GRIST , August 12, 2024

US — Tennessee (new)	
Status	 Effective January 1, 2027
Development	<p>Health</p> <p>Pharmacy benefit manager law enacted</p> <p>The Freedom, Access, and Integrity in Registered Pharmacy (FAIR Rx) Act (SB 2040) prohibits Pharmacy Benefit Manager (PBM) ownership of a pharmacy and/or insurer that operate in the state. A limited-use license is available for certain rare, orphan, or FDA-designated limited-distribution drugs, through September 1, 2028; the state board of pharmacy has discretion in issuing these licenses. Before the law takes effect on January 1, 2027, the board must review all active pharmacy licenses by July 1 and notify affected license holders by October 1.</p> <p>The law mirrors a 2025 Arkansas law, currently on hold due to a preliminary injunction.</p>
Resources	<p>rich.glass@mercer.com</p> <p>Freedom, Access, and Integrity in Registered Pharmacy (FAIR Rx) Act (Legislature, May 22, 2026)</p>
US — Tennessee (new)	
Status	 Effective for agreements entered into on or after July 1, 2026
Development	<p>Career</p> <p>Law clarifies when noncompetes are reasonable and bans them for employees earning less than \$70,000/year</p> <p>Tennessee enacted law HB 1034 that clarifies when noncompetes are reasonable and bans noncompete agreements entered into on or after July 1, 2026, for workers who earn less than \$70,000/year. Highlights include:</p> <ul style="list-style-type: none"> • Post-relationship restraints of two years or less are presumed reasonable for employees. Courts may modify overbroad covenants to make them reasonable and enforceable. • Employers will not be able to require, request, or enforce noncompete agreements against employees whose annualized compensation is less than \$70,000. “Annualized compensation” includes wages/salary, commissions, nondiscretionary bonuses, other remuneration. For hourly workers, the hourly rate will be multiplied by 40 and then by 52. Any noncompete executed in violation of this threshold will be void and unenforceable as a matter of public policy. • Preserved and enforceable agreement types are confidentiality/nondisclosure agreements; client/customer nonsolicitation agreements and employee nonsolicitation agreements.
Resources	HB 1034 (Legislature)

US — Virginia (new)	
Status	 Beginning July 1, 2027
Development	<p>Health — Career</p> <p>Governor signs paid sick and safe leave bill into law</p> <p>HB 5/SB 199 (Chpt. 1129) is the second paid leave law to be enacted in Virginia this legislative session. Highlights include:</p> <ul style="list-style-type: none"> Beginning July 1, 2027, employees will accrue one hour of paid leave for every 30 hours worked, up to 40 hours per year, with a carryover and annual usage maximum of 40 hours. Front-loading instead of accrual is permissible. Accrued paid sick and safe leave (PSSL) can be used for employee’s or family member’s need for medical care (including preventive) and situations involving domestic violence, sexual assault, or stalking for the employee or family member. Certain healthcare workers are not covered. The “family member” definition largely mirrors the Paid Family and Medical Leave bill’s definition, except under the PSSL law. The definition also includes individuals responsible for providing or arranging health or safety-related care. Effective dates vary by employer size: July 1, 2027, for employers with 50 or more employees; January 1, 2028, for employers with 25 or more employees; and January 1, 2029, for employers with at least one employee. It is unclear whether these thresholds are based on national or Virginia headcount.
Resources	HB 5/SB 199 (Chpt. 1129) (Legislature, May 20, 2026)
US — Washington (new)	
Status	 Effective for fiscal year 2027.
Development	<p>Health</p> <p>Washington Partnership Access Line rates announced</p> <p>The Washington Partnership Access Line (WAPAL) Fund Advisory Committee determined the covered-lives assessment (CLA) rates for fiscal year 2027.</p> <p>As background, the state has a CLA and reporting obligation for health plan insurers and sponsors with covered state residents. The rate changes every July 1. The new monthly rate (July 1, 2026 – June 30, 2027) was approved on May 28, 2026, increasing from \$0.07 to \$0.09 per covered life.</p>
Resources	rich.glass@mercer.com WAPAL Fund

US — Washington (previously covered, soon to be effective)

Status  **Effective June 11, 2026**

Development

Career — Health

Paid family and medical leave law enacted

A new paid family and medical leave (PFML) law will help employees taking medical leave by clarifying the federal tax treatment of benefits.

IRS Rev. Ruling 2025-4 (updated by Notice 2026-6) explains how paid medical leave benefits for an employee’s own health condition will be taxed for federal income tax purposes, starting with the 2027 tax year. Specifically, medical leave benefits funded by employee contributions and employer pick-up contributions are nontaxable, while benefits funded by required employer contributions are treated as wages, subject to employment taxes and reported on Form W-2.

Previously, Washington law attributed 55% of medical leave benefits to employer contributions and 45% to employee contributions. For family leave, employees paid the full cost. Due to Pub. Law 26 (HB 2345), this allocation changed: employees will now pay 100% of the medical leave cost, and 45% of the family leave cost. However, the overall contribution rate for employees and employers remains unchanged.

Resources

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[2026 Pub. Law 26](#) (HB 2345) (Legislature, March 11, 2026)

US (previously covered, with upcoming effective dates)

Development

Career

- [Wage transparency, salary history ban law enacted in Virginia](#) — key date: July 1, 2026
- [Pay transparency law enacted in Maine](#) — key date: July 29, 2026
- [Safeguards for immigrants that will require employer action enacted in Washington](#) — key date: October 1, 2026
- [Trapped at Work Act amended in New York](#) — key date: December 19, 2026
- [Large private employers required to report pay data by race and gender in New York City](#) — key date: Multi-year
- [Most noncompete agreements banned in Washington](#) — key date: June 30, 2027

Career — Health

- [Job protection for leaves expanded in New Jersey](#) — key date: July 17, 2026
- [Paid family medical leave law delayed in Maryland](#) — key date: January 1, 2027
- [Paid family medical leave contribution rate confirmed in Maryland](#) — key date: January 1, 2027
- [Job protection for leaves expanded in New Jersey](#) — key date: July 17, 2026
- [Paid family medical leave law delayed in Maryland](#) — key date: January 1, 2027

