



Detailed Look at State, Local and Federal Updates



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State/Territory/District

California Amends Wage Theft Notice Requirements

California has enacted legislation that amends the notice requirements under the state's Wage Theft Prevention Act, beginning **January 1, 2024**.

The Details:

Existing Law	As Amended by Assembly Bill 636
<p>At the time of hiring, an employer must provide to each employee a written notice, in the language the employer normally uses to communicate employment-related information to the employee, containing the following information:</p> <ul style="list-style-type: none"> • The rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, as applicable. • Allowances, if any, claimed as part of the minimum wage, including meal or lodging allowances. • The regular payday designated by the employer in accordance with the requirements of this code. • The name of the employer, including any "doing business as" names used by the employer. • The physical address of the employer's main office or principal place of business, and a mailing address, if different. 	<p>Beginning January 1, 2024, the notice to all employees must also include information on the existence of a federal or state emergency or disaster declaration applicable to the county or counties where the employee is to be employed, and that was issued within 30 days before the employee's first day of employment, that may affect their health and safety during their employment.</p> <p>Beginning March 15, 2024, if an employee is admitted under the federal H-2A agricultural visa program, the employer must include additional information in a separate and distinct section of the notice, in Spanish, and, if requested by the employee, in English, describing an agricultural employee's additional rights and protection under California law. Employers that employ both H-2A and non-H-2A employees have the option of providing the notice to non-H-2A employees in English or Spanish, at the employee's request, or in the language that the employer normally uses to communicate employment-related information to non-H-2A employees.</p>

Existing Law	As Amended by Assembly Bill 636
<ul style="list-style-type: none"> The telephone number of the employer. The name, address and telephone number of the employer's workers' compensation insurance carrier. That an employee: may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates. 	<p>The Labor Commissioner is required to create a template for the notice that complies with the updated requirements and post the template on its internet website by March 1, 2024. However, it is unclear whether an updated template will be posted in time for when the emergency declaration requirement takes effect on January 1, 2024.</p>
<p>An employer must notify their employees in writing of any changes to the information set forth in the notice within seven calendar days after the time of the changes, unless one of the following applies:</p> <ul style="list-style-type: none"> All changes are reflected on a timely wage statement. Notice of all changes is provided in another writing required by law within seven days of the changes. 	<p>No changes.</p>

Next Steps:

California employers should prepare to comply with the changes made by Assembly Bill 636. Because we do not know if the Labor Commissioner will publish sample notices or guidance addressing the emergency or disaster declaration before January 1, 2024, employers may want to discuss how to address the requirement with legal counsel.

Employers should also keep in mind that they must update their wage theft notices with the state's expanded paid sick leave requirements, which take effect January 1, 2024. Employers have seven days from the effective date to notify employees and provide updated wage theft notices to new hires.

We will notify clients when the Labor Commissioner releases updated notices.

California Expands Year-End Notice Requirement

California has enacted legislation that significantly expands a requirement for employers to notify employees about federal and state earned income tax credits (EITCs). The changes are effective with notices furnished on or after **January 1, 2024**.

Current Law	Effective January 1, 2024
<p>Employers must notify all employees that they may be eligible for federal and state EITCs.</p>	<p>Employers must notify all employees that they may be eligible for:</p> <ul style="list-style-type: none"> Voluntary Income Tax Assistance (VITA) Program; CalFile (a free online program for taxpayers to complete and e-file their state personal income tax returns); and State and federal antipoverty tax credits, including the federal and state EITCs.
<p>The notice is due within one week before or after, or at the same time, that the employer provides an annual wage summary to any employee</p>	<p>The first notice is due within one week before or after, or at the same time, that the employer provides an annual wage summary to any employee.</p>

Current Law	Effective January 1, 2024
Employers must provide the notice by handing it directly to the employee or mailing it to the employee's last known address.	Employers must provide the first notice by handing it directly to the employee or mailing it to the employee's last known address. Notwithstanding the above, the employer may send the first notice to an email account of the employee's choosing but only if the employee affirmatively, and in writing or by electronic acknowledgment, opts into receipt of electronic statements or materials.
No requirement for a follow-up notice.	Employers must also send a second notice to all employees during the month of March of the same year. This second notice may be sent electronically.

