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Eye on Washington

State and Local Update



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

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Leave

California Provides Updated Supplemental Paid Sick Leave FAQs to Address Wage Statement Requirements

It was previously reported in the April 2020 Eye on Washington: State and Local Updates, that Governor Gavin Newsom signed Executive Order (EO) N-51-20, which provided COVID-19 supplemental paid sick leave (CPSL) for food-sector workers. It was also reported in the September 2020 Eye on Washington: State and Local Updates on September 9, 2020, California Governor Newsom signed [Assembly Bill \(AB\) 1867 \(AB 1867\)](#), adding California Paid Sick Leave (CPSL) requirements for other employers under California Labor Code 248.1 (LC 248.1).

The requirements to provide supplemental paid sick leave under CPSL for covered workers will expire on December 31, 2020, or upon the expiration of any federal extension of the Emergency Paid Sick Leave Act established by the federal Families First Coronavirus Response Act, whichever is later.

Subsequently, the California Department of Industrial Relations (CDIR) provided 27 FAQs regarding the CPSL.

Wage Statement Requirements

LC 248.1 imposes pay-stub requirements, which require a written notice concerning the amount of leave available on either an itemized wage statement or in a separate writing provided on designated pay dates. It is not clear whether the amount of leave available under the CPSL must be listed separately from the available paid sick leave otherwise provided under California law.

The CDIR has now added two new FAQs, 28 and 29, to address the wage statement requirements required under LC 248.1 as follows:

28. Should COVID-19 Supplemental Paid Sick Leave be listed separately from regular Paid Sick Leave on the itemized pay stub or via a separate writing at the time wages are paid?

Yes. The California COVID-19 Supplemental Paid Sick Leave law is clear that the obligation to provide COVID-19 Supplemental Paid Sick Leave is in addition to regular paid sick leave. The itemized wage statement or separate writing requirement the Legislature included for nonfood-sector employees ensures those employees

understand how many separate hours they have available for COVID-specific sick leave. For example, consider a full-time employee who has used all of his or her regular paid sick leave but is entitled to 80 hours of COVID-19 Supplemental Paid Sick Leave. If an itemized wage statement specifies that there are 0 hours of paid sick leave and 80 hours of COVID-19 Supplemental Paid Sick Leave available, the employee would be on notice that he or she lacks available paid sick leave for non-COVID-related absences. On the other hand, if the itemized wage statement simply said 80 hours of paid sick leave is available without differentiating between paid sick leave and COVID-19 Supplemental Paid Sick Leave, an employee may take paid sick leave for non-COVID-related reasons without realizing that there were no sick leave hours available.

Although the Legislature did not include the itemized wage statement or other writing requirement for food-sector workers as that requirement was not in the Executive Order, for both food and nonfood-sector workers, Labor Code Section 247.5 requires that records be kept for a three-year period on regular paid sick days and COVID-19 Supplemental Paid Sick days accrued and used, and be made available to the Labor Commissioner or worker upon request.

29. How should a hiring entity calculate and list COVID-19 Supplemental Paid Sick Leave on pay stubs for part-time variable-scheduled employees?

A hiring entity with variable-scheduled part-time workers will have to calculate the amount of COVID-19 Supplemental Paid Sick Leave available, based on when a worker requests it. The employer gets a credit for any COVID-19 Supplemental Paid Sick Leave that was already provided; if a worker is owed additional hours of COVID-19 Supplemental Paid Sick Leave under a new schedule, the worker therefore only receives the balance between what was available under the original schedule and any additional Supplemental Paid Sick Leave hours under the new schedule.

For the itemized wage statement or separate writing requirement, nonfood-sector employers who have a variable-scheduled employee would be required to calculate the initial amount of COVID-19 Supplemental Paid Sick Leave available and put "(variable)" next to it on the itemized wage statement or in a separate writing.

For a copy of all 29 CPSL FAQs, click on the link provided below:

<https://www.dir.ca.gov/dlse/FAQ-for-PSL.html>

Colorado Updates Paid Sick Leave Law

As previously reported in the July 2020 Eye on Washington: State and Local Updates, on July 14, 2020, Colorado Governor Jared Polis signed into law the Healthy Family and Workplaces Act (the "Act" or "HFWA"). The new law mandates that nearly all employees working for public and private employers in Colorado must begin accruing at least one hour of paid sick leave for every 30 hours worked, up to 48 hours in total, which balance shall carry over, year-to-year, subject to the limit. This requirement goes into effect for covered employers with 16 or more employees on January 1, 2021, and for all other covered employers (regardless of how many employees they employ) on January 1, 2022.

On November 10, 2020, the Colorado Department of Labor and Employment adopted updated rules reflecting the requirements of the Act that will go into effect on January 1, 2021. Below are highlights of the changes made to the Wage Protection Rules.

Covered Employers

"Employer" has the meaning set forth in Section 8-4-101(6), except that the term also includes the State and its agencies or entities, counties, cities, municipalities, school districts and any political subdivisions of the state. For the purpose of the Act, the Wage Protection Rules now include guidance for determining Covered Employers as follows:

- To determine whether an employer meets the 16-employee threshold for HFWA coverage in 2021, the rules for counting employees to determine whether an employer is covered under the federal Family and Medical Leave Act apply;
- The employer must employ the requisite number of employees "for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year"
- Any employee whose name appears on the employer's payroll will be considered employed each working day of the calendar week, and must be counted whether or not any compensation is received for the week;
- Employees on paid or unpaid leave, including sick or medical leave, leaves of absence, disciplinary suspension, etc., are counted as long as the employer has a reasonable expectation that the employee will later return to active employment;
- A corporation is a single employer rather than its separate establishments or divisions; and

- Employees are counted only if “within ... the United States,” including any state, the District of Columbia, or any territory or possession of the United States.

Accrual & Use

Accrual

Effective January 1, 2021, employees will begin to accrue sick leave at a rate of one hour for every 30 hours worked, up to a yearly maximum of 48 hours. Accruals are based on all “time worked,” with regular and overtime hours counting equally.

Paid leave begins to accrue at the commencement of employment or on January 1, 2021, whichever is later.

An employee who is exempt from overtime should accrue paid sick leave, based on the assumption that the employee works 40 hours per week. If the employee’s normal workweek consists of fewer than 40 hours, the employee should accrue paid sick leave based on the number of hours that comprise the employee’s normal workweek.