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

Development

Career — Health

- [Paid family medical leave contribution rate confirmed in Maryland](#)— key date: January 1, 2027
- [Effective date of paid family medical leave law’s application to construction workers clarified in New York](#) — key date: January 1, 2027
- [Paid family leave law for unionized construction employees expanded in New York](#) — key date: January 1, 2027
- [Workplace protections for menstruation and menopause enacted in Philadelphia, Pennsylvania](#) — key date: January 1, 2027
- [Salary and benefit disclosures in job postings to be required in Delaware](#) — key date: September 26, 2027
- [Contribution rates of paid family and medical leave program changed in Washington](#) — key date: January 1, 2028
- [Paid family medical leave law enacted in Virginia](#) — key date: April 1, 2028
- [Paid family medical leave law enacted in California](#) — key date: July 1, 2028

Health

- [Prior authorization report law enacted in California](#) — key date: Reports must be provided by July 1, 2026.
- [Upper prescription drug limit set in Colorado](#) — key date: Effective date unknown
- [Portable benefit plan for independent contractors established in Kansas](#) — key date: July 1, 2026
- [Mandated preventive services law enacted in Maryland](#) — key date: July 1, 2026
- [Telehealth parity extended in New Jersey](#) — key date: July 1, 2026
- [Immunization law enacted in New Mexico](#) — key date: July 1, 2026
- [Prior authorization law enacted in South Dakota](#) — key date: July 1, 2026
- [Prior authorization law enacted in Virginia](#) — key date: July 1, 2026
- [Prior authorization insurance law enacted in Wyoming](#) — key date: July 1, 2026
- [Portable benefit accounts for nonemployees adopted in Wyoming](#) — key date: July 1, 2026
- [Law clarifies how insurance mandates apply to HSA-qualifying high-deductible health plans in Kentucky](#) — key date: July 15, 2026
- [Law addressing artificial intelligence in insurance coverage enacted in Alabama](#) — key date: October 1, 2026
- [Ground ambulance balanced billing law enacted in Alabama](#) — key date: October 1, 2026
- [Telehealth law enacted in Maryland](#) — key date: October 1, 2026
- [Association Self-Funded Health Benefit Plan Coverage Act enacted in Mississippi](#) — key date: October 1, 2026
- [Insurance law mandates gender detransition coverage in Montana](#) — key date: October 1, 2026

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


Development	<p>Health (continued)</p> <ul style="list-style-type: none"> • Insurance law mandates gender detransition coverage in Montana — key date: October 1, 2026 • State-based exchange delivery to change in Oregon — key date: November 1, 2026 • Three covered services added to California’s benchmark plans — key date: If approved by federal Department of Health and Human Services, inclusion will start in 2027 • Pharmacy benefit manager law enacted in Connecticut — key date: January 1, 2027 • Obesity and pre-diabetes treatment coverage mandated in Colorado — key date: January 1, 2027 • Ground ambulance law passed in Illinois — key date: January 1, 2027 • Prior authorization law enacted in Kentucky — key date: January 1, 2027 • Paid family medical leave contribution rate confirmed in Maryland — key date: January 1, 2027 • Pharmacy benefit manager law enacted in New Mexico — key date: Plan years starting January 1, 2027 • Health Savings Account compatibility law enacted in New York — key date: Plan years starting January 1, 2027 • Insulin mandate law enacted in Virginia — key date: Plan years starting in 2027 • Perimenopause and menopause coverage required in Virginia — key date: Plan years starting in 2027 • Ground ambulance balance billing law enacted in West Virginia — key date: Plan years starting in 2027 • Three covered services added to California’s benchmark plans — key date: If approved by federal Department of Health and Human Services, inclusion will start in 2027 • Pharmacy benefit manager law enacted in Virginia — key date: July 1, 2027 • Telehealth reimbursement parity extended in Hawaii — key date: December 31, 2027 • Prescription drug cost sharing capped in the individual and small group markets in Virginia — key date: Plan years starting in 2028 <p>Wealth</p> <ul style="list-style-type: none"> • Employers can contribute to Trump accounts starting next July — key date: July 2026 • Rules finalized for SECURE 2.0 ‘super catch-up’ contributions — key date: 2027 plan year • Applicability date for final required minimum distribution regulations delayed again — key date: 2027 at the earliest • Individual Retirement Arrangements’ amendment deadline for SECURE acts and more extended — key date: December 31, 2027
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Uruguay (previously covered, with upcoming effective dates)


Development	<p>Career</p> <ul style="list-style-type: none"> • Minimum wage to increase — key date: July 2026
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Section 4



Asia Pacific


Australia (new)	
Status	 Upcoming focus for 2026-27 financial year
Development	<p>Wealth</p> <p>Securities regulator to focus on financial reporting, audit and sustainability</p> <p>The Australian Securities and Investments Commission (ASIC) announced that it will focus on financial reporting, audit and sustainability activities in the 2026-27 financial year. ASIC will review 25 audit files focusing on listed and unlisted companies, superannuation entities and managed investment schemes. The files will come from entities with indicative risk factors and from a random sample. The designated financial reporting focus areas are those that require significant judgement from preparers of financial reports.</p> <p>ASIC has taken a range of steps to support entities' compliance with the sustainability reporting framework and will continue to update its register of relief decisions to include individual sustainability reporting relief applications. Following announcements in the recent Federal Budget, the government will commence consultation on reforms to reduce the reporting burden. ASIC intends to participate in this consultation but cautions that until any reforms are enacted, it will continue to administer the mandatory climate reporting framework. Its short-term priorities include ensuring sustainability reports are submitted and engaging with large audit firms on assurance methodologies.</p>
Resources	<p>anthony.williams@mercer.com</p> <p>ASIC sets financial reporting, audit and sustainability focus areas for 2026-27 (ASIC, May 18, 2026)</p>
Australia (previously covered, with upcoming effective dates)	
Development	<p>Wealth</p> <ul style="list-style-type: none"> • Superannuation bills receive Royal Assent — key date: July 1, 2026 • Superannuation, Medicare implications of 2025/26 federal budget highlights — key date: July 1, 2026 • Superannuation service standards for claims handling released — key date: July 1, 2026
China (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Preferential taxation policy for expatriates expanded — key date: December 31, 2027 • Preferential taxation policy for annual one-time bonus extended — key date: December 31, 2027

