

# HR, Benefits, and Payroll Compliance Monthly Roundup: January 2023



### **Congress Approves PWFA and the PUMP Act**

During the last few days of 2022, the [Pregnant Workers Fairness Act \(PWFA\)](#), and the [Providing Urgent Maternal Protections for Nursing Mothers Act \(PUMP\)](#) were passed. See our upcoming e-Alert for further details.

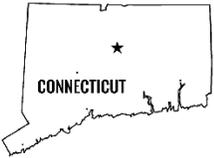
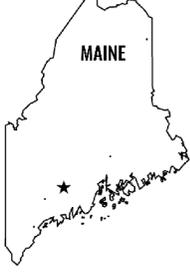
### **The DOL and IRS Combine Efforts in Worker Misclassification**

The Department of Labor (DOL) and the Internal Revenue Service (IRS) published a [Memorandum of Understanding for Employment Tax Referrals \(MOU\)](#). The two agencies announced they will share information to identify employment tax compliance issues related to the misclassification of workers. Employers may want to take this opportunity to assess their worker classifications to mitigate potential risk penalties.

### **FTC Proposes Rule Banning Non-Compete Agreements**

The Federal Trade Commission (FTC) announced a [proposed rule](#) that would ban nearly all non-compete agreements. The rule will likely be

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	<p>challenged in court, so details are unclear. HRK will monitor for further developments.</p>
	<p><b>Final CPRA Regulations Pending</b></p> <p>While the final regulations for the California Privacy Rights Act (CPRA), which became effective on January 1, 2023, were not released in 2022, it appears the process is nearing completion. Modifications to the draft regulations have been approved and the public comment period ended in late November. If there are no significant changes because of the public comments, the final regulations could be published in January or February 2023. HRK will continue monitoring for updates.</p>
	<p><b>Connecticut's 'Clean Slate' Law Erases Criminal Convictions</b></p> <p>On January 1, 2023, the state of Connecticut began the erasure of criminal records for people with misdemeanors or lower-level felony records who remain crime-free after 7 and 10 years. The new law expands protections for individuals in hiring practices by limiting employers' abilities to discover, consider, or make decisions based on an applicant or employee's criminal history.</p>
	<p><b>Illinois Passed Paid Leave Law for 2024</b></p> <p>The <a href="#">Paid Leave for All Workers Act</a> will take effect on January 1, 2024, and will require that employers provide most employees with at least 40 hours of paid leave per year to be used for any reason. HRK will send an e-Alert with more details on this requirement.</p>
	<p><b>Maine Releases Guidance Vacation Payout Law</b></p> <p>As we reported in this <a href="#">e-Alert</a>, Maine amended its vacation payout law effective January 1, 2023, which requires all accrued, unused vacation to be paid when employment ends. The statute only obligates employers to pay out unused vacation and no other leave. The new guidance also clarifies that the 10-employee threshold is limited to employees working in Maine and considers vacation time as accrued if the employee has a defined amount of time available for use at any given time.</p>

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**Potential Changes to Michigan’s Sick Time Law taking effect February 2023**

In 2018, Michigan Legislature proposed the [Earned Sick Time Act \(ESTA\)](#), and then in 2019, the state passed the [Paid Medical Leave Act \(PMLA\)](#) requiring employers with 50 or more employees to provide paid sick time. It was voided soon after and the ‘original’ 2018 [Earned Sick Time Act \(ESTA\)](#) would become effective February 20, 2023.

The ESTA would require employers with less than 10 employees to provide 40 hours of paid sick leave and 32 hours of unpaid sick leave to all employees annually. Employers with 10 or more employees would be required to provide 72 hours of paid sick leave to all employees annually.

**As February 2023 approaches, final regulations have yet to be communicated.** The Court of Appeals is pushing for final regulations to be communicated no later than February 1, 2023, to allow employers sufficient time to prepare. HRK will continue to monitor [Michigan’s Wage and Hour Division](#) for final regulations.