For hours accrual purposes, the best available, reasonable estimate must be used for employees paid on a fee-for-service basis for which hours are not ordinarily tracked and cannot feasibly be tracked. Higher education adjunct faculty paid on a per-credit or per-course basis must be deemed to work three hours for each in-class hour.

“Year” means a regular and consecutive 12-month period, as determined by the employer.

In the event a public health emergency is declared, employers are required to immediately provide each employee with additional supplemental hours of paid leave such that the employee will be provided with access to 80 hours of total paid leave, including those already accrued for the year.

Flat amount (front-loading) –

Employers may choose to “front load” sick leave, providing employees with the total amount of required sick leave at the beginning of the year, rather than waiting for the employee to accrue the hours.

Use

Employees may begin to use sick leave on or after January 1, 2021.

- Employees will immediately be able to begin using their accrued sick leave as it is accrued.
- An employer may limit the use of sick leave to 48 hours per calendar year.

The number of hours of paid leave an employee can take is the number of hours they are reasonably anticipated to have worked during the period of leave, based on:

- their regular schedule of hours actually worked; or
- if leave is during a period the employee was anticipated to depart from a regular schedule, then the number of hours anticipated for that period; or
- if the number of hours the employee would have worked during the period cannot be reasonably anticipated, then their average hours worked during their most recent month of work.

An employee must use paid sick leave in hourly increments unless the employee’s employer allows paid sick leave to be taken in smaller increments of time.

Carryover Limit

Employers must permit employees to carry over up to 48 hours of unused sick leave at year-end. Employers may permit an employee to carry forward more than 48 hours of unused paid leave from one benefit year to the next.

Rehires – If a former employee is rehired by the same employer within six months of separation, and was not paid for unused sick time at the time of separation, the employer must reinstate any paid sick leave that the employee had accrued but not used prior to the separation.

Pay Statement Requirements

Upon an employee’s request, an employer must provide, in writing or electronically, documents sufficient to show, or a dated statement containing, the then-current amount of paid leave the employee has:

- available for use (including accrued leave), and
- already used during the current benefit year, including information as to any supplemental leave provided and used.

Employees may make such requests no more than once per month, except they may make an additional request when any need for paid leave arises.

Employers may choose a reasonable system for fulfilling such requests including, but not limited to, listing such information on each pay stub, or using an electronic system where employees can access their own information; or providing the necessary information as a letter or electronic communication.

Colorado Voters Approve Paid Family and Medical Leave Proposition

On November 3, 2020, voters in Colorado approved Proposition 118 (Prop 118) titled the “Paid Family Leave and Medical Insurance Act” on a 58 percent to 42 percent vote. Prop 118 provides for 12 weeks of paid family and medical leave (PFML) including safe leave and leave related to sexual assault or stalking, with four additional weeks allowed in the case of pregnancy or childbirth complications.

Highlights of Prop 118 are as follows:

- To be eligible, the employee must have earned at least \$2,500 in wages subject to premiums and have a qualifying reason for leave.
- The paid leave program will be funded by a premium amount paid by employees and/or employers.
- Employers with 10 or more employees are required to deduct up to 50 percent of the premium from an employee’s wages and contribute 50 percent of the premium.
- Employers with fewer than 10 employees are not required to contribute toward the premium and may deduct up to 50 percent of the premium and will remit 50 percent of the premium.
- Employers are not allowed to take any retaliatory action against employees who use the leave.
- The premium deductions will begin January 1, 2023, and the leave will be available to employees beginning January 1, 2024.
- From January 1, 2023, through December 31, 2024, the premium amount is 0.9 percent of an employee’s wages.

For a copy of Prop 118, click on the link provided below.

<https://www.sos.state.co.us/pubs/elections/Initiatives/titleBoard/filings/2019-2020/283Final.pdf>

New York State Provides Paid Sick Leave Guidance

As previously reported in the April 2020 Eye on Washington: State and Local Updates, on April 2, 2020, Governor Andrew M. Cuomo announced that the Fiscal Year 2021 state budget includes a permanent mandatory paid sick leave program. The State Legislature passed the budget immediately thereafter, and Governor Cuomo signed the bill on April 3, 2020. The legislation takes effect 180 days after signing, on September 30, 2020.

Some highlights of the permanent paid sick leave are as follows:

- Employers with fewer than five employees and a net income less than \$1 million must provide workers with up to 40 hours of unpaid sick leave a year.
- Employers with five to 99 employees, and those with fewer than five employees and net income of more than one million-dollars, must provide workers with up to 40 hours paid sick leave annually.
- Employers with 100 or more employees must provide workers with up to 56 hours of paid sick leave per year.
- The paid sick time accrues at a rate of at least one hour per every 30 hours worked.
- The sick leave time is available for use for:
 - o Mental or physical illness
 - o Injury or health condition of a family member
 - o Seeking services related to domestic violence, a sexual offense, stalking or human trafficking

It is important to note that while covered employers must allow employees to begin accruing sick leave time beginning on September 30, 2020, employees need not be permitted to use accrued time until January 1, 2021. However, employers may permit use of leave before that date if they so choose.

New Guidance via Frequently Asked Questions

New York State has now provided a number of frequently asked questions (FAQs) regarding its permanent paid sick leave law. A sampling of the key FAQs is provided below.

- **WHAT IS A CALENDAR YEAR?**

To determine the total number of employees, "calendar year" means the 12-month period from January 1 to December 31. For other purposes, including use and accrual of leave, employers may set a calendar year to mean any 12-month period.

- **DO EMPLOYEES CONTINUE TO EARN SICK LEAVE WHILE USING PAID SICK LEAVE UNDER THIS LAW?**

No. Employees are only required to be credited with leave time for hours worked and not for hours spent using sick leave time under this law.

- **CAN AN EMPLOYEE USE SICK LEAVE FOR DOCTOR, DENTIST, EYE DOCTOR OR OTHER ROUTINE APPOINTMENTS?**

Yes. Employees may use sick leave for appointments when they require treatment for a condition or for preventive medical care.

- **IS THERE A MINIMUM PERIOD OF EMPLOYMENT BEFORE AN EMPLOYEE CAN USE THEIR ACCRUED SICK LEAVE?**

There is no minimum period of employment before an employee can use sick leave. However, unless an employer provides the required amount of sick leave up-front at the beginning of a calendar year or otherwise has a sick leave policy that exceeds the requirements of the law, an employee would have to work at least 30 hours before accruing any sick leave.