China (previously covered, with upcoming effective date)	
Development	<p>Health</p> <ul style="list-style-type: none"> • Long-term care insurance scheme introduced — key date: Effective date unknown
India (previously covered, with upcoming effective date)	
Development	<p>Career — Health — Wealth</p> <ul style="list-style-type: none"> • Labor codes implemented — Partially effective, but rules need to be issued for some measures
Indonesia (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Details of public housing savings program, contributions and registration issued — key date: May 20, 2027 <p>Health</p> <ul style="list-style-type: none"> • New insurance regulation for health insurance products issued — key date: Delayed from January 1, 2026
Malaysia (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Expatriate permit changes to boost local employment rate introduced — key date: June 1, 2026 <p>Health — Wealth</p> <ul style="list-style-type: none"> • Expanded social security coverage (LINDUNG 24/7 Scheme) to be introduced — key date: Mid 2026
Singapore (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Local Qualifying Salary increased, Progressive Wage Credit Scheme expanded — key date: July 1, 2026 • Minimum salary requirements for foreign work passes to increase — key date: January 1, 2027 • The Workplace Fairness (Dispute Resolution) Bill passed — key date: End of 2027 <p>Career — Wealth</p> <ul style="list-style-type: none"> • Retirement and reemployment ages to increase — key date: July 1, 2026

South Korea (new)	
Status	 Currently effective
Development	<p>Health</p> <p>New '5th-generation' medical insurance plan launched</p> <p>On June 6, 2026, South Korea's Financial Services Commission and Financial Supervisory Service introduced a new "5th-generation" medical insurance scheme (the new plan). New applicants are enrolled under the new plan and existing policyholders may either remain on their current plans or opt to transfer. The new plan separates nonreimbursable treatments into "severe" and "nonsevere" categories and applies a differentiated coverage structure. Highlights of the new plan include:</p> <ul style="list-style-type: none"> • Out-of-pocket rates for insured outpatient care are aligned with the national health insurance copayment structure. Approximate copayment levels are: 30% at clinics, 40% at hospitals, 50% at general hospitals, and 60% at tertiary hospitals. • Certain manual treatments (for example, manual therapy and noncovered injections) are no longer reimbursed unless the condition is classified as severe. • Outpatient reimbursement limits are changed to a daily cap of 200,000 KRW (previously, 200,000 KRW per visit), increasing costs for policyholders who seek repeated short-term care. • Coverage for pregnancy, childbirth, and developmental disabilities are included within the policy scope; these areas were previously addressed through indemnity insurance. • For severe conditions that are not covered, the insured's out-of-pocket rate remains at 30%, up to a combined annual inpatient and outpatient limit of 50 million KRW. The insurer pays hospitalization expenses exceeding 5 million KRW incurred at tertiary and general hospitals, strengthening the safety net for policyholders facing catastrophic medical costs. • For nonsevere, noncovered treatments, the out-of-pocket rate has increased to 50%, and the annual cap is reduced to 10 million KRW (from 50 million KRW previously). • Policyholder premiums are expected to fall by about 30%. A premium discount for three years offered to encourage members of the first and second generation plans (joined before March 2013) to switch to the new plan before November 2026. For existing policyholders who joined after the standardization of medical insurance products, policyholders who do not actively switch will be migrated at their next renewal: after 15 years for third-generation policies and after five years for fourth-generation policies.
Resources	<p>esther.lee01@mercermarshbenefits.com</p> <p>Information on the scheme (Korean) (Government, January 16, 2026)</p>

South Korea (new)	
Status	 Effective six months after promulgation
Development	<p>Career — Health</p> <p>Employers prohibited from providing temporary housing structures for foreign workers</p> <p>Employers will be prohibited from housing workers in illegal or temporary structures (for example, plastic greenhouses) at industrial sites. Such substandard accommodation has caused safety and health problems for foreign workers and exposes them to hazards including fire, heatwaves, and extreme cold. The measures take effect six months after promulgation.</p>
Resources	Law (Korean) (Government, May 7, 2026)
South Korea (new)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Constitution Day officially designated as national holiday</p> <p>Constitution Day (July 17) has been redesignated as a statutory holiday in South Korea after an 18-year absence. It was first designated as a statutory holiday in 1949 but removed in 2008 when the five-day workweek was introduced. Employees required to work on Constitution Day are eligible for a substitute holiday.</p>
Resources	Law (Korean) (Government, April 29, 2026)
South Korea (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Collection of overdue wages, the payment of overdue wages accelerated</p> <p>Repayments for substitute payments are now collected using the same procedures as delinquent national tax collection. This measure strengthens enforcement and shortens the time employees must wait to recover unpaid wages. Additionally, in subcontracting arrangements, subcontractors and their upstream contractors are now jointly liable for overdue wages.</p>
Resources	Law (Korean) (Government, April 12, 2026)

South Korea (new)	
Status	 Effective six months after promulgation
Development	Career — Health Annual leave usage, statutory rest break changed The government has made changes to annual leave usage and statutory rest breaks. Highlights include: <ul style="list-style-type: none">• Employees taking a half-day's leave will no longer be required to take the statutory 30-minute rest break before leaving work. Currently, employees who work four hours must take this break before starting leave.• Employees will be allowed to take annual leave in daily and hourly units; currently it can only be taken in whole days. Employees will be protected from unfavorable treatment (for example, wage deductions or other penalties) for requesting or taking annual leave.
Resources	Law (Korean) (Government, May 7, 2026)
South Korea (new)	
Status	 Effective six months after promulgation
Development	Career — Health Paid leave for infertility treatment increased The government has increased the paid portion of the six days of infertility treatment leave to four days, up from two. Support for “priority support companies” under the Employment Insurance Act is increased in line with this change.
Resources	Law (Korean) (Government, April 23, 2026)

