Always Designing for People™

Eye on Washington

Detailed Look at State, Local and Federal Updates

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

Topics covered in this issue:

State/Territory/District

D.C. Enacts Employment Protections for Cannabis Use

The District of Columbia has enacted legislation (B24-109) prohibiting employers from taking adverse action against an applicant or employee for the off-duty, lawful use of cannabis. The law also includes additional protections for medical cannabis users and a new notice requirement for employers.

The Details:

The following changes will apply on the date their fiscal impact appears in the district's approved budget or 365 days after the mayor approved the law, whichever is later. The law was signed by the mayor on July 13, 2022.

Employers are prohibited from taking adverse action (e.g., terminating or refusing to hire an employee) based upon:

- The individual's use of cannabis;
- The individual's status as a medical cannabis program patient; or
- The presence of cannabinoid metabolites in the individual's bodily fluids in an employer-required or requested drug test without additional factors indicating impairment under the law.

Exceptions:

B24-109 states that an employer wouldn't be in violation of the law if they take action based on any of the following:

- The employee is in a position designated as safety sensitive.
- The employer's actions are required by federal statute, federal regulations, or a federal contract or funding agreement.
- The employee used, consumed, possessed, stored, delivered, transferred, displayed, transported, sold, purchased, or grew cannabis at their place of employment, while performing work for the employer, or during the employee's hours of work.

- The employee is impaired by the use of cannabis — meaning the employee manifests specific articulable symptoms while working, or during the employee's hours of work, that substantially decrease or lessen the employee's performance of the duties or tasks of the employee's job position, or specific articulable symptoms interfere with an employer's obligation to provide a safe and healthy workplace as required by district or federal occupational safety and health law.

Drug-Free Workplace Policies:

The law doesn't prohibit an employer from adopting a reasonable drug-free workplace policy that:

- Requires post-accident or reasonable suspicion drug testing of employees for cannabis or other drugs or drug testing of employees in safety sensitive positions;
- Is necessary to comply with federal law, or a federal contract or funding agreement, if applicable to the employer;
- Prohibits the use, consumption, possession, storage, delivery, transfer, display, transportation, sale, purchase, or growing of cannabis at the employee's place of employment while performing work for the employer or during the employee's hours of work; or
- Prohibits employees from being impaired at the employee's place of employment while performing work for the employer or during the employee's hours of work.

Medical Cannabis:

The law clarifies that employers must treat a qualifying patient's use of medical marijuana to treat a disability in the same manner as it would treat the legal use of a controlled substance prescribed by or taken under the supervision of a licensed healthcare professional. This law doesn't apply if it would require an employer to:

- Commit a violation of a federal statute, regulation, contract or funding agreement;
- Permit an employee to use medical marijuana while the employee is in or assigned to a safety sensitive position; or
- Allow the use of medical marijuana in a smokable form at a location the employer owns, uses, or controls.

New Notice Requirement:

Employers must provide notice to employees of their rights under the law, whether the employer has designated the employee's position as safety sensitive, as well as the protocols for any testing for alcohol or drugs that the employer performs. The notice must be provided:

- Within 60 days after the applicability date and on an annual basis thereafter to all existing employees; and
- Upon hire of a new employee.

The Office of Human Rights (OHR) will publish a sample notice.

Next Steps:

- Review policies and drug-testing procedures to ensure compliance with the law by the effective date.
- Watch for the publication of the sample notice by the OHR.
- Provide the required notice to existing employees and new hires by the applicable deadline.
- Train supervisors on the law's new rules and protections.

Federal Judge Blocks Florida Law Limiting Workplace Bias Training

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 **eight specified concepts** 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.

Florida Establishes New Background Check Rules for Apartment Buildings

Florida has enacted legislation (Senate Bill 898) establishing new background check requirements for employees at certain apartment buildings. The law takes effect immediately.