- **DOES AN EMPLOYER HAVE TO PROVIDE SICK LEAVE TO EMPLOYEES WHO TELECOMMUTE OUTSIDE OF NEW YORK STATE?**

Employees who telecommute are covered by the law only for the hours when they are physically working in New York State, even if the employer is physically located outside New York State.

- **CAN AN EMPLOYEE USE SICK LEAVE FOR ONLY HALF OF A WORKDAY?**

The maximum increment an employer may set for the use of sick leave under this law is four hours. An employee may use four hours of accrued sick leave as needed (or less, if an employer allows for smaller increments of sick leave usage, such as one or two hours).

- **WHAT IF AN EMPLOYEE IS PAID AT DIFFERENT RATES FOR DIFFERENT TASKS?**

Employees who are paid at more than one rate of pay must be paid for leave under the law at the weighted average of those rates. The weighted average is the total regular pay divided by the total hours worked in the week. Overtime exempt employees who are paid on an hourly basis are assumed to work 40 hours per workweek, when deriving their regular rate unless the terms and conditions of the employment specify or require otherwise. However, as noted above, employers are prohibited from reducing an employee's rate of pay for leave time hours only.

- **DOES LEAVE REQUIRED UNDER NEW YORK LABOR LAW SECTION 196-B EXPIRE AT THE END OF A CALENDAR YEAR?**

Sick leave that is unused by an employee over the course of the year must be carried over to the next calendar year. However, employers may limit employee use to the number of hours that the employee is entitled to use within any calendar year (i.e., 56 hours for employers with 100 or more employees and 40 hours for employers with 99 or fewer employees). This may result in an employee maintaining a leave balance in excess of the amount they are permitted to use in any calendar year.

- **CAN AN EMPLOYER HAVE A POLICY THAT PERMITS EMPLOYEES TO DONATE UNUSED LEAVE TO OTHER EMPLOYEES?**

Yes. An employer can have a policy that allows employees to donate unused leave to other employees, as long as the policy is entirely voluntary.

For a copy of all of the FAQs, click on the link provided below.

https://www.ny.gov/sites/ny.gov/files/atoms/files/PSL_FAQ_PaidSickLeaveFAQ.pdf

New York City, New York, Releases Paid Sick Leave FAQs

As previously reported in the October 2020 Eye on Washington: State and Local Updates, on September 28, 2020, New York City Mayor Bill De Blasio signed legislation amending the City's Earned Safe and Sick Time Act (ESSTA) to align more closely to the New York State Paid Sick Leave law (NYPSL) effective September 30, 2020. New York City has now released frequently asked questions (FAQs) providing information on the ESSTA.

Background

The New York City Earned Safe and Sick Time Act (ESST) went into effect on April 1, 2014, and gave workers who are employed by an employer with five or more employees up to 40 hours of sick time in a year to recover from physical/mental illness or injury, seek medical treatment, or care for a sick family member.

As of May 5, 2018, an employee's sick time under the law can also be used for "safe time" purposes to address certain nonmedical needs that may arise if employees or their family member are victims of domestic violence, a sexual offense, stalking, or human trafficking. For example, to meet with a lawyer or social worker or to relocate for safety.

The amendments to ESSTA require employers to note on employee pay statements or a separate written document provided to the employee each pay period (1) the amount of sick and safe leave accrued and used by an employee during a pay period, and (2) the employee's total balance of sick and safe leave. This is a new requirement.

New York City has advised that "employers that could not operationalize the documentation requirement by September 30, 2020, but are working in good faith on implementation will have up to November 30, 2020, to ensure compliance without a penalty."

More information on this guidance can be found at the New York Consumer Affairs website found at <https://www1.nyc.gov/site/dca/businesses/paid-sick-leave-law-for-employers.page>

Other Changes Made to ESSTA

Please find below a brief summary of a few of the changes made to ESSTA, effective September 30, 2020.

Covered Employees: Previously ESSTA required employees be employed in New York City for more than 80 hours in a calendar year in order to fall within the definition of "employee." The amendment has struck the more than 80 hours of employment in the City in a calendar year language/employee eligibility requirement.

Obligation to Provide Paid Leave: Under previous rules, ESSTA allows 40 hours of unpaid sick leave in a calendar year for all employers with less than five employees and a net income of less than one million dollars during the previous tax year. The ESSTA amendments expressly require employers with four or fewer employees and a net income of one million or more dollars in the previous tax year to provide up to 40 hours of paid sick leave. This comports with the NYPSL law.

Accrual Rate and Caps: Under the old rules, ESSTA required accrual of leave at a rate of one hour of leave for every 30 hours worked as does the NYPSL law. However, ESSTA permitted all employers, regardless of size, to cap annual leave accrual at 40 hours. The NYPSL law caps accrual at 40 hours for employers with 99 employees or less; however, employers with 100 or more employees will be required to provide accrual of up to 56 hours of leave annually. The ESSTA amendments conform accrual caps with the NYPSL law.

Start of Accrual: Under the NYPSL law, employees begin earning leave upon commencement of employment or the law's September 30 effective date, whichever is later, and the same commencement of employment or law's effective date standard is currently provided for under ESSTA. The ESSTA amendments provide that accrual begins upon commencement of employment or "the effective date of the local law that created the right to such time, whichever is later."

Eligibility to Begin Using Accrued PSL: Previously ESSTA permitted employers to impose a waiting period of up to 120 calendar days following an employee's commencement of employment before leave can be used. In contrast, the NYPSL law provides that employees need not be permitted to begin using accrued leave until January 1, 2021, and notably does not otherwise appear to permit an employer-imposed usage waiting period on new hires. The ESSTA amendments, conforming with NYPSL, remove the usage waiting periods for newly hired employees and instead provide that employees are entitled to use leave as it is accrued.

Rate of Pay: Previously, ESSTA required that leave be compensated at the same rate as the employee earns from his or her employment at the time it is used. The amendments delete this language and adopted the NYPSL provision requiring that leave be paid at the employee's regular rate of pay. However, while the NYPSL law provides that employees cannot be paid less than the applicable minimum wage under New York Labor Law (NYLL), the ESSTA amendments provide that the rate of pay "shall not be less than the

highest applicable rate of pay to which the employee would be entitled pursuant to [the NYLL] or any other applicable federal, state, or local law."