South Korea (new)	
Status	 Proposal
Development	<p>Wealth</p> <p>Tripartite agreement proposes a retirement pension system to replace severance pay scheme</p> <p>In February 2026, South Korea’s Ministry of Employment and Labor announced that a tripartite task force had reached an agreement to introduce a trust-type pension model as an additional option for defined contribution (DC) pension plans. This is the most important reform of the retirement pension framework since 2005 and aims to strengthen retirement safety nets. The proposed measures could be approved by the end of 2026. Companies that currently sponsor unfunded retirement benefit plans would have to introduce funded plans to cover future liabilities.</p> <p>The tripartite agreement contains two main proposals: 1. Make a retirement pension system mandatory (either defined benefit or DC), replacing the current severance-pay scheme; and 2. Introduce a trust-type model that applies only to DC plans, offered as an additional option (employers may retain contract-type DC plans). The trust-type approach is expected to include several possible structures (for example, a financial institution-led open model or a multi-employer model), creating a more flexible institutional environment. Highlights of the proposed options include:</p> <p>Mandatory option.</p> <ul style="list-style-type: none"> • The implementation timetable (subject to finalization) would include a transitional period in 2026. Large firms (300+ employees) would be required to adopt in 2027 and then it would be phased in for mid-size firms (30–299 employees) by 2029 and all other firms by 2030. <p>Trust-based option.</p> <ul style="list-style-type: none"> • A trust-based Small and Medium Enterprise (SME) retirement pension trust already exists for firms with fewer than 30 employees, and eligibility for the SME Retirement Pension Trust would be gradually expanded to workplaces with up to 300 employees. • Private financial institutions (banks, securities firms, insurers) would create separate trust corporations to manage pooled funds; multiple employers could jointly establish a trust corporation. • Centrally pooled, professionally managed funds should allow higher-return, more performance-oriented investments compared with the current contract-type DC model, where individual participants often choose conservative, principal secured-and-interest products that deliver relatively low returns. • Fiduciary duties for trust managers would be formalized and conflict-of-interest safeguards introduced to protect participants’ benefits. Employee representatives would have a role in decision-making to improve transparency.
Resources	<p>sunghye.yoon@mercer.com</p> <p>Agreement (Korean) (Government (February 6, 2026))</p>

Taiwan (previously covered, with upcoming effective date)

Development

Career — Wealth

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

Thailand (previously covered, with upcoming effective date)

Development

Health

- [Start date of Employee Welfare Fund postponed](#) — key date: October 1, 2026

Vietnam (previously covered, with upcoming effective date)


Development

Career — Health

- [Maternity, paternity leaves to increase](#) — key date: July 1, 2026

Section 5

Europe, Middle East and Africa (EMEA)

European Union (EU) (new)	
Status	 Launched but not immediately operational.
Development	<p>Career</p> <p>Talent Pool digital platform to address skill shortages</p> <p>On June 1, 2026, the legal framework for the EU Talent Pool digital platform (platform) that will connect employers with non-EU jobseekers came into force. The framework, set out in Regulation 2026/1047, aims to address skills shortages at all levels and defines how the platform will be managed and used, although it will not be immediately operational. Highlights include:</p> <ul style="list-style-type: none">• Member States decide whether to participate in the platform, and work and residence permits remain subject to national immigration law.• The European Commission is responsible for developing and operating the platform and will maintain an EU-wide list of shortage occupations. Member States can add or remove occupations from the EU list of shortage occupations to reflect their national labor-market needs.• Traineeships and apprenticeships are explicitly excluded from the platform.• Selected candidates will enter into a direct employment relationship in the Member State where the employer is established.• Non-EU nationals living outside the EU may create a profile on the platform to record their skills, qualifications and experience. Registration or selection via the Talent Pool does not confer any right of entry or residence. Non-EU nationals already residing in the EU are not eligible to use the platform.
Resources	Regulation 2026/1047 (EUR-Lex, June 1, 2026)

EU (previously covered, soon to be effective)

Status  **Effective June 30, 2026**

Development

Career


Law to improve gender balance on company boards to take effect

An EU directive requiring companies listed in one or more EU member states to have gender-balanced boards is now effective. Under the directive, a minimum of 40% of nonexecutive director positions in listed companies must be held by individuals of the underrepresented sex by June 30, 2026. In member states that choose to apply the directive to both executive and nonexecutive directors, the target is lower — 33% of all director positions by June 30, 2026. Member states had until December 28, 2024, to introduce implementing measures into national law after the directive’s enactment. Highlights include:

- Companies will have to provide information annually about their board’s gender representation and the measures taken to achieve the gender targets.
- Member states will publish an annual list of companies that have achieved the directive’s objectives.
- Organizations that do not achieve the targets will have to adjust their selection process and use fair and transparent selection and appointment procedures based on comparative assessments of the different candidates. Preference must be given to equally qualified candidates of the under-represented sex, unless an objective assessment tilts the balance in favor of a candidate of the other sex.
- Member states that nearly achieve the targets, or that have equally effective laws in place before the directive enters into force, can suspend the directive’s requirements relating to the appointment or selection process.
- The member state that will regulate a listed company is the country in which the company has its registered office, rather than the one on whose regulated market the company trades its shares.

Currently, women comprise 31.5% of board members of the EU’s largest publicly listed companies, and 8% of board chairs.

Resources [GRIST](#), January 15, 2025

EU (updated)	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Pay transparency requirements must be implemented into national laws by member states</p> <p>Certain employers in the European Union (EU) will have to report annually on their organization’s gender pay gap and will be prohibited from asking job applicants for their salary history prior to hiring, under measures included in EU directive 2023/970 that strengthens the principle of equal pay for equal work through pay transparency and enforcement mechanisms. Member states must have implemented the directive into national laws by June 7, 2026. Gender pay gap reporting will be phased-in depending on the organization’s workforce size, and will begin in June 2027, based on the previous calendar year. Employers with 250 or more workers will have to submit their first annual gender pay gap report four years after the directive’s entry into force date (June 7, 2027); employers with 150 to 249 workers must submit their report four years after the entry into force date (June 7, 2027), and every three years thereafter; and employers with 100 to 149 workers must submit their report eight years after the entry into force date (June 7, 2031), and every three years thereafter.</p>
Resources	<p>lucye.provera@mercer.com</p> <p>GRIST, May 30, 2023</p>
EU (previously covered, with upcoming effective dates)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Ban on forced or child labor finalized — key date: December 14, 2027 • Sustainability reporting and due diligence simplification measures agreed upon — key date: 12 months from the date of entry into force of the CSRD and until July 26, 2028, to transpose the CSDDD. • Revised European Works Council Directive approved — key date: National transposition by January 1, 2028; new rules applicable starting on January 2, 2029. <p>Career — Health</p> <ul style="list-style-type: none"> • Platform Worker’s Directive moves forward — key date: December 2, 2026 <p>Health — Wealth</p> <ul style="list-style-type: none"> • Social security coordination rules revised — key date: Effective date unknown