The Details:

Senate Bill 898 covers public lodging establishments that can be classified as the following under **state law**:

- Nontransient: A building or complex of buildings in which 75 percent or more of the units are available for rent to tenants for stays longer than a month.
- Transient: A building or complex of buildings in which more than 25 percent of the units are advertised or held out to the public as available for occupancy for stays shorter than a month.

As of July 1, 2022, covered landlords must require that each employee undergo a background screening as a condition of employment. The background screening must:

- Be performed by a consumer reporting agency in accordance with the federal Fair Credit Reporting Act, and
- Include a screening of criminal history records and sexual predator and sexual offender registries of all 50 states and the District of Columbia.

Under the law, a landlord may disqualify an individual from employment if they have been convicted or found guilty of, or entered a plea of guilty or nolo contendere to, regardless of adjudication, any of the following offenses:

- A criminal offense involving disregard for the safety of others which, if committed in this state, is a felony or a misdemeanor of the first degree or, if committed in another state, would be a felony or a misdemeanor of the first degree if committed in this state.
- A criminal offense committed in any jurisdiction which involves violence, including, but not limited to, murder, sexual battery, robbery, carjacking, home-invasion robbery, and stalking.

The law also amends rules regarding room keys effective January 1, 2023, and makes other changes. See the **text of the law** for details.

Next Steps:

If you are a covered employer, review policies and procedures to ensure compliance with Senate Bill 898.

Minimum Wage to Increase in Minnesota Effective January 1, 2023

The Minnesota Department of Labor and Industry **announced** that the state minimum wage would increase effective January 1, 2023, as outlined below.

The Details:

For large employers (those with annual gross sales of $500,000 or more, exclusive of retail excise taxes), the minimum wage will increase from $10.33 per hour to **$10.59** per hour.

For small employers (those with annual gross sales of less than $500,000, exclusive of retail excise taxes), the minimum wage will increase from $8.42 per hour to **$8.63** per hour.

The 90-day training wage for workers under the age of 20, and the youth wage for workers under the age of 18, will also increase from $8.42 per hour to **$8.63** per hour.

Note: In cities with higher minimum wage rates, such as Minneapolis and St. Paul, the higher rate will apply. Minnesota also does not allow the use of a tip credit when paying tipped employees.

Next Steps:

Effective January 1, 2023, Minnesota employers (other than those subject to the higher Minneapolis and/or St. Paul minimum wage ordinances) must pay its employees at least the minimum wage as noted above.

New Hampshire Amends Child Labor Laws

New Hampshire has enacted legislation (Senate Bill 345), which amends its child labor laws. Senate Bill 345 is effective immediately.

Background:

Under New Hampshire law, among other things, in an employer's pre-determined designated work-week, during which school is in session for five days, minors that are 16 and 17 years of age and enrolled in school cannot:

- Work more than six consecutive days; or
- Work more than 30 hours during the workweek.

Senate Bill 345:

Senate Bill 345 amends the state's child labor laws to:

- Remove the limit on consecutive days;
- Increase the maximum hours to 35 per workweek;
- Repeal the limits on hours minors may work during short school weeks, and the provisions that limit early and late shifts for minors. It also allows employers and employees to opt out of these limits through a special agreement; and
- Lower the age to allow 14-year-olds to clean tables, remove glasses and assist in stocking.

Next Steps:

New Hampshire employers should train HR personnel and management and revise their policies and practices for employing minors to ensure compliance with Senate Bill 345.

New Jersey Adopts Poster Regulations

The New Jersey Division on Civil Rights has adopted new and amended regulations concerning the display of certain posters. The regulations are effective immediately.

Employer Requirements:

Under the Division's adopted and amended **regulations**, all covered employers must prominently display new versions of the New Jersey Law Against Discrimination (NJLAD) and New Jersey Family Leave Act (NJFLA) posters.

New Jersey employers must also provide each employee with a written copy of the NJLAD notice of rights and the NJFLA notice of rights annually (by December 31 each year) and provide a copy to an employee upon the employee's first request.