Notice and Posting: Since ESSTA was amended in 2018, employers have been required to distribute written notice of certain leave rights and information on the benefit year in English and the primary language of the employee if an agency translation has been made available within 30 days of the effective date of the 2018 amendments or upon commencement of employment if later. Employers are permitted, but not required, to also post the notice conspicuously at their business location in an area accessible to all employees. The amendments to ESSTA require updated notices of rights to be distributed to employees upon commencement of employment, and for employees employed prior to September 30, the updated notice needs to be provided within 30 days of the effective date. Additionally, employers are required to also post the notice conspicuously at their business location in an area accessible to all employees.

Frequently Asked Questions (FAQs)

Please find below a sampling of some key ESSTA FAQs provided by New York City.

Who is considered a family member under the Law?

The Law has a broad definition of family member that includes the following:

- Child (biological, adopted, or foster child; legal ward; child of an employee standing in loco parentis)
- Spouse (current or former, and regardless of whether they reside together)
- Domestic Partner (current or former, and regardless of whether they reside together)
- Parent
- Child or parent of an employee's spouse or domestic partner
- Grandchild or grandparent
- Sibling (half, adopted, or step sibling)
- Any other individual related by blood to the employee
- Any other individual whose close association with the employee is the equivalent of a family relationship

How is employer size determined?

Employers should count all employees who work for pay on a full-time, part-time, seasonal, or temporary basis.

Employers that have operated for less than one year:

- Employers should count the number of employees performing work for pay per week. If the number fluctuates, employer size may be determined for the current Calendar Year based on the average number of employees per week who worked during the 80 days immediately preceding the date the employee used safe and sick leave.

Employers that have operated for one year or more:

- Employers should count the number of employees working for the employer per week at the time the employee used safe and sick leave. If the number of employees fluctuated between less than five employees and five or more employees three times in the most recent calendar quarter, employer size may be determined for the current Calendar Year based on the average number of employees per week during the previous Calendar Year.

Do employees who do not live in New York City count toward the number of employees?

Yes. The Law applies to employees employed in New York City. For counting purposes, it does not matter where the employees live.

Does an employer based outside of New York City have to provide safe and sick leave to employees who work in New York City?

Yes. Employers located outside New York City must provide safe and sick leave to employees who work in New York City.

Which employees are covered by the Law?

Most employees who work in New York City are covered by the Law, including:

- Full-time employees
- Part-time employees
- Domestic workers
- Temporary and seasonal employees

- Per diem and on-call employees
- Transitional jobs program employees
- Undocumented employees
- Employees who are family members but not owners
- Employees who live outside of New York City but work in New York City
- Owners who are considered employees under New York State Labor Law

For a copy of all the ESSTA FAQs, click on the link provided below.

<https://www1.nyc.gov/assets/dca/downloads/pdf/about/PaidSickLeave-FAQs.pdf>



California COVID-19 FAQs Updated for Out-of-State Employers and Employment Taxes

The California Franchise Tax Board's (FTB) frequently asked questions (FAQs) on COVID-19 has been updated in the section on the stay at home order and teleworking to add information for out of state employers and employment taxes. The additional information directs taxpayers to California's Employment Development Department (EDD) website to learn about liability on an employee's wages earned while temporarily performing services in the state during the COVID-19 pandemic.

The EDD's COVID-19 FAQs state that the wages of employees who typically perform services in another state for an employer located outside of California will not be subject to unemployment insurance tax, employment training tax, and disability insurance withholdings if those employees are temporarily performing services within California due to the COVID-19 pandemic.

For a copy of the FAQs, click on the link provided below.

<https://www.ftb.ca.gov/about-ftb/newsroom/covid-19/help-with-covid-19.html>

California Releases 2021 Minimum Earnings Thresholds

According to the California Labor Code, computer software professionals and licensed physicians and surgeons may be exempt from California's overtime requirements if certain criteria are met. One of the criteria is that the employee's hourly rate of pay is not less than a certain rate, which is determined by the California Department of Industrial Relations (the "Department"). The Department adjusts this rate each year on October 1, with the new rate to be effective on January 1st of the following year.

The Department has now released the rates applicable to these exemptions for 2021 as follows:

- Computer software professionals are exempt from overtime if they are paid at least \$47.48 per hour (currently, \$46.55 per hour), or (1) are paid on a salary basis, (2) earn an annual salary of at least \$98,907.70 (currently, \$96,968.33), and (3) are paid at least \$8,242.32 monthly (currently, \$8,080.71 monthly).
- Licensed physicians and surgeons are exempt from overtime beginning in 2021 if they are paid at least \$86.49 per hour (currently, \$84.79 per hour).

Links to updated relevant publications by the California Department of Industrial Relations can be found below:

Computer Software Professionals

<https://www.dir.ca.gov/OPRL/ComputerSoftware.htm>

Licensed Physicians and Surgeons

<https://www.dir.ca.gov/OPRL/Physicians.htm>

Colorado Announces 2021 Minimum Wage

The Colorado Department of Labor and Employment has announced that the minimum wage in the state will increase on January 1, 2021, to \$12.32 per hour from the current level of \$12.00 per hour.

On the same date, the minimum cash wage that can be paid to tipped employees will be increased from \$8.98 per hour to \$9.30 per hour.

For a copy of the announcement, click on the link provided below.

<https://cdle.colorado.gov/sites/cdle/files/7%20CCR%201103-1%20COMPS%20Order%20%2337%20ADOPTED%20%28Clean%29.pdf>

Florida Raises Minimum Wage Effective January 1, 2021

The Florida Department of Economic Opportunity (DEO) has announced the minimum wage rate will increase from \$8.56 per hour to \$8.65 per hour and the minimum cash wage for tipped employees will increase from \$5.54 per hour to \$5.63 per hour. Both increases will be effective January 1, 2021.

For a copy of the announcement, click on the link provided below:

<http://www.floridajobs.org/business-growth-and-partnerships/for-employers/display-posters-and-required-notice>

Florida Voters Approve Minimum Wage Increase

On November 3, 2020, Florida voters approved Amendment 2 which increases the state's minimum wage rate to \$15.00 per hour by 2026. Florida's current minimum wage rate is \$8.56 per hour for non-tipped employees. Tipped employees currently must be paid a minimum cash wage of \$5.54 per hour.

Under Amendment 2, employers must use the following hourly minimum wage schedule for non-tipped employees:

- Through December 31, 2020 – \$8.56
- January 1, 2021 – \$8.65
- September 30, 2021 – \$10.00
- September 30, 2022 – \$11.00
- September 30, 2023 – \$12.00
- September 30, 2024 – \$13.00
- September 30, 2025 – \$14.00
- September 30, 2026 – \$15.00

Beginning on September 30, 2027, the minimum wage rate will be adjusted annually by the Florida Department of Economic Opportunity based on changes to the Consumer Price Index for Urban Wage Earners and Clerical Workers.