Notice Requirements:

Effective January 1, 2024, both the first and second notices must state substantially the following:

Based on your annual earning, you may be eligible for the following assistance:

- Voluntary Income Tax Assistance (VITA) Program – VITA is a free basic income tax return preparation program, for federal and state personal income tax returns, managed by the Internal Revenue Service (IRS) and operated by Internal Revenue Service partners and trained volunteers.
- Federal Earned Income Tax Credit (federal EITC) – The federal EITC is a refundable credit for low-income working individuals and families. The federal EITC will not impact certain public assistance benefits. In addition, federal EITC payments are typically NOT used to determine eligibility for the following:
 - o (A) Medicaid
 - o (B) Supplemental Security Income (SSI)
 - o (C) Supplemental Nutrition Assistance Program (SNAP)
 - o (D) Low-income housing
 - o (E) Temporary Assistance for Needy Families (TANF) payments
- To receive the federal EITC, you must file a federal tax return and fill out the EITC form, which can be found in the Federal Income Tax Return Booklet. For additional information on your eligibility to receive the federal EITC and other federal antipoverty tax credits, visit www.irs.gov.
- California Earned Income Tax Credit (California EITC) and Young Child Tax Credit (YCTC) – The California EITC and YCTC are refundable credits for low-income working individuals and families. The California EITC and YCTC are similar to the federal EITC and will not impact certain public assistance benefits.
- Foster Youth Tax Credit (FYTC) – The FYTC is a refundable credit for former and current foster youth between 18 and 25 years of age who were in foster care while 13 years of age or older. The FYTC will not impact certain public assistance benefits.
- To claim the California EITC, you must file a California Income Tax Return and fill out the California EITC form (Form FTB 3514) and attach it to your tax return. For additional information on the availability of the credit, including eligibility requirements, or form questions, visit www.ftb.ca.gov and enter "CalEITC" in the search box.
- You may also be eligible to have both your federal and state tax returns prepared and filed for free using VITA services. For additional information on the free tax filing service, and location and hours of operation, visit www.ftb.ca.gov and enter "VITA" in the search box.
- Additionally, you may be eligible to e-file your California return directly with the Franchise Tax Board for free using CalFile. For additional information on CalFile, visit www.ftb.ca.gov and enter "CalFile" in the search box.

Next Steps:

California employers should ensure compliance with the expanded notice requirement.

Colorado Requires New Annual Notice – Updated

Update:

The Colorado Department of Revenue has released a model notice to satisfy the notice requirement. Colorado employers should review the model notice instructions carefully and distribute the notice to employees accordingly.

[Review the model notice and instructions here.](#)

Colorado has enacted legislation (House Bill 23-1006) that requires employers to provide an annual notice to employees about certain tax credits that may be available to them.

The Details:

For tax years beginning January 1, 2023 and after, employers must provide all employees with a written notice of the availability of the federal and state earned income tax credits and the federal and state child tax credits. The notice must be provided at least once per year.

An employer may send the written notice to employees electronically, including via email or text message. The written notice must be in English and any other language the employer uses to communicate with employees, and must include any additional content the Department of Revenue requires via regulations.

Next Steps:

- Adopt practices to ensure the new notice requirement is met.
- Watch for developments closely in case the Department of Revenue issues regulations, guidance and/or a sample notice.

Ohio Enacts Recreational Marijuana Law

Voters in Ohio approved a ballot measure, An Act to Control and Regulate Adult Use of Cannabis (the Act), which legalizes recreational marijuana. The law takes effect on **December 7, 2023**.

The Details:

On November 7, 2023, Ohio voters approved [the Act](#), which legalizes recreational marijuana.

