

New State Labor and Employment Laws Impacting Employers Nationwide to Take Effect on January 1, 2025

Labor & Employment Law Update

By Kevin Kleine on December 30, 2024

New state laws impacting employers will be going into effect on January 1, 2025. Below is a non-exhaustive summary of major state laws taking effect January 1, 2025.

Employers should be mindful of and continue to follow their state and local laws.

Alaska

Senate Bill 147 amends the state workers' compensation laws to permit either an employee or employer to request an eligibility evaluation if the employee is unable to return to employment for 90 consecutive days because of an injury.

Arizona

House Bill 2764 requires each residential care institution, nursing care institution, and home health agency to make documented, good faith efforts to: 1) contact previous employers to obtain information or recommendations that may be relevant to a person's fitness to work in a residential care institution, nursing care institution, or home health agency; and 2) verify the current status of a person's fingerprint clearance card.

California

- Senate Bill 1100 makes it unlawful for an employer to include a statement in employment materials that an applicant must have a driver's license unless the employer reasonably expects 1) the duties of the position to require driving and 2) satisfying the job function using an alternative form of transportation would not be comparable in travel time or cost to the employer.
- Assembly Bill 3234 requires employers who voluntarily conduct a "social compliance audit" of their business operations and practices to post a clear

and conspicuous link on their website to a report detailing the findings of the employer's compliance with child labor laws.

- Assembly Bill 2299 provides that employers who post a model notice about whistleblower protections will be deemed in compliance with the state's whistleblower posting requirements.
- Assembly Bill 2499 amends the Fair Employment Housing Act to allow leave when an employee or an employee's family member is a victim of an act of violence and expands the reasons an employee can use paid sick leave for "safe" time purposes. AB 2499 makes it unlawful to discriminate or retaliate against an employee when time off is needed because the employee or the employee's family member is a victim of an act of violence. It also expands reasonable accommodation eligibility to include employees who are victims—or whose family members are victims—of "qualifying acts of violence."
- Senate Bill 988 establishes the Freelance Worker Protection Act, which imposes "basic worker protections" and other minimum requirements that will apply to contracts between hiring parties and freelance workers entered into or renewed on or after January 1, 2025.
- Assembly Bill 2123 eliminates an employer's ability to require employees to use up to two weeks of company-provided vacation before they start receiving paid family leave insurance benefits paid by the state (or their employer, if the company has an approved voluntary plan that applies in lieu of the state program).
- Assembly Bill 1815 amends the definition of "race" under the Unruh Civil Rights Act to include traits associated with race, including, but not limited to, hair texture and protective hairstyles.
- Senate Bill 399 creates the California Worker Freedom from Employer Intimidation Act to prohibit employers from requiring employees to attend meetings for the purpose of communicating the employer's opinion about religious and political matters.

Connecticut

House Bill 5005 amends Connecticut's paid sick leave law to expand coverage to all employees rather than just the "service workers" currently covered and expands the reasons leave may be taken and used. Additionally, it progressively lowers the threshold for covered employers from employers with 50 or more employees down to employers with one employee or more over the next two years. The threshold for coverage will reduce from an employer with 50 or more employees down to 25 or more employees on Jan. 1, 2025, 11 or more employees on Jan. 1, 2026, and one employee or more on Jan. 1, 2027.

Delaware

- Senate Bill 233 establishes the Service Worker Protection Act, which provides employment protections for certain service employees during changes of

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company ownership and imposes employee notice and retaining requirements.

- Senate Bill 1 requires participating employers to begin remitting employer and employee contributions under the state's paid family and medical leave insurance program.

Illinois

- House Bill 3129 amends the Illinois Equal Pay Act to require Illinois employers with 15 or more employees to post the pay scale and benefits for a position on all job postings or to disclose this information when requested by an applicant.
- House Bill 3763 amends the Illinois Personnel Records Review Act to specify exact procedures employees (or their representatives) must follow when requesting personnel records. It requires employers to grant at least two requests per employee per calendar year. Employees can now request personnel records related to their benefits, employment agreements, employee handbooks, employer policies and procedures the employee may be subject to that concern qualifications for employment, promotion, transfer, compensation, benefits, discharge, or other disciplinary action.
- House Bill 2161 amends the Illinois Human Rights Act to prohibit discrimination, harassment, or retaliation against employees based on their "family responsibilities" for their provision of "personal care" to a "family member."
- Senate Bill 3310 amends the Illinois Human Rights Act to extend the statute of limitations for filing a charge with the Illinois Department of Human Rights (IDHR) from 300 days to two years. Employees will now have two years from the date of an alleged civil rights violation to file a discrimination, harassment, and/or retaliation charge against their employer in Illinois.
- House Bill 4867 amends the Illinois Human Rights Act to prohibit discrimination based on reproductive health decisions including use of contraception, fertility, or sterilization care; assisted reproductive technologies; miscarriage management care; health care related to the continuation or termination of pregnancy; or prenatal, intranatal, or postnatal care.
- House Bill 5371 amends the Illinois Human Rights Act (IHRA) to allow a court to award restitution to a person injured by a pattern or practice of discrimination. The bill also allows courts to impose higher civil penalties for each civil rights violation committed. The bill clarifies that each instance in which a provision of the IHRA is violated as part of a pattern or practice of discrimination may be considered to constitute a separate violation or violations.
- Senate Bill 3208 requires employers to maintain a copy of employee pay stubs for at least three years, regardless of whether the employee's employment

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ends during that period. It also requires employers to provide employees and former employees with their paystubs upon request.