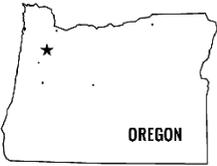
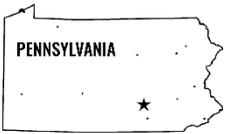


**New Jersey Amends WARN Law**

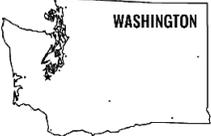
Beginning April 10, 2023, significant changes will take effect to the [NJ WARN Act](#). HRK will be sending an e-Alert detailing these important changes. In summary, the state’s WARN amendments expand covered employers to those with 100 or more employees, including those outside NJ. Covered employers will also need to provide at least 90 days’ notice of a workplace shutdown or mass layoff, as well as severance pay to eligible employees.

**New Jersey Law Requires Reporting to State’s Unemployment Division**

Effective July 31, 2023, at the time of termination, employers must provide employees with a printed copy of unemployment benefit instructions including the date of unemployment, the date of recall if temporary, and a statement indicating the individual may lose benefits if they fail to file a timely claim for unemployment. The Division of Unemployment will provide employers with instructions on what information must be provided to the Division. In addition, the employer must immediately provide the Division with the statement given to the terminated employee indicating the date on which unemployment will begin. Failure to do so will result in penalties for the employer. See our upcoming e-Alert for further details.

	<p><b>New York Requires Human Trafficking Recognition Training</b> Effective July 20, 2023, certain employers in the hospitality industry must provide human trafficking awareness training to employees. Businesses in the lodging industry, as well as those currently required to provide alcohol awareness training, must include a human trafficking curriculum in trainings. Businesses serving alcohol must display signs about the illegality of human trafficking and the assistance hotline.</p> <p>The Division of Criminal Justice Services will post a list of approved training programs online shortly and employers will have 4 months from the law's effective date to complete training for current employees. New hires must receive the training within 60 days of their start date.</p>
	<p><b>Oregon Declares Public Health Emergency</b> Oregon's governor declared a public health emergency, due to the rise of pediatric RSV cases. The declaration will remain effective through March 6, 2023, unless it is extended or discontinued earlier. Sick Child Leave under <a href="#">Oregon's Family Leave Act (OFLA)</a> covers public health emergencies declared by the State's governor and the need for home care for a child when their school or childcare provider closes due to a declared public health emergency.</p>
	<p><b>Pennsylvania Expands Protected Classes Definitions</b> The Pennsylvania Human Relations Act (PHRA) has expanded its definitions of race, sex, and religious creed. The definition of sex will include sexual orientation, the definition of race will cover hairstyles associated with race, and religious creed includes all aspects of religious observance, practice, or belief.</p> <p><b>Philadelphia Rolls Out Commuter Transit Benefits</b> Effective December 31, 2022, certain Philadelphia employers will be required to have a mass transit and bicycle commuter benefits program for all covered employees. The law will apply to employers with 50 or more employees, who perform an average of at least 30 hours of work per week within the city of Philadelphia and have worked for the same employer for the last 12 months.</p> <p><b>Pennsylvania Protects Personal Information with Expanded Definition</b> Pennsylvania's Breach of Personal Information Notification Act will be</p>

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	<p>updated effective May 2, 2023, to include additional definitions of what defines “personal information.” Current definitions cover an individual’s full name in combination with a social security number, driver’s license number, or financial account information. Included under the new law are medical and health insurance information, as well as a username or email address in combination with a password or security question and answer that would permit access to online accounts.</p>
 <p>A simple outline map of the state of Vermont with a star in the center and the word "VERMONT" written above it.</p>	<p><b>Vermont to Launch Voluntary Paid Family and Medical Leave Program</b>  Vermont Governor Phil Scott announced that the state will launch a voluntary paid family and medical leave program that will provide workers in the state with such leave insurance by 2025. The <a href="#">Vermont Family and Medical Leave Insurance Plan</a> (VT-FMLI) will start being offered to state employees in July 2023, and then will be rolled out to other private employers and employees over the next two years.</p> <p>HRK will send an e-Alert closer to the effective date of the program.</p>
 <p>A simple outline map of the state of Washington with the word "WASHINGTON" written above it.</p>	<p><b>Washington Amends Paid Family and Medical Leave Qualifying Reasons</b>  Washington’s Paid Family and Medical Leave Law (PFML) which went into effect on <a href="#">January 1, 2020</a>, has been updated to include bereavement leave for parents following the stillbirth or postnatal death of a child. Eligible employees will be entitled to use PFML for seven calendar days following a death if the employee would have qualified for family leave to bond with the child and/or the employee would have qualified for medical leave related to the expected birth or placement of a child.</p>

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