Belgium (new)**Status****Currently effective****Development****Career — Health****Labor measures to increase flexibility, boost competitiveness**


Changes to working-time rules came into effect on June 1, 2026. These measures are part of the 2025 agreement and follow earlier changes introduced on January 1 and April 1, 2026. Highlights of the changes include:



- From April 1, 2026, the permitted voluntary overtime ceiling increased to 360 hours per year (450 hours for the hospitality sector), up from 120 hours. Sector or company collective agreements may set different limits. Employers must continue to pay the voluntary overtime supplement (different rates apply for weekday and Sunday overtime), meet stricter record-keeping and consent requirements, and show different overtime types separately on pay slips. A written agreement (valid for one year) must specify the amount of voluntary overtime; either party may terminate that agreement with one month's notice.
- From June 1, 2026, the general prohibition on work between 8 pm and 6 am is abolished, subject to safeguards. Employers must perform a risk assessment (physical and psychosocial hazards), provide appropriate rest and, where necessary, transport facilities, consult the works council or trade union delegation, and allow employees to transfer to day work on health grounds. Sectoral collective agreements typically continue to provide a night-work pay premium.
- From June 1, 2026, the minimum weekly working threshold for part-time employees is reduced to one-tenth of the equivalent full-time hours in the sector (previously one-third) to facilitate the scheduling of shorter shifts. Full-time employees can request to move to part-time (and vice versa); employers must respond within prescribed time limits and keep a register of part-time employees who wish to increase their hours. Part-time employees working from home are now eligible, on a pro rata basis, for the remote-working allowance. Employees who join on or after June 1, 2026, will continue to receive existing premiums and benefits for work between 11 pm and 6 am.
- From June 1, 2026, company work rules may specify the permitted time periods (days, hours or time windows) when work is, or may be, performed and they do not have to list every fixed schedule. This change is subject to applicable sectoral/company collective agreements and consultation requirements.
- Notice periods for the termination of contracts signed on or after June 1, 2026, will be capped at 52 weeks. Consequently, employees with more than 17 years of service are no longer entitled to longer notice periods. For employment contracts signed before June 1, 2026, the old rules apply. The notice period for employees who resign are unchanged (capped at 13 weeks, depending on seniority).

Resources

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[Decree](#) and [Decree](#) (French and Dutch) (Government, June 1, 2026)

Belgium (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Mobility Budget required for certain employers starting in 2027 — key date: January 1, 2027 <p>Career — Health</p> <ul style="list-style-type: none"> • Summer deal includes employment measures — key date: Implementing legislation must be agreed upon, and clarification is still required for some measures. • Transportation benefits increased — key date: October 1, 2026 <p>Wealth</p> <ul style="list-style-type: none"> • Blue- and white-collar pension harmonization postponed — key date: January 1, 2027 • Federal government agrees on pension reforms — key date: January 1, 2028
Croatia (new)	
Status	 Currently effective
Development	<p>Career — Wealth</p> <p>Mandatory basic military training reintroduced</p> <p>On March 9, 2026, Croatia reintroduced mandatory two months of basic military training program for male Croatian citizens aged 18-27. The program had been suspended in 2008. Highlights include:</p> <ul style="list-style-type: none"> • Male Croatian citizens aged 18–27 will be subject to conscription. In certain cases, training may be postponed until age 30. All eligible individuals will be called for training during the calendar year they turn 19. Military service remains voluntary for women. • Employed conscripts are temporarily relieved of work duties while attending training, and their jobs are protected — employers may not terminate employees because of military training. • Employers are not required to pay salaries during training. Conscripts receive a state-funded allowance instead. • Employers must notify the Croatian Pension Insurance Institute when an employee begins and completes their military training. Time spent in military service will be recorded in employment histories and counted toward pension calculations.
Resources	Law (Croatian) (Government, March 9, 2026)

Egypt (new)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Details of workplace nursery requirements issued</p> <p>Decree 48 of 2026, effective March 19, 2026, implements provisions of Labour Law 14 of 2025 and lists the rules for workplace nurseries. Highlights include:</p> <ul style="list-style-type: none"> • Employers with 100 or more female employees at a single location must establish a nursery to care for their children under age four. Employers that cannot provide an on-site nursery must contract with a licensed nursery and cover its costs. • Employers with fewer than 100 female employees but located within a 500 meter radius of one another must jointly establish a nursery or contract with a licensed nursery to serve their employees. • Nurseries must be licensed by the Ministry of Social Solidarity before opening and meet standards for location, equipment, health and safety (including proximity to the workplace). Facilities must also be suitable to care for children with disabilities. • Employees contribute monthly toward nursery costs: 4% of wage for the first child, 3% for the second (if enrolled simultaneously), and 2% for the third (if enrolled simultaneously). Employees pay full costs for any additional children.
Resources	Decree 48 of 2026 (Arabic) (Government)
France (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage increased</p> <p>On June 1, 2026, the minimum wage increased to €1,867.02/month and to €12.31/hour, up from €1,823.03/month and €12.02/hour. The standard hourly minimum wage applies to metropolitan France, the overseas departments of Guadeloupe, French Guiana, Martinique, and Réunion, and the overseas collectivities of St. Barthélemy, St. Martin, and St. Pierre and Miquelon. The minimum wage for the overseas department of Mayotte increased to €9.56, up from €9.33.</p>
Resources	Law (French) (Government, May 24, 2026)