- House Bill 5561 amends the Illinois Whistleblower Act to expand protections for whistleblowers. Employers may not take retaliatory action against an employee who discloses or threatens to disclose information about an activity that they, in good faith, believe violates the law.
- Senate Bill 0508 prohibits an employer from imposing work authorization verification or re-verification requirements greater than those required by federal law and requires an employer to provide certain notices to employees. Employers who continue to use the federal E-Verify system must incorporate new requirements into their employment verification practices, including notice of social security number match to the employee, notice of Form I-9 audit, notice of any audit, or documentation claiming the employee is not authorized to work in the US.
- House Bill 5640 expands the definition of armed forces or uniformed services to include the U.S. Space Force for purposes of employment protections for military service members.
- Senate Bill 3649 establishes the Worker Freedom of Speech Act, which provides that an employer or their agent may not discharge, discipline, or otherwise penalize an employee for declining to attend or participate in an employer-sponsored meeting that relates to religious or political matters, including labor organizations.
- Senate Bill 3646 establishes the Child Labor Law of 2024, which repeals and replaces the existing law. The bill sets standards for working conditions for children aged 15 and younger, including limiting the hours of work and updating the list of jobs that minors cannot hold.

Indiana

House Bill 1093 provides exemptions from certain hour and time restrictions for the employment of a minor who is at least 14 years of age and less than 16 years of age.

Kentucky

Senate Bill 47 permits employers to establish policies and procedures to limit the use of cannabis in the workplace, including a drug testing policy, drug-free workplace policy, or zero-tolerance drug policy.

Minnesota

- Minnesota Omnibus Policy Bill SB 3852, requires employers with 30 or more employees to include the starting salary range and a general description of benefits or other compensation for an available position in any job posting, whether the posting is printed or electronic.

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- F. No. 5247 amends Minnesota's Earned Sick and Safe Time law (ESST). Employers who meet their ESST obligations through a general paid time off policy will have to follow ESST requirements with respect to all such paid time off.

Missouri

On November 5, 2024, Missouri voters approved Proposition A, which will increase Missouri's minimum wage to \$13.75/hour on Jan. 1, 2025. The measure also creates paid sick leave requirements for all businesses starting May 1, 2025. Employees will be entitled to use up to 56 hours of paid sick time per year (if the employer has 15 or more employees) or up to 40 hours per year (if the employer has fewer than 15 employees). Covered employees will accrue a minimum of one hour of paid sick time for every 30 hours worked without a cap on the accrual amount. **A lawsuit was filed to enjoin this law, therefore we will continue to monitor and provide updates.**

Nebraska

Legislative Bill 1023 revises income tax and employer withholding obligations for nonresident and remote employees and gives employers a 50 percent credit for relocation expenses paid to a qualifying employee (up to \$5,000 per employee/per year).

New Hampshire

- House Bill 1336 restricts employers that receive public funds from the state or federal government from prohibiting employees who legally own a firearm from storing it in their locked vehicle on the employer's property as long as the firearm or ammunition is not visible. The legislation also prohibits employers from searching an employee's vehicle unless it's conducted by law enforcement pursuant to a warrant or recognized exception.
- House Bill 1038 prohibits employers who own or operate businesses providing direct services to minors or direct supervision or oversight of minors from hiring registered sex offenders.

New York

- Assembly Bill A08805C requires employers to provide up to 20 hours of paid prenatal leave each year in addition to any paid sick leave required under state law. The amended law provides that unused paid prenatal personal leave is not a benefit that needs to be paid out upon an employee's termination, resignation, or other separation from employment.
- The New York State Constitution will include protections against discrimination based on "race, color, ethnicity, national origin, age, disability, creed, religion, or sex, including sexual orientation, gender identity, gender

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expression, pregnancy, pregnancy outcomes, and reproductive healthcare and autonomy.” On November 6, 2024, the Equal Rights Amendment was voted into law under a ballot measure.

Oregon

House Bill 4127 establishes rules for certain quota requirements of warehouse employees and requires employers provide covered employees with documentation regarding their quotas. It also allows current and former employees to request certain records from their employer and requires employers to provide them upon request.

Pennsylvania

House Bill 1633 establishes the Fair Contracting for Health Care Practitioners Act, which bans certain noncompete covenants between an employer and health care practitioner if the covenant is for more than one year or the health care practitioner was dismissed by the employer.

Rhode Island

- House Bill 7058 requires employers with more than 50 employees to display a poster containing basic information on veterans' benefits and services.
- House Bill 7171 amends the Rhode Island Parental and Family Medical Leave Act to increase temporary caregiver paid leave to seven weeks beginning January 1, 2025, and eight weeks beginning January 1, 2026.

Washington

Senate Bill 5793 expands Washington's paid sick leave law to allow eligible employees to use leave when their child's school or place of care is closed due to a government-declared emergency. It also expands the definition of a "family member" to include any individual who regularly resides in the employee's home, except those who do not expect to be cared for by the employee.

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