

EYE ON WASHINGTON

Timely, topical insights on a variety of payroll and reporting issues.

Detailed Look at State, Local and Federal Updates



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California Releases Model Workplace Violence Prevention Plan

The California Division of Occupational Safety and Health (Cal/OSHA) has released a model workplace violence prevention plan and fact sheet to help general industry employers comply with a requirement that takes effect **July 1, 2024**.

The Details:

Effective July 1, 2024, Senate Bill 553 requires California employers to, among other things, adopt a workplace violence prevention plan (WVPP) that is in writing.

Cal/OSHA's model plan is intended to help employers develop their own stand-alone WVPP. The model plan was written for a broad spectrum of employers, and it may not match every establishment's exact needs.

The **model plan is a fillable template** for employers to complete. Instructions in red font enclosed in brackets indicate where employers must enter their worksite-specific information.

Employers aren't required to use the model plan. They may create their own plan, use another WVPP template, or incorporate workplace violence prevention into their existing Injury and Illness Prevention Program (IIPP) as a separate section, provided it includes all of the required elements.

Cal/OSHA also released fact sheets on workplace violence prevention for **general industry** and **agricultural operations**.

Note: Senate Bill 553 also has requirements for recording incidents, employee training, and recordkeeping that take effect July 1, 2024.

Next Steps:

Unless exempt, California employers should ensure compliance with Senate Bill 553 by **July 1, 2024**.

Reminder: California Fast-Food Workers' Minimum Wage Increases April 1

Effective April 1, 2024, fast-food restaurant workers in California working at a "national fast-food chain" establishment must be paid a minimum of \$20 per hour. The change is a result of legislation (Assembly Bill 1228) that was enacted in 2023.

The Details:

Assembly Bill 1228 defines "national fast-food chain" as follows:

A set of limited-service restaurants consisting of more than 60 establishments nationally that share a common brand, or that are characterized by standardized options for decor, marketing, packaging, products, and services, and which are primarily engaged in providing food and beverages for immediate consumption on or off premises where patrons generally order or select items and pay before consuming, with limited or no table service. For purposes of the definitions in this part, "limited-service restaurant" includes, but is not limited to, an establishment with the North American Industry Classification System (NAICS) Code 722513.

The fast-food worker minimum wage will be adjusted for inflation beginning on January 1, 2025.

Exemptions:

The following entities are exempt from the requirement:

- Establishments operating a bakery that produces bread for sale as a stand-alone item on the establishment's premises; and
- Restaurants located in a grocery establishment where the grocery employs the restaurant workers.

Note: The state legislature is considering legislation (Assembly Bill 610) that would expand the list of exempt entities.

Next Steps:

Beginning April 1, 2024, "national fast-food chain" employers in California must pay their employees a minimum wage of at least \$20 per hour.

Reminder: Illinois Equal Pay Certificate Deadline Approaches

Employers with 100 or more employees in Illinois must submit an application to obtain an Equal Pay Registration Certificate (EPRC) from the state by March 23, 2024.

The Details:

In 2021, the state amended the Illinois Equal Pay Act (IEPA) to require that private employers report certain payroll information to the Illinois Department of Labor (IDOL) and obtain an EPRC. The requirement applies to any private employer that has 100 or more employees in Illinois and is required to file an annual EEO-1 with the U.S. Equal Employment Opportunity Commission (EEOC).

The IDOL has been assigning each employer a deadline by which it must submit its initial application for an EPRC. Employers that haven't received a deadline from the IDOL or haven't yet filed their initial application must do so by March 23, 2024. Covered employers must also obtain an EPRC every two years after their initial one.

To obtain an EPRC, covered employers must certify, among other things, that the average compensation for their female and certain other employees isn't consistently below the average compensation for their counterparts within each of the major job categories in the EEO-1, taking into account factors such as length of service, requirements of specific jobs, experience, skill, effort, responsibility, working conditions of the job, education or training, job location, use of a collective bargaining agreement, or other mitigating factors.

Next Steps:

If you have 100 or more employees in Illinois and are required to file an annual EEO-1 with the EEOC, make sure you comply with the **Illinois pay data reporting requirements** by March 23, 2024.

Utah Limits Nondisclosure and Non-disparagement Provisions in Certain Agreements

Utah has enacted legislation (House Bill 55), which restricts certain nondisclosure and non-disparagement clauses. House Bill 55 is effective immediately and applies to agreements that are entered into on or after **January 1, 2023**.