France (new)	
Status	 Effective October 1, 2026
Development	<p>Health</p> <p>Copayment exemption for long-term illness to end</p> <p>On October 1, 2026, patients with long-term illnesses will no longer be exempt from copayments for medications with a low-level of medical benefit under measures included in Decree 2026-285. Responsible health insurance contracts may choose to cover the copayment for medications with a low level of medical benefit, but this is not mandatory.</p>
Resources	<p>amandine.marsella@mercer.com</p> <p>Decree 2026-285 (French) (Government, April 16, 2026)</p>
France (new)	
Status	 Scheduled to take effect at the start of the academic year
Development	<p>Health</p> <p>Reimbursement eligibility for reusable menstrual products expanded</p> <p>Insured individuals younger than age 26 and all beneficiaries of the supplementary health insurance scheme will be eligible for reimbursement of reusable menstrual products. The measure — which is included in Decree 2026-288 — is scheduled to take effect at the start of the academic year. However, reimbursement will not currently apply to menstrual products sold in pharmacies. The reimbursement procedure will be:</p> <ul style="list-style-type: none"> • Coverage by supplementary health insurance contracts is set between 35% and 45%. • The number of products is limited to a maximum of two per year. <p>A draft notice indicates that the proposed maximum retail prices will be €19 for period underwear and €15.80 for menstrual cups.</p>
Resources	<p>amandine.marsella@mercer.com</p> <p>Decree 2026-288 (French) (Government, April 17, 2026) and Draft notice (French) (Government, April 23, 2026)</p>
France (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Gender quotas for senior executives, management teams imposed — key date: March 1, 2029 <p>Career — Health</p> <ul style="list-style-type: none"> • New paid birth leave to be introduced — key date: July 1, 2026 <p>Career — Health — Wealth</p> <ul style="list-style-type: none"> • Social security contributions to be payable on long service awards — key date: January 1, 2027 <p>Health</p> <ul style="list-style-type: none"> • Health insurance system investment and changes to 'key letter AMI' — key date: November 2026

Germany (previously covered, with upcoming effective date)

Development

Wealth

- [Corporate tax reductions that will impact company pension schemes introduced](#) — key date: January 1, 2028

Ireland (previously covered, with upcoming effective date)

Development

Career — Wealth

- [Enforcement of contractual retirement ages to be generally restricted](#) — key date: Effective once a ministerial order is issued

Italy (previously covered, with upcoming effective date)

Development

Wealth

- [Termination Indemnity rules revised to increase employees' pension participation](#) — key date: July 1, 2026

Italy (new)**Status****Currently effective****Development****Career****Measures to incentivize hiring into permanent roles introduced**

Law Decree No. 62/2026, effective May 1, 2026, introduces measures to incentivize private-sector permanent hires, convert fixed-term employees to permanent contracts, strengthen wage protection, and reduce labor exploitation on digital platforms. The decree must be converted into law by Parliament within 60 days for the measures to remain in force. Highlights include:

Hiring incentives — temporary social security contribution exemptions.

- Employers that hire women are 100% exempt for up to 24 months for permanent hires who have been without regular paid employment for at least 24 months (or 12 months for certain disadvantaged groups). A cap of €650 per employee per month applies, or €800 per employee per month in the Special Economic Zone for Southern Italy (ZES).
- Employers that hire workers under age 35 in nonmanagerial roles are 100% exempt for up to 24 months for permanent hires who have been without regular paid employment for at least 24 months (or 12 months for certain disadvantaged groups). A cap of €500 per employee per month applies, or €650 in the ZES and certain other regions.
- Employers that have up to 10 employees in the Single ZES are 100% exempt for up to 24 months for permanent nonmanagerial hires aged at least 35 who have been without regular paid employment for a minimum of 24 months. A cap of €650 per employee per month applies.
- Employers that convert fixed-term contracts to permanent contracts between August 1 and December 31, 2026, for individuals younger than 35, nonmanagerial roles are 100% exempt for up to 24 months, subject to a cap of €500 per employee per month. The employee must not have been previously employed on a permanent contract.


Aside from the conversion incentive, hiring must be done in 2026.

Wage protection. Introduction of a legally recognized “fair salary,” to be defined by national collective bargaining agreements.

Digital platform workers. Platforms must disclose information to workers about algorithms used to allocate tasks, determine remuneration, assess performance, and suspend workers, and they must also provide relevant data to social security and labor inspection authorities (the specifics will be set out in a subsequent decree).

Resources

[Law Decree No. 62/2026](#) (Italian) (Government, April 30, 2026)


Luxembourg (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage increased</p> <p>On May 1, 2026, the gross minimum social wage rate increased to €3,325.59/month, up from €3,244.48/month. Different wage rates apply to workers depending on their age and qualifications.</p>
Resources	Information on minimum wage increases (French) (Government)
Netherlands (previously covered, with upcoming effective date)	
Development	<p>Wealth</p> <ul style="list-style-type: none"> • Significant reforms to the occupational pension system — key date: Unknown • Lump-sum Revision Act start date postponed again — key date: Postponed until July 1, 2026 • Deadline extended for transition to new pension system — key date: Deadline extended to January 1, 2028
Oman (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Social protection for foreign employees expanded — key date: July 2026 <p>Health — Wealth</p> <ul style="list-style-type: none"> • Three workforce insurance schemes postponed — key date: July 19, 2026
Romania (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Minimum wage to increase — key date: July 1, 2026 <p>Wealth</p> <ul style="list-style-type: none"> • Private pension framework from 2027 revised — key date: January 5, 2027
Slovenia (previously covered, with upcoming effective date)	
Development	<p>Career — Wealth</p> <ul style="list-style-type: none"> • Pension reforms will increase retirement age — key date: Beginning in 2028 • Phased retirement introduced, hiring of older employees boosted — key date: Upon proclamation
South Africa (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Expanded remuneration and pay gap disclosures required — key date: Upon proclamation

Spain (new)**Status****Effective August 28, 2026****Development****Career — Wealth****Flexible retirement options to improve**

Royal Decree 416/2026 of May 27, 2026, amends the deferred retirement regime and regulates the new flexible retirement regime and other aspects of combining the public retirement pension with employment. The regime will apply to all social security schemes, except for certain public sector special schemes. Highlights include:

- Flexible retirement will be available to pensioners who are self-employed provided they have not been registered under RETA (the social security special regime for self-employed workers) at any time in the three years preceding retirement.
- Pensioners who combine retirement with part-time work will be allowed to work between 33% to 80% of full-time hours (currently, 25% to 75%). The Decree clarifies that when a retirement pension is combined with part-time employment, the pension amount is reduced in inverse proportion to the reduction in the pensioner's working hours compared with a comparable full-time worker.
- Pensioners will receive an additional percentage of their pension if they begin flexible retirement six months or longer after their retirement. The pension amount will increase by 25% for part-time employment between 55% and 80% of full-time hours, and by 15% for part-time employment that is equal to, or greater than, 33% but less than 55% of full-time hours.
- Self-employed individuals will receive up to 25% of their pension while carrying out compatible activities.
- The Decree specifies that the portion of a retirement pension compatible with employment or self-employment includes the maternity supplement and the supplement for reducing the gender gap. These supplements will be increased or reduced in the same proportion as the pension amount, effective from the first day of the month following the start of the compatible employment. However, the supplement for pensions that are below the minimum is excluded.
- Flexible retirement will be incompatible with the economic supplement for delayed retirement; specific rules will apply if this supplement has already been paid.
- Pensioners will not be required to serve a minimum waiting period after retirement before beginning flexible retirement, and they will retain healthcare and social protection benefits.
- A pensioner who has previously been required to take early retirement will have their initial pension increased when they subsequently opt for flexible retirement.
- The Decree also introduces changes to delayed retirement, including allowing the supplement to be received alongside active retirement (subject to a transitional period).

Resourcesjuanluis.alonso@mercero.com[Royal Decree 416/2026 of May 27, 2026](#) (Spanish) (Government)

Turkey (new)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Maternity and paternity leave expanded</p> <p>Turkey has extended statutory maternity and paternity leave as part of a wider work-life balance initiative under Law No. 7578 on Amendments to the Social Services Law and Certain Other Laws (Law No. 7578) that became effective May 1, 2026. Highlights include:</p> <p>Maternity leave</p> <ul style="list-style-type: none">• Women are entitled to 24 weeks of paid statutory maternity leave — up to eight weeks before the birth and at least 16 weeks after (up from 8 weeks). For multiple births, the entitlement is 26 weeks — 10 weeks before the birth and 16 weeks after.• Women may continue working up to two weeks before the expected birth, subject to a doctor’s approval (down from three weeks). Any days worked within the eight-week pre-birth period are added to the postnatal leave.• Women whose maternity leave expired before April 1, 2026, but who had not yet reached 24 weeks from the child’s birth, were allowed to request an additional eight weeks of leave if they had applied within 10 days of the law taking effect. <p>Paternity leave. Men are entitled to 10 days of paid paternity leave, increased from five days.</p> <p>Foster care leave. Private-sector employees who become foster parents may request 10 days of unpaid leave from the child’s placement date; this leave can be taken individually or jointly with a spouse. (The equivalent leave is paid for public-sector employees.)</p>
Resources	<p>elif.sen@mercermarshbenefits.com</p> <p>Law No. 7578 on Amendments to the Social Services Law and Certain Other Laws (Turkish) (Government, April 22, 2026)</p>

United Arab Emirates (UAE) (new)

Status



To be introduced

Development

Health

Unified national health insurance system to be introduced

The UAE will move to a unified national health insurance system for Emirati citizens across all seven emirates, replacing the current patchwork of emirate-level programs, the President announced. The federal framework will standardize coverage, improve cross-emirate access, increase efficiency of spending and data use, and accelerate digital integration (including issuance of a single medical record). The goal is the establishment of equal, comprehensive care for all citizens, reduced administrative barriers, better crisis preparedness, and improved health. More details — such as aligning emirate health authorities and provider networks, transitional arrangements for current programs, and funding — will be published in due course. Highlights include:


- Emirate-specific citizen schemes (for example Abu Dhabi's Thiqa; Dubai's Saada and Enaya, and other healthcare arrangements in Sharjah, Ajman, Umm Al Quwain, Ras Al Khaimah, Fujairah) will be consolidated under one federal insurance framework with standard core benefits and procedures.
- Core policies will be unified so all Emirati citizens will receive comparable treatment, preventive and diagnostic services regardless of where they live or receive care.
- The unified package is expected to cover inpatient hospital care, emergency services, primary care, screening and preventive services, chronic disease management, and services for mothers, children and seniors.
- Citizens will be able to access healthcare more easily across emirates, with fewer administrative approvals and smoother use of public and private providers.
- Centralization should reduce duplicated spending, enable better management of national healthcare budgets, and strengthen bargaining power with providers and insurers.
- The reform aims to establish a national healthcare database and integrated electronic medical records.


Resources


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[UAE President directs adoption of comprehensive national health insurance system covering all emirates](#)

(Government, May 18, 2028)

UAE (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Wage Payment System revised for private sector employers</p> <p>A revised wage payment system (WPS) for the private sector took effect on June 1, 2026, under measures included in Ministerial Resolution No. 340 of 2026. Wage payment timing, compliance thresholds, and enforcement mechanisms are updated. Certain high-risk sectors are specifically targeted. Highlights include:</p> <ul style="list-style-type: none"> • The WPS applies to all private-sector companies licensed with the Ministry of Human Resources and Emiratisation (MOHRE) and covers all employees from their first day of employment. • A unified wage due date is introduced. Wages for the preceding Gregorian month must be paid on the first day of each Gregorian month with electronic monitoring for compliance. Enforcement measures for delayed payments include suspension of issuance/renewal of work permits, administrative fines, reclassification of the establishment, and travel bans on responsible persons. • Employers may outsource payroll to third parties, but they must notify MOHRE. However, employers remain ultimately responsible for WPS compliance and must keep documentation proving wage payments. • Employers will be deemed compliant if at least 85% (up from 80%) of total wages due are transferred by the due date. Certain deductions are permitted (for example, loan repayments) of up to 20% of salary, but the new 85% threshold will mean that permitted deductions effectively become 15% of an employee’s monthly wage. • The list of employees and establishments excluded from the WPS is expanded. Examples include foreign employees of foreign establishments or their UAE branches whose wages are formally paid outside the UAE, and employees holding mission work permits not exceeding three months.
Resources	Law (Arabic) (Government)