Amendment 2 does not change the allowable tip credit for tipped employees meeting the eligibility requirements under the Fair Labor Standards Act. Florida employers may continue to take a tip credit of up to \$3.02 per hour for properly classified tipped employees.

As a result, the minimum cash wage rate for eligible tipped employees will increase as follows:

- Through December 31, 2020 – \$5.54 per hour plus tips
- January 1, 2021 – \$5.63 per hour plus tips
- September 30, 2021 – \$6.98 per hour plus tips
- September 30, 2022 – \$7.98 per hour plus tips
- September 30, 2023 – \$8.98 per hour plus tips
- September 30, 2024 – \$9.98 per hour plus tips
- September 30, 2025 – \$10.98 per hour plus tips
- September 30, 2026 – \$11.98 per hour plus tips

For a copy of Amendment 2, click on the link provided below.

<https://dos.elections.myflorida.com/initiatives/initdetail.asp?account=70115&seqnum=1>

Illinois Announces Increase to Minimum Wage

Illinois has announced that effective January 1, 2021, the minimum wage in the state will increase \$1.00 from the current rate of \$10.00 per hour to \$11.00 an hour. On this same date, the cash minimum wage for tipped employees will increase 60 cents from \$6.00 per hour to \$6.60 per hour.

It is important to note that employers may pay a youth wage of \$8.50 per hour to workers under the age of 18 who work fewer than 650 hours for the employer during the calendar year.

For a copy of the announcement, click on the link below.

<https://www2.illinois.gov/idol/Laws-Rules/FLS/Pages/minimum-wage-rates-by-year.aspx>

Maine Announces Resident Telework Tax Relief

The Maine Revenue Services in its October 2020 Tax Alert has clarified that it is offering tax relief to residents of Maine who typically work from locations outside of the state, but are now teleworking from their Maine residences due to the coronavirus (COVID-19) pandemic.

The Alert states that, according to MRS Rule 803, Section.04(B), Maine residents who find themselves teleworking from home for a business located outside of the state will continue to be subject to the same withholding structure as if they were still working outside the state.

Additionally, legislation will be introduced to "ensure Maine residents avoid double taxation" due to COVID-19-related telework by allowing a state tax credit for income paid to other states if those states impose an income tax withholding obligation despite the employee is no longer physically working in that state.

For a copy of the Tax Alert, click on the link provided below.

https://www.maine.gov/revenue/sites/maine.gov/revenue/files/inline-files/ta_oct2020_vol30_iss19.pdf

Maryland Provides FAQs on Tipped Employee Final Regulations

As reported in the August 2019 *Eye on Washington: State and Local Updates*, Maryland proposed regulations requiring restaurant employers that include a tip credit as part of the wage of a tipped worker must provide a written or electronic wage statement for each pay period that shows the effective hourly tip rate as derived from the employer-provided cash wages plus all reported tips for each workweek of the pay period.

On April 10, 2020, Maryland released the final regulations which were identical to the proposed regulations. **The effective date of the regulations was October 1, 2020.**

The final regulation reads as follows:

.20 Restaurant Tip Credit Wage Statement.

A. Definitions.

(1) In this regulation, the following terms have the meanings indicated.

(2) Terms Defined.

(a) "Tip credit wage statement" means a written or electronic statement that shows the employee's effective hourly rate of pay, including employer paid cash wages plus all reported tips, for all tip credit hours worked for each workweek in the pay period.

(b) "Restaurant" has the meaning stated in Regulation .07D of this chapter.

B. A restaurant employer shall provide each employee for whom the employer utilizes a tip credit with a tip credit wage statement for each workweek in the pay period no later than two weeks following the end of the pay period.

C. A restaurant employer may satisfy the requirement in §B of this regulation by providing an online system through which an employee may obtain the employee's tip credit wage statement.

Frequently Asked Questions:

Maryland has now released frequently asked questions (FAQs) regarding tip credit wage statements. A sampling of those FAQs are as follows:

What is a Tip Credit Wage Statement?

A tip credit wage statement is a written or electronic statement that a restaurant employer is required to provide to tip credit employees that shows the effective hourly tip rate of pay which is derived from employer paid cash wages plus all reported tips for tip credit hours worked each workweek of the pay period. This calculation is obtained by taking the sum of total cash wages + total reported tips (for tip credit hours) for that workweek and dividing by the number of tip credit hours worked. For example, if a tip credit employee worked 20 tip credit hours in Week 1 and received \$80 in cash wages and \$500 in tips and worked 22 tip credit hours in Week 2 and received \$88 in cash wages and \$400 in tips, the tip credit wage statement should show an effective hourly tip rate for Week 1 of \$29/hour ($\$580 \text{ total compensation} / 20 \text{ hours} = \$29/\text{hour}$) and an effective hourly tip rate for Week 2 of \$22.18/hour ($\$488 \text{ total compensation} / 22 \text{ hours} = \$22.18/\text{hour}$).

For restaurants that utilize a tip credit (employer pays the employee an hourly cash wage of less than the applicable minimum wage with reported tips making up the difference), the purpose of the tip credit wage statement is to provide an additional notification of a tip credit employee's effective hourly rate of pay with tips included as it relates to the applicable minimum wage. It does not change any existing federal, state or local method of calculating required compensation and should not be used as the sole method of verifying an employer's wage payment obligations. It is not intended to replace other required pay stub/wage statement information or other wage records used to ensure compliance with federal, state and local wage laws and regulations.

If a restaurant pays a tipped employee the full applicable minimum wage (no tip credit is applied to the employee's wages), is a tip credit wage statement required?

No.

Do all employers with tipped employees have to provide a tip credit wage statement?

No. The law only requires that restaurant employers furnish employees with a tip credit wage statement. Maryland regulations define a "restaurant" as an establishment primarily engaged in the selling and serving of prepared food and beverages for consumption on the premises with characteristic employee services and dining facilities which contains physical and functional equipment and facilities required for the consumption of a meal.

Can the tip credit wage statement be separate from the employee's pay stub?

Yes. The tip credit wage statement may be separate from the employee's pay stub, or included as part of the pay stub (or as a memo or addendum) as long as it provides the required information.

Can my payroll service provider include this information with employee pay stubs/wage statements?