Effective December 7, 2023, Ohio residents (aged 21 and older) may sell, purchase and possess certain amounts of marijuana.

Note: The Act does not impact the Ohio medical marijuana program.

Workplace Use Prohibited:

Under the Act, employers may:

- Prohibit employees from using, distributing or possessing marijuana during work hours or working while under the influence;
- Have drug testing, drug-free workplace and zero-tolerance policies. Employers may enforce these policies through discharge, discipline, refusal to hire or other lawful action if an employee violates lawful policies and restrictions against marijuana; and
- Terminate an employee for use of marijuana in violation of a lawful drug policy, as a just cause, for purposes of unemployment compensation.

Note: The Act prohibits employees from bringing legal action against their employers for lawful prohibition or adverse actions relating to the use of marijuana.

Next Steps:

Carefully review drug policies to ensure compliance with the Act.

Watch for clarifying guidance from the [Ohio Department of Commerce](#), as regulations and modifications to implement the Act are also expected.

Washington State Announces 2024 Paid Family & Medical Leave Premiums

Washington State has announced its 2024 Paid Family & Medical Leave (PFML) premiums and has released the 2024 taxable wage bases and rates when calculating the state's PFML premiums.

The Details:

2024 PFML Premiums:

The total PFML premium will be 0.74 percent for 2024. Employers with 50 or more employees will be responsible for 28.57 percent of the total premium and employees will be responsible for 71.43 percent.

Businesses having fewer than 50 employees are not required to pay the employer portion of the premium, unless they choose to do so. However, they must still collect the employee premium or pay employees' premiums on their behalf.

2024 Taxable Wage Bases and Rates:

The 2024 taxable wage base and rates are as follows:

Employee Contribution

Taxable Wage base

Effective Date	Taxable Wage Base – Employee FLI and MLI
01/01/2024	\$168,600.00

Family & Medical Leave Insurance Rates

Effective Date	Employee FLI Rate	Employee FLI Limit	Employee MLI Rate	Employee MLI Limit
01/01/2024	0.35557 percent	\$599.49	0.173012 percent	\$291.70

Employee Contribution

Taxable Wage base

Effective Date	Taxable Wage Base – Employee FLI and MLI
01/01/2024	\$168,600.00

Family & Medical Leave Insurance Rates

Effective Date	Employer MLI Rate	Employer MLI Limit
01/01/2024	0.21142 percent	\$356.45

Next Steps:

Effective January 1, 2024, covered Washington State employers must pay the required premium, collect premiums from employees via wage deductions and remit to the Washington State Department of Paid Family & Medical Leave.

For more information on the Washington Paid Family & Medical Leave program, click on the following links:

<https://esd.wa.gov/newsroom/paid-leave-2024-premiums#:~:text=Starting%20Jan.,rate%20for%202023%20is%200.8%25>
<https://paidleave.wa.gov/>

Bloomington, Minnesota Amends Sick Leave Ordinance for 2024

Bloomington, Minnesota has amended an ordinance that requires employers in the city to provide sick leave to employees. The changes take effect **January 1, 2024**. The Bloomington city attorney [has indicated](#) that the ordinance “aligns with the Minnesota state statute that goes into effect on the same day and that employers that are compliant with the state statute will be compliant with the Bloomington ordinance with no additional administrative responsibility.”

The Details:

Current Law	Beginning January 1, 2024
Coverage	
Employers with five or more employees (regardless of location) must provide paid sick leave. Smaller employers must also provide sick leave, but it may be unpaid.	All employers must provide paid sick leave.
Definition of Family Member	
<p>A family member is defined as the employee’s:</p> <ul style="list-style-type: none"> • Child, step-child, adopted child, foster child, or adult child; • Spouse; • Sibling; • Parent, step-parent, mother-in-law, or father-in-law; • Grandchild or grandparent; • Guardian or ward; or • Members of the employee’s household 	<p>The definition of a family member is expanded and defined as the employee’s:</p> <ul style="list-style-type: none"> • Child, including foster child, adult child, legal ward, child for whom the employee is legal guardian or child to whom the employee stands or stood in loco parentis (in place of a parent); • Spouse or registered domestic partner; • Sibling, step-sibling, or foster sibling; • Biological, adoptive or foster parent, step-parent, or a person who stood <i>in loco parentis</i> (in place of a parent) when the employee was a minor child; • Grandchild, foster grandchild or step-grandchild; • Grandparent or step-grandparent; • A child of a sibling of the employee; • A sibling of the parents of the employee; • A child-in-law or sibling-in-law; • Any of the family members listed above of an employee’s spouse; • Any other individual related by blood or whose close association with the employee is the equivalent of a family relationship; and • Up to one individual annually designated by the employee.
Carryover of Accrued Leave	
Employers must permit employees to carry over accrued but unused sick leave into the following year. Employers may cap total accrual at 80 hours.	<p>Employers must permit employees to carry over accrued but unused sick leave into the following year. Employers may cap total accrual at 80 hours.</p> <p>In lieu of allowing carryover into the following year, an employer may provide an employee with paid sick leave for the year that meets or exceeds the requirements of the ordinance that is available for the employee’s immediate use at the beginning of the subsequent year as follows:</p> <ul style="list-style-type: none"> • 48 hours, if an employer pays an employee for accrued but unused paid sick leave at the end of a year at the same hourly rate as an employee earns from employment; or • 80 hours, if an employer doesn’t pay an employee for accrued but unused paid sick leave at the end of a year at the same or greater hourly rate as an employee earns from employment.

Current Law	Beginning January 1, 2024
Frontloading	
An employer may satisfy the requirements by providing at least 48 hours of sick leave following the initial 90 days of employment for use by the employee during the first calendar year and providing at least 80 hours of sick leave beginning each subsequent calendar year.	An employer may satisfy the requirements by providing at least 48 hours of paid sick leave for immediate use by the employee during the first calendar year and providing at least 80 hours of sick leave beginning each subsequent calendar year.
Use	
Employees may use accrued leave beginning 90 calendar days after the start of their employment.	Employees may use accrued leave as it is accrued .
<p>An employee may use the sick leave for:</p> <ul style="list-style-type: none"> • The employee's or a family member's mental or physical illness, treatment, or preventive care; • The death of a family member; • An absence due to domestic abuse, sexual assault, or stalking of the employee or employee's family member; • The closure of the employee's place of business by order of a public official to limit exposure to an infectious agent, biological toxin, hazardous material, or other public health emergency; • The employee's need to care for a family member whose school or place of care has been closed by order of a public official to limit exposure to an infectious agent, biological toxin, hazardous material, or other public health emergency; and • The employee's need to care for a family member whose school or place of care has been closed due to inclement weather, loss of power, loss of heating, loss of water, or other unexpected closure. 	<p>An employee may use sick leave for:</p> <ul style="list-style-type: none"> • The employee's or a family member's mental or physical illness, treatment, or preventive care; • Absence due to domestic abuse, sexual assault, or stalking of the employee or a family member; • Closure of the employee's workplace due to weather or public emergency or closure of a family member's school or care facility due to weather or public emergency; • When determined by a health authority or healthcare professional that the employee or family member is at risk of infecting others with a communicable disease; and • The employee's inability to work or telework because the employee is: (i) prohibited from working by the employer due to health concerns related to the potential transmission of a communicable illness related to a public emergency; or (ii) seeking or awaiting the results of a diagnostic test for, or a medical diagnosis of, a communicable disease related to a public emergency and such employee has been exposed to a communicable disease or the employee's employer has requested a test or diagnosis.
Documentation	
If the absence is for illness, injury, or medical care and is more than three consecutive days, the employer may require reasonable documentation that the absence is covered by the ordinance, but only if the employer provides healthcare benefits to the employee.	If the absence is more than three consecutive days, the employer may require reasonable documentation that the absence is covered by the ordinance. See the text of the ordinance for details on what is considered reasonable documentation.