Note: Employers that are covered under the NJFLA must post and annually distribute the NJFLA poster regardless of whether they employ eligible workers.

Notice Distribution Methods:

To distribute required notices, employers may use email, brochures, or similar new-hire informational packets, flyers that are handed out at a company meeting, paycheck inserts, attachments to an employee manual or policy handbook, or the company's internet or intranet site (if all employees have access and the employer customarily posts notices to affected persons there).

Industry Posters:

Every employer must display an **Employment Poster**, and all employers with 30 or more employees worldwide must also display a **New Jersey Family Leave Act Poster** (NJFLA).

Additionally, employers, regardless of size, must display the following linked posters:

- **Public Accommodation**
- **Property Management**
- **Sales & Rental**
- Property Management and Sales & Rental (employers must show both posters)
- Medical Facility/Health Care
  - **Pre- and Postnatal Facilities Poster** (Includes OB/GYN providers, birthing centers, doula and midwife providers, and fertility clinics)
  - **Mental Health Facilities Poster** (Includes rehabilitation or treatment facilities, state or local psychiatric hospitals, and harm-reduction service providers)
  - **Emergency and Trauma Facilities Poster** (Includes hospitals, urgent care centers, vaccination and testing sites, and ambulatory care centers)
  - **Long- and Short-Term Care Facilities** (Includes independent living facilities, nursing homes, rehabilitation centers, and adult day-care facilities)
  - **Alternative Treatment Centers Poster** (Includes harm-reduction centers and medicinal marijuana dispensaries)
  - **Licensed Professional Facilities Poster** (Includes doctor and dentist offices, pharmacies, clinics, acupuncturist offices, and therapy offices)

A poster in the workplace must be printed on paper that is at least legal paper size (8½ by 11 inches), and its text must be fully legible and large enough to be easily read.

Note: The Division created a **flowchart** to assist employers in determining which posters are required, and official posters may be downloaded and printed from the Division's **website** or at any Division office.

Next Steps:

New Jersey employers should ensure that they:

- Train HR personnel and managers on the poster requirements; and
- Display the required posters in designated areas and distribute them annually, by December 31, in written form to their workers.

New Jersey Amends Child Labor Laws

New Jersey has enacted legislation (Assembly Bill 4222), which amends its child labor laws. Assembly Bill 4222 is effective immediately.

Background:

Under New Jersey law, minors may:

- Work in certain occupations during the school year if they:
  - Have a special written permit from their school superintendent or principal, which required them to undergo a physical exam.
- Work up to five continuous hours, before needing a 30-minute lunch period.
- Work in a variety of tasks, which are not generally allowed, if they have the permission of a parent or legal guardian.

Amendments:

Assembly Bill 4222 amends the law to:

- Remove the requirement for special permits and physical exams (exceptions exist for newspaper carriers or those who work in certain areas of agriculture).
- Allow a minor to work continuously without a lunch break for six consecutive hours.
- Remove the parental or legal guardian permission requirement for a variety of tasks (see the **text of the law** for further details).

Work Hours:

New Jersey has also clarified that 14- and 15-year-olds may work the following hours during a school week:

- Eight hours on a non-school day
- No more than three hours (non-school hours) on a school day

Note: A minor's work hours cannot exceed 18 hours in a school week.

Summer Hours:

The law also clarifies the summer hours (ending on Labor Day) for the following workers:

- 14- and 15-year-olds may work up to 40 hours per week.
- 16- and 17-year-olds may work up to 50 hours per week and 10 hours per day.

Database:

The New Jersey Department of Labor and Workforce Development will also create a database for an employer and employee registry. Employers will be required to:

- Register and provide certain information to the Department about their business and the minors they employ; and
- Keep the information up to date, including the positions a minor holds.

Minors will also be required to register and submit documents and information about their eligibility to work, after which the Department will send confirmation of the minor's authorization to work to the employer.