Yes. However, because of the requirement to provide this information for each workweek of the pay period, employers will need to break down payroll information for tip credit employees by workweek when reporting pay period information to payroll service providers if the employer wants the payroll service to include this information with employee pay stubs/statements.

Does the tip credit wage statement need to be provided at the same time as the pay stub?

No. The tip credit wage statement does not need to be provided at the same time as the pay stub but it must be provided no later than two weeks following the end of the pay period.

Can the tip credit wage statement be provided electronically?

Yes. The tip credit wage statement can be electronic or written.

To access all of the FAQs, click on the link provided below.

<https://www.dllr.state.md.us/labor/wages/esstipcreditfaqs.shtml#:~:text=As%20part%20of%20Maryland's%202019,hourly%20tip%20rate%20of%20pay>

Massachusetts Adopts Final Rules on Telecommuting for Nonresidents

We previously reported in the *May 2020 Eye on Washington: State and Local Updates* that Massachusetts had released Technical Information Release (“TIR”) 20-5 which described the Massachusetts personal income tax, withholding and corporate excise implications of an employee working remotely in a state other than the state where the employee previously worked, solely due to the Coronavirus (COVID-19) pandemic.

TIR 20-5 stipulated that, for the duration of the Massachusetts COVID-19 state of emergency, all compensation received for personal services performed by a nonresident who, immediately prior to the Massachusetts COVID-19 state of emergency, was an employee engaged in performing such services in Massachusetts — and who, during such emergency, is performing such services from a location outside Massachusetts due solely to the Massachusetts COVID-19 state of emergency — will continue to be treated as Massachusetts source income subject to personal income tax under M.G.L. c. 62 and personal income tax withholding.

The Massachusetts Department of Revenue has now adopted final regulations on sourcing rules for income of nonresidents telecommuting due to the COVID-19 pandemic. As did TIR 5-20, this final rule establishes that all compensation received for services performed by nonresidents who, immediately prior to the Massachusetts COVID-19 state of emergency were employees engaged in performing such services in Massachusetts — and who are performing services from a location outside Massachusetts due to a COVID-19-related circumstance — will continue to be treated as Massachusetts source income subject to personal income tax and personal income tax withholding.

The final regulation also clarifies the application of the pre-existing Massachusetts source income apportionment rules for the reporting of such nonresident income, and provides the parallel treatment that will be accorded to resident employees with income tax liabilities in other states that have adopted similar sourcing rules. The regulation is effective through the earlier of December 31, 2020, or 90 days after the Massachusetts governor ends the Massachusetts COVID-19 state of emergency.

For a copy of the final rule, click on the link provided below.

<https://www.mass.gov/regulations/830-CMR-625a3-massachusetts-source-income-of-non-residents-telecommuting-due-to-the>

Missouri Issues Guidance on Taxation of Telecommuters

The Missouri Department of Revenue (DOR) has updated its frequently asked questions (FAQs) on withholding to include a question regarding the taxation of employees doing remote work as follows:

Are the wages I pay to employees in Missouri for “remote work” subject to Missouri withholding?

Yes. Any time an employee is performing services for an employer in exchange for wages in Missouri, those wages are subject to Missouri withholding. This applies in the case of “remote work” where an employee is located in Missouri and performs services for the employer on a remote basis. This rule also applies if the service for which the employee is receiving wages is “standing down” (i.e., when the employer instructs the employee not to work but the employee is still being paid).

Missouri generally requires that income tax be withheld from all wages earned in state by a nonresident employee performing services within the state

For a copy of all the FAQs, click on the link provided below.

<https://dor.mo.gov/faq/business/withhold.php#collapse41>

Minimum Wage Effective January 1, 2021, Announced for Montana

The state of Montana has announced that the state minimum wage will increase from \$8.65 per hour to \$8.75 per hour effective January 1, 2021.

Annually, the Department of Labor and Industry (DLI) calculates the cost-of-living adjustment based on the increase in the consumer price index, if any, from August of the preceding year to August of the year in which the calculation is made. Such calculation must be made no later than September 30th.

Montana law does not allow for tip credit, meal credit or training wage rates of pay.

For a copy of the minimum wage announcement, click on the link provided below.

<https://news.mt.gov/governor-bullock-announces-montanas-minimum-wage-for-2021>

Pennsylvania Provides Guidance on Telecommuting Due to COVID-19

On November 9, 2020, the Pennsylvania Department of Revenue (DOR) issued guidance relating to telecommuting and related tax implications. This guidance stipulated as follows:

If an employee is working from home temporarily due to the COVID-19 pandemic, the DOR does not consider that as a change to the sourcing of the employee's compensation. For nonresidents who were working in Pennsylvania before the pandemic, their compensation would remain Pennsylvania-sourced income for all tax purposes, including PA-40 reporting, employer withholding and three-factor business income apportionment purposes for S corporations, partnerships and individuals.

Conversely, for Pennsylvania residents who were working out-of-state before the pandemic, their compensation would remain sourced to the other state and they would still be able to claim a resident credit for tax paid to the other state on the compensation. For a Pennsylvania employer with a nonresident employee temporarily working from home due to the COVID-19 pandemic in a state that does not have a reciprocity agreement with Pennsylvania, the DOR advises that the employee's compensation remains Pennsylvania-sourced, and the employer is required to withhold on the compensation.

This guidance will be in effect until the earlier of June 30, 2021, or 90 days after the Proclamation of Disaster Emergency in Pennsylvania is lifted ("end date"). As of that end date, the guidance is rescinded and all prior tax rules are applicable [DOR, Telework During the COVID-19 Pandemic, 11/09/2020].

For a copy of the Pennsylvania DOR guidance, click on the link provided below.

<https://www.revenue.pa.gov/COVID19/Pages/Telework.aspx>

Vermont Minimum Wage to Increase

The Vermont Department of Labor has announced that the minimum wage in the state will increase on January 1, 2021, to \$11.75 per hour from the current level of \$10.96 per hour. On the same date, the minimum cash wage that can be paid to tipped employees will be increased from \$5.48 per hour to \$5.88 per hour.

For a copy of the announcement, click on the link provided below.

<https://labor.vermont.gov/press-release/vermont-minimum-wage-increase-2021>

Bernalillo County, New Mexico, Announces 2021 Minimum Wage

The County of Bernalillo, New Mexico, has announced that the minimum wage effective January 1, 2021, for "employees who work within the unincorporated area of Bernalillo County, outside of the city limits" is as follows:

\$9.35 per hour (up from \$9.20 per hour) where the employee's employer does NOT provide healthcare and/or childcare benefits to the employee.