The Details:

Restricted Agreements:

House Bill 55 limits the terms of these agreements between an employer and an employee:

- A nondisclosure agreement that prevents (or has an effect of preventing) an employee from disclosing, discussing, or alleging sexual assault or sexual harassment (misconduct).
- A non-disparagement clause that prohibits (or has the effect of prohibiting) an employee from making a negative statement about the employer that is related to a claim or a dispute related to sexual misconduct.

House Bill 55:

House Bill 55 expands the Utah Antidiscrimination Act to prohibit:

- Nondisclosure or non-disparagement agreements regarding sexual misconduct which are required as a condition of employment. Such provisions are unenforceable under the law.
- An employer from retaliating against a current or former employee that alleges sexual misconduct or refuses to enter into an agreement that is prohibited under House Bill 55.

The law also allows an employee to withdraw from a settlement agreement that contains a nondisclosure or nondisparagement confidentiality clause related to sexual misconduct, provided they withdraw within three days after entering such an agreement.

Exceptions:

House Bill 55 does not prohibit:

- An agreement between an employer and an employee that alleges sexual misconduct from containing a nondisclosure or non-disparagement clause (or any other clause) that prohibits the disclosure of:
 - o The amount of a monetary settlement; or
 - o At the employee's request, facts that could reasonably lead to identifying the employee;
- An employer from requiring an employee to:
 - o Sign a post-employment restrictive covenant; or
 - o Agree not to disclose an employer's non-public trade secrets, proprietary information, or confidential information that does not involve illegal acts; or

• An employee from discussing sexual misconduct or allegations of sexual misconduct in a civil or criminal case when subpoenaed if the discussions are against the individual alleged to have engaged in the misconduct.

The law also does not:

- Limit other reasons that may make a confidentiality clause unenforceable;
- Permit a disclosure that would violate state or federal law; or
- Authorize an employee to:
 - o Disclose data otherwise protected by law or legal privilege; or
 - o Knowingly make statements or disclosures that are false, or made with reckless disregard of the truth.

Next Steps:

Employers with operations in Utah should review applicable agreements and confidentiality provisions and consult legal counsel to help ensure compliance with House Bill 55.



Minimum Wage Announcements: 2/16/24 - 3/25/24

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

State or Locality	Minimum Wage Rate	Minimum Tipped Cash Wage	Effec- tive Date(s)	New or Updated Poster Requirement?	Notes
Santa Monica, CA	\$17.27	\$17.27	7/1/24		Previously Santa Monica announced that the 2024 minimum wage would be \$17.28 per hour. The city has now modified to \$17.27 per hour. <u>Correction</u>

*CA does not allow the use of a tip credit.

Download a PDF of a comprehensive listing of state and local minimum wage rates.



Updated: Federal Judge Blocks Florida Law Limiting Workplace Bias Trainings

Update: On March 4, 2024, a three-judge panel of the U.S. Court of Appeals for the Eleventh Circuit affirmed the preliminary injunction discussed below. Therefore, the law continues to remain blocked. The state could appeal this decision. Impacted employers should continue to monitor developments.

A federal judge has granted a preliminary injunction blocking a Florida law that prohibits employers with 15 or more employees from subjecting an individual to training that endorses certain concepts about discrimination.

The Details:

Earlier this year, Florida enacted House Bill 7, which took effect July 1, 2022. Among other things, House Bill 7 established that employers with 15 or more employees engage in an unlawful employment practice if they subject individuals to training that promotes, advances, or compels the individual to believe any of <u>eight specified concepts</u> on race, color, sex, or national origin. For instance, the law barred training that indicated an individual's moral character or status as either privileged or oppressed is necessarily determined by their race, color, sex, or national origin.

After the law was passed, a lawsuit was filed by two employers and a training consultant who wished to provide training they believed was now barred by House Bill 7.

In the lawsuit, the employers and consultant argued that House Bill 7 is an unlawful restriction on speech and overly broad and vague. They also filed a motion asking the court for a preliminary injunction against the state.

On August 18, 2022, U.S. District Judge Mark E. Walker granted the motion for a preliminary injunction. The ruling prevents the state from enforcing the workplace-training provisions of House Bill 7 while the lawsuit is still being litigated. However, individuals may still be able to pursue private causes of action based on the law.

Next Steps:

If you have 15 or more employees:

- Discuss the impact of the preliminary injunction with legal counsel.
- Watch for developments closely as the ruling is just preliminary and can also be appealed.

ADP Compliance Resources

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