United Kingdom (UK) (new)	
Status	 Interim report
Development	<p>Wealth</p> <p>Interim report issued by Second Pensions Commission</p> <p>On May 19, 2026, the Second Pensions Commission (Commission) published an interim report identifying the principal challenges until 2050 and listing its priorities for future work. The Commission was established by the Government in July 2025 to examine the long-term future of the pensions system and to recommend reforms that would produce a strong, fair and sustainable framework. It builds on the First Pensions Commission that was established in 2002 with responsibility for introducing automatic enrolment. Responses to the interim report are invited by July 14, 2026, and the Commission intends to publish its final report in Spring 2027. Highlights include:</p> <ul style="list-style-type: none"> • Automatic enrollment has increased workplace pension participation, but approximately 40% of the working age population are still under-saving based on the First Commission’s aspirational replacement-rate benchmark (approximately two-thirds of pre-retirement earnings for median full-time earners), with low- and middle-earners most at risk. • The shift from defined benefit to defined contribution (DC) schemes has tended to reduce employer contributions and transferred investment and longevity risk to individuals. • The Commission will consider whether to change automatic enrolment eligibility, earnings thresholds and minimum contribution rates, while noting that any legislative changes are unlikely to be implemented during this Parliament. • Stronger consumer protections and clearer guardrails are needed for retirees drawing down DC savings, who currently face complexity and uncertainty when choosing how to use their pension savings. • The Commission seeks solutions for the self-employed, who largely do not save into pensions, and will consider broader public policy measures to address disparities affecting women, carers, disabled people, and some ethnic minority groups.
Resources	<p>richard.wyatt@mercer.com</p> <p>Pensions 2050: Evidence and future priorities — interim report (Government, May 19, 2026)</p>

UK (new)	
Status	 Currently effective
Development	<p>Wealth</p> <p>The Pensions Regulator issues Annual Funding Statement</p> <p>On May 6, 2026, the Pensions Regulator (TPR) published its 2026 Annual Funding Statement (statement) and supporting analysis. It lists TPR's expectations and clarifications under the new Defined Benefit (DB) Funding Code of Practice and is relevant to all DB schemes — particularly to schemes with valuation dates between September 22, 2025, and September 21, 2026, inclusive. Highlights of the statement include:</p> <ul style="list-style-type: none"> • DB schemes overall continue to show strong funding: 90% of schemes are now in surplus on a “technical provisions” basis. Its principal message is that trustees must prioritize endgame planning. Valuations should no longer be treated as mere budgeting exercises but as strategic tools central to developing and refining endgame plans and surplus strategies. • The Pension Schemes Act 2026 finalized the framework to facilitate surplus release. The Department for Work and Pensions will consult on the detailed regulations, and TPR will publish a statement outlining its early views on issues trustees should consider when contemplating surplus release. • TPR also intends to consult later in 2026 on more detailed surplus guidance to accompany the final regulations, which are expected to take effect in 2027. In the meantime, TPR reminds schemes with a surplus to establish and maintain a clear surplus policy. • Despite generally improved funding positions, TPR warns trustees to monitor risks proportionately. Rising geopolitical and trade uncertainty, market volatility, cyber threats, and sustainability risks will necessitate ongoing oversight of scheme funding, investment strategy and sponsor covenant.
Resources	<p>richard.wyatt@mercer.com</p> <p>Annual funding statement (The Pensions Regulator, May 6, 2026)</p>
UK — Scotland (new)	
Status	 Currently effective
Development	<p>Career</p> <p>June 15 bank holiday announced</p> <p>Scotland's government announced an additional, one-time national bank holiday on Monday, June 15, 2026, to mark Scotland's opening game in the men's football World Cup. In Scotland, businesses are not legally required to close on a bank holiday and employers' policies with regards to bank holidays and time off for employees will be set out in contracts of employment.</p>
Resources	<p>World Cup bank holiday confirmed (Government, February 5, 2026)</p>

UK (previously covered, with upcoming effective date)

Development

Career — Health

- [Introduction of mandatory payrolling of benefits-in-kind postponed](#) — key date: April 2027

Career

- [Regulator to apply new rules and guidance on nonfinancial misconduct](#) — key date: September 1, 2026

Wealth

- [Significant pension scheme changes enacted](#) — key date: Unknown
- [Pension auto enrollment to expand, reducing eligible age and abolishing earnings threshold](#) — key date: Unknown
- [Government responds to consultation on unconnected multiemployer CDC schemes](#) — key date: July 31, 2026
- [Budget includes pension changes](#) — key date: April 6, 2027
- [Policy paper on inheritance tax and pensions death benefits](#) — key date: April 6, 2027
- [Finance Act 2026 includes framework for inheritance tax on pensions](#) — April 6, 2027

Uzbekistan (new)

Status



Effective dates vary.

Development

Career — Health

Employers no longer pay maternity and certain sick benefits

The responsibility for calculating and paying employees' maternity benefits was transferred from employers to Uzbekistan's State Social Insurance Fund (SSIF) on January 1, 2026, and certain sick leave payments for temporary disability will transfer on July 1, 2026. The SSIF may also take on responsibility for paying severance pay from January 1, 2030. These changes are listed in Presidential Decree UP-206, which aims to create a more inclusive and transparent social-protection system. Highlights include:

- The new system establishes a unified operational framework for the SSIF, funded by a portion of social tax and insurance contributions. Contributions for mandatory participants are deducted from personal income tax (voluntary payments are available for other categories of workers).
- Eligibility for maternity benefits requires workers to have contributed to the SSIF for at least 10 months. The benefit is paid at 75%–100% of the individual's average monthly salary depending on length of service and is capped at 10 times the minimum wage. The change is intended to support female employment by removing employers' direct liability for maternity payments.
- Eligibility for sick pay requires workers to have contributed to the SSIF for at least six months. Sick pay is payable for up to 182 calendar days in a single calendar year. Employers pay for the first five days of sickness and then the SSIF pays.

Resources

[Presidential Decree UP-206](#) (Russian) (Government, May 11, 2026)

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