Wage Statement Requirements Reminder:

As a reminder, under the state sick leave law and the Bloomington ordinance, employers are required to provide employees with wage statements showing the number of sick leave hours accrued and available for use, as well as the total number of hours used during the pay period.

Next Steps:

If you have employees working in Bloomington, Minnesota:

- Provide paid sick leave in accordance with the requirements of the amended ordinance (and Minnesota state law) beginning January 1, 2024.

- Monitor [the website of the city attorney's office](#) for updates to the required notices.
- Post the updated required notices by January 1, 2024.
- Update leave policies and forms and employee handbooks to comply with the amended ordinance.
- Train supervisors on the amended ordinance.

Boulder County, Colorado Enacts Minimum Wage

The Boulder County, Colorado, Board of County Commissioners adopted [Ordinance 2023-4](#), which establishes a new local minimum wage starting January 1, 2024.

The Details:

Covered Employers:

Employers covered under the ordinance include an individual, partnership, firm, corporation or any other person, group, collective or entity that employs one or more covered employees in unincorporated Boulder County.

Covered Employees:

Employees entitled to the county minimum wage are any adult or minor employees working at least four hours in a given week within the geographic boundaries of unincorporated Boulder County.

The hourly rates and effective dates are as follows:

Minimum Wage:

Effective Date	Minimum Hourly Rate
01/01/2024	\$15.69
01/01/2025	\$16.57
01/01/2026	\$17.99
01/01/2027	\$19.53
01/01/2028	\$21.21
01/01/2029	\$23.03
01/01/2030	\$25.00

Tipped Employees:

Effective Date	Minimum Hourly Rate	Maximum Tip Credit	Minimum Hourly Rate
01/01/2024	\$12.67	\$3.02	\$15.69
01/01/2025	\$13.55	\$3.02	\$16.57
01/01/2026	\$14.97	\$3.02	\$17.99
01/01/2027	\$16.51	\$3.02	\$19.53
01/01/2028	\$18.19	\$3.02	\$21.21
01/01/2029	\$20.01	\$3.02	\$23.03
01/01/2030	\$21.98	\$3.02	\$25.00

Beginning on January 1, 2031, and each January thereafter, the Boulder County minimum wage rate shall increase by a change in the local area's Consumer Price Index (CPI).

Next Steps:

Covered employers must pay at least the minimum wage to its covered employees as of each effective date.



Minimum Wage

Minimum Wage Round-Up – 2024

Tis the season for numerous state and local minimum wage increases. For the latest updates, see the link at the bottom of the article below titled “Minimum Wage Announcements.”

Minimum Wage Announcements: 11/16/23 – 12/15/23

The following states or localities have announced new minimum wage increases.

State or Locality	Minimum Wage Rate	Minimum Tipped Cash Wage	Effective Date(s)	New or Updated Poster Requirement?	Notes
Alaska	\$11.73	\$11.73*	1/1/24	Yes	
Oakland	\$16.50	\$16.50*	1/1/24	Yes	
Oakland Hotel Workers with Health Benefits	\$17.94	\$17.94*	1/1/24		
Oakland Hotel Workers without Health Benefits	\$23.91	\$23.91*	1/1/24		
San Mateo County	\$14.00	\$14.00*	7/1/24	Yes	

*AK and CA do not allow the use of a tip credit.

[Download a PDF of a comprehensive listing of state and local minimum wage rates.](#)

ADP Compliance Resources

ADP maintains a staff of dedicated professionals who carefully monitor federal and state legislative and regulatory measures affecting employment-related human resource, payroll, tax and benefits administration, and help ensure that ADP systems are updated as relevant laws evolve. For the latest on how federal and state tax law changes may impact your business, visit the ADP *Eye on Washington* Web page located at www.adp.com/regulatorynews.

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