\$8.35 per hour (up from \$8.20 per hour) where the employee's employer DOES provide healthcare and/or childcare benefits to the employee during any pay period and the employer pays an amount for these benefits equal to or in excess of an annualized cost of \$2,500.00.

Tipped Employees:

Where the employee's employer does NOT provide healthcare and/or childcare benefits to the employee.

Minimum Cash Wage \$2.13

Maximum Tip Credit \$7.22

Minimum Hourly Rate \$9.35

Where the employee's employer DOES provide healthcare and/or childcare benefits to the employee during any pay period and the employer pays an amount for these benefits equal to or in excess of an annualized cost of \$2,500.00.

Minimum Cash Wage \$2.13

Maximum Tip Credit \$6.22

Minimum Hourly Rate \$8.35

It is important to note that the Bernalillo County minimum wage ordinance states as follows:

Minimum wage rate. For employers who provide healthcare and/or childcare benefits to an employee during any pay period for which the employer pays an amount for those healthcare benefits equal to or in excess of annualized cost of \$2,500.00, beginning April 1, 2013 and each year thereafter, the minimum wage for that employee shall be an hourly rate of \$1.00 less than the current minimum wage otherwise applicable to employees who do not receive such benefits.

For a copy of the announcement, click on the link provided below:

<https://www.bernco.gov/general-news.aspx/mdcrecruiting.com?aa431b263de84365b8eaae43ab63bd6dblogPostId=e854c7ff26e24216a1353215f776d529>

Numerous Cities in California Announce 2021 Minimum Wage

NOTE: California does not allow the use of a tip credit when meeting the minimum wage requirements when paying tipped employees, so such employees are entitled to the same minimum wage excluding any tips received.

Cupertino

Cupertino, California, has announced that the minimum wage in the city will increase 30 cents per hour from the current level of \$15.35 per hour to \$15.65 per hour. The increase is effective January 1, 2021.

For a copy of the announcement, click on the link provided below.

<https://www.cupertino.org/our-city/city-news/cupertino-minimum-wage#:~:text=The%20Cupertino%20Minimum%20Wage%20will,wage%20to%20%24.15%20by%202019.>

El Cerrito

El Cerrito, California, has announced that the city minimum wage will increase from \$15.37 per hour to \$15.61 per hour effective January 1, 2021. The increased rate applies to an employee who performs at least two (2) hours of work in a particular workweek within the geographic limits of the City of El Cerrito.

For a copy of the announcement, click on the link provided below:

<https://www.el-cerrito.org/DocumentCenter/View/14759/2021-EC---Minimum-Wage-Notice---English>

Los Altos

Los Altos, California, has announced that the city minimum wage will increase from \$15.40 per hour to \$15.65 per hour effective January 1, 2021.

For a copy of the announcement, click on the link provided below:

<https://www.losaltosca.gov/ed/page/minimum-wage#:~:text=As%20of%20January%201%2C%202021,per%20Los%20Altos%20Ordinance%20No>

Menlo Park

Menlo Park, California, has announced that the minimum wage in the city will increase 25 cents per hour from the current level of \$15.00 per hour to \$15.25 per hour. The increase is effective January 1, 2021.

For a copy of the announcement, click on the link provided below:

<https://www.menlopark.org/DocumentCenter/View/26365/J1-20201016-CC-local-minimum-wage>

Mountain View

Mountain View, California, has announced that the minimum wage in the city will increase 25 cents per hour from the current level of \$16.05 per hour to \$16.30 per hour. The increase is effective January 1, 2021.

For a copy of the announcement, click on the link provided below.

https://www.mountainview.gov/depts/comdev/economicdev/city_minimum_wage.asp

Novato

The City of Novato, California, has announced that the minimum wage within the city limits effective January 1, 2021, will be as follows:

Employers with 1 to 25 employees:

January 1, 2021 \$14.00

Employers with 26 to 99 employees:

January 1, 2021 \$15.00

Employers with 100 or more employees:

January 1, 2021 \$15.24

For a copy of the announcement, click on the link provided below.

<https://www.novato.org/business/novato-minimum-wage>

Oakland

Oakland, California, has announced that the city's minimum wage will increase to \$14.36 per hour effective January 1, 2021. This is an increase of 22 cents per hour over the current rate of \$14.14 per hour.

It is also important to note that employers subject to the Oakland minimum wage must provide notice to employees and prominently display posters on the new minimum wage increase.

For a copy of the announcement, click on the link provided below

https://cao-94612.s3.amazonaws.com/documents/Accompanying_letter_FF_2021_wage_increase.pdf

The required poster may be found at the link provided below.

https://cao-94612.s3.amazonaws.com/documents/Measure_FF_English_Poster_Set_2021_final.pdf

Palo Alto

The City of Palo Alto, California, announced that its 2021 minimum wage rate will be \$15.65 per hour. This will be a 25-cent increase over the current rate of \$15.40 per hour.

For a copy of the announcement, click on the link provided below.

https://www.cityofpaloalto.org/business/minimum_wage.asp#:~:text=What%20is%20the%20new%20City,hour%20on%20January%201%2C%202019.

Petaluma

As of January 1, 2021, the minimum wage rate in Petaluma, California, will increase to \$15.20 per hour for all employers regardless of size. Currently the minimum wage rate in the city is \$14.00 per hour for employers with 25 or fewer employees and \$15.00 per hour for employers with 26 or more employees.

The minimum wage ordinance covers all employees who work at least two hours per week within the city limits and who qualify for the minimum wage under the California Labor Code.

However, the ordinance does not apply to work done outside the city limits and is not applicable to any time spent by an employee traveling through the city to get to another destination. The minimum wage ordinance does not apply to federal, state or county agencies, including school districts.

For a copy of the announcement, click on the link provided below.

<https://cityofpetaluma.org/minimum-wage/>

Redwood City

Redwood City, California, has announced that, effective January 1, 2021, the minimum wage in the city will increase from \$15.38 per hour to \$15.62 per hour.

The minimum wage applies to all businesses within the geographic boundaries of Redwood City and any employee working at least two or more hours per week.

For a copy of the announcement, click on the link provided below.

<https://www.redwoodcity.org/departments/city-manager/city-manager-s-initiatives/proposed-local-minimum-wage>

Richmond

Richmond, California, announced its 2021 minimum wage as follows:

Effective January 1, 2021, the minimum wage will be \$15.21 per hour. The current minimum wage is \$15.00 per hour.

In the event an employer pays at least \$1.50 per hour toward an employee medical benefits plan the employer shall pay employees the minimum wage less \$1.50.

Consequently, if the employer pays the required \$1.50 per hour medical benefits plan contribution, the minimum wage would be \$13.71 per hour effective January 1, 2021.

For a copy of the announcement, click on the link provided below.

<https://www.ci.richmond.ca.us/2615/Minimum-Wage-Ordinance>

San Carlos

San Carlos, California, has announced that the minimum wage in the city will be \$15.24 per hour effective January 1, 2021. Employers subject to the San Carlos Business Registration tax or who maintain a worksite in the city are required to pay the local minimum wage to any employee who works at least two hours in the city.

Currently the minimum wage in San Carlos is the California rate of \$13.00 for employers of 26 or more employees and \$12.00 for employers of 25 or less employees.

For a copy of the announcement, click on the link provided below.

<https://www.cityofsancarlos.org/business/minimum-wage>

San Jose

Effective January 1, 2021, the minimum wage in San Jose, California, will increase from its current level of \$15.25 per hour to \$15.45 per hour.

For a copy of the announcement, click on the link provided below:

<https://www.sanjoseca.gov/your-government/departments-offices/public-works/labor-compliance/minimum-wage-ordinance#:~:text=The%20current%20San%20Jos%C3%A9%20Minimum,%2415.45%20beginning%20January%201%2C%202021>

San Mateo

The City of San Mateo, California, has announced that its minimum wage will increase from the current rate of \$15.38 per hour to \$15.62 per hour effective January 1, 2021. This minimum wage requirement applies to adult and minor employees who work two (2) or more hours per week (tips not included). Covered employees are entitled to receive minimum wage regardless of immigration status.

It is important to note the City of San Mateo is a different government entity than the County of San Mateo and therefore this minimum wage does not apply to other cities in the county.

For a copy of the announcement, click on the link provided below.

<https://www.cityofsanmateo.org/3278/Minimum-Wage#:~:text=As%20of%20January%201%2C%202020,City%20Council%20adopted%20wage%20schedule>

Santa Clara

The City of Santa Clara, California, has announced that its minimum wage rate will increase to \$15.65 per hour from its current \$15.40 per hour.

For a copy of the announcement, click on the link provided below.

[https://www.santaclaraca.gov/business-development/business-services/minimum-wage-ordinance#:~:text=On%20August%202022%2C%202017%20Santa,Consumer%20Price%20Index%20\(CPI\)](https://www.santaclaraca.gov/business-development/business-services/minimum-wage-ordinance#:~:text=On%20August%202022%2C%202017%20Santa,Consumer%20Price%20Index%20(CPI))

South San Francisco

South San Francisco, California, has announced that, the minimum wage in the city will increase 24-cents per hour from the current level of \$15.00 per hour to \$15.24 per hour. The increase is effective January 1, 2021.

For a copy of the announcement, click on the link provided below.

<https://www.ssf.net/departments/city-manager/local-minimum-wage#:~:text=On%20January%201%2C%202020%2C%20the,with%20the%20Consumer%20Price%20Index.>

Sunnyvale

Sunnyvale, California has announced that effective January 1, 2021, the minimum wage in the city will increase from \$16.05 per hour to \$16.30 per hour. The announcement note for employers includes the following requirements:

- Employers must post the Minimum Wage Official Notice in the workplace, informing employees of the rate and their rights.
- Employers must document all hours worked by employees and keep records for four years.
- It is unlawful to discriminate or take adverse action against any person in retaliation for exercising their rights protected under the ordinance.
- Employers must provide their name, business address and phone number in writing to employees at time of hire.

For a copy of the announcement, click on the link provided below.

[https://sunnyvale.ca.gov/business/doingbusiness/wage.htm#:~:text=Minimum%20Wage%20for%202020%20is%20%2416.05&text=The%20Sunnyvale%20City%20Council%20adopted,Consumer%20Price%20Index%20\(CPI\).](https://sunnyvale.ca.gov/business/doingbusiness/wage.htm#:~:text=Minimum%20Wage%20for%202020%20is%20%2416.05&text=The%20Sunnyvale%20City%20Council%20adopted,Consumer%20Price%20Index%20(CPI).)

City of Albuquerque, New Mexico, Announces 2021 Minimum Wage

The City of Albuquerque, New Mexico, has announced the minimum wage rate is increasing from \$9.35 to \$10.50 per hour, effective January 1, 2021.

However, the minimum wage will be \$9.50 per hour (increased from \$8.35 per hour) if the employee's employer provides healthcare and/or childcare benefits to the employee during any pay period and the employer pays an amount for these benefits equal to or in excess of an annualized cost of \$2,500.00.

The minimum wage rate for tipped employees will increase from \$5.60 to \$6.30 per hour on January 1, 2021.

For a copy of the announcement, click on the link provided below.

<http://www.cabq.gov/legal/news/albuquerque-minimum-wage-2021>

Las Cruces, New Mexico, Announces 2021 Minimum Wage

The City of Las Cruces, New Mexico, has announced that, effective January 1, 2021, the city's minimum wage rate will increase from \$10.25 to \$10.50 per hour. On that same date, the cash wage will increase from \$4.10 to \$4.20 per hour for tipped employees.

For a copy of the announcement, click on the link provided below.

<https://www.las-cruces.org/CivicAlerts.aspx?AID=3875>

Portland, Maine, Announces 2021 Minimum Wage

The City of Portland, Maine, has announced that effective January 1, 2020, the minimum wage will increase from \$12.00 per hour to \$12.15 per hour.

The service employee (tipped employee) cash wage will increase from the current level of \$6.00 to \$6.08 per hour on the same date. A service employee is someone who regularly receives more than \$30 a month in tips.

For a copy of the announcement, click on the link provided below.

<https://www.portlandmaine.gov/1671/Minimum-Wage#:~:text=Effective%20January%201%2C%202021%2C%20employers,the%20Maine%20Department%20of%20Labor.>

City of SeaTac, Washington, Announces 2021 Minimum Wage

The City of SeaTac, Washington, has announced that the minimum wage rate for hospitality and transportation industry employees working in and near the Seattle-Tacoma International Airport will increase from \$16.34 per hour to \$16.57 per hour, effective January 1, 2021.

Washington state does not allow employers the use of a tip credit when paying tipped employees.

<https://www.seatacwa.gov/home/showdocument?id=29480>

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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