Note: This process requires approval by the minor's caregiver.

Next Steps:

New Jersey employers that employ minors should review their employment policies and procedures for employing minors. Employers should also train HR personnel and management to help ensure compliance with Assembly Bill 4222.

New York Announces 2023 Paid Family Leave Employee Contribution Limits

On September 2, 2022, the state of New York **announced** 2023 contribution rates for the state's Paid Family Leave program.

Background:

As of January 2018, New York's Paid Family Leave (PFL) program provides workers with up to 12 weeks of job-protected, paid leave to bond with a new child, care for a loved one with a serious health condition or help with military exigencies. PFL is funded through employee payroll deductions.

Details:

Effective January 1, 2023:

- The employee contribution rate will be 0.455 percent of an employee's weekly wage.
- The annual maximum contribution limit will be $399.43 for each employee.
- Employees utilizing PFL benefits will receive 67 percent of their average weekly wage, up to a cap of 67 percent of the State Average Weekly Wage (NYSAWW) of $1,688.19.
- The maximum weekly benefit for 2023 will be $1,131.08.
- Employees earning less than the NYSAWW will contribute less than the annual cap of $399.43, consistent with their actual wages.

In its announcement, New York also released a calculator (link below) as a tool for employees to use to view an estimate of their required deduction.

https://paidfamilyleave.ny.gov/paid-family-leave-calculator2023

Next Steps:

Effective January 1, 2023, New York employers should begin to withhold from its employees' wages the amounts noted above and remit in accordance with the PFL regulations.

New York Launches Health Care Worker Bonus Program

New York State has authorized bonuses for eligible health care and mental hygiene workers. Employer claims for the first wave of eligible employees are due by September 2, 2022.

The Program:

New York State has announced a **Health Care Worker Bonus Program** (the Program) that will use funds from the state's Fiscal Year 2023 budget to provide bonuses to qualified workers. The state has also released **FAQs** on the Program.

Bonuses:

Under the Program, a qualified worker is eligible to receive bonuses of up to $1,500 per vesting period (shown below in the table) per qualified employer, totaling up to $3,000.

The Program has two employee vesting periods in which eligible employees may receive a bonus:

	Employee Eligibility Vesting Period	Employer Claim Deadline
Vesting Period 1	October 1, 2021 – March 31, 2022	September 2, 2022
Vesting Period 2	April 1, 2022 – September 30, 2022	October 31, 2022

Employer Requirements:

The employer must evaluate and attest that they are a qualified employer and that the employee meets the eligibility criteria.

Additionally, an employer must:

- Track and notify employees of their eligibility;
- Collect, submit and retain the Employee Attestation Form that attests the worker's salary and is signed by the employee;
- Electronically sign an attestation acknowledging that they understand and determined that the employees included in the claims process are eligible for the bonuses;
- Submit claims for the bonuses to the **Portal** by the vesting period deadlines; and
- Distribute bonuses to eligible employees within 30-days of receipt of payment on a claim (advanced payments are prohibited).

Employee Eligibility:

To qualify for a bonus, a worker must be a frontline health care or mental hygiene practitioner, technician, assistant or aide that provides hands-on health or care services to people and has an eligible title. The worker must also:

- Be continuously employed by a qualified employer. This includes:
  - Providers that are enrolled in Medicaid, with at least one employee, that bill for services under the Medicaid state plan, a home or community-based services waiver, or Medicaid managed care
  - Providers, facilities, pharmacies and school-based health centers licensed under the state Public Health Law, Mental Hygiene Law, and Education Law
  - Providers that are otherwise eligible and were not licensed under a certificate of need process. In this case, at least 20 percent of the provider's patients or people served must be eligible for Medicaid
- Work the required hours for the whole vesting period for which the claim is submitted
- Not be excluded or suspended from the Medicaid program during the vesting period
- Earn a maximum annualized base salary (excluding bonuses and overtime pay) of $125,000.

Penalties:

A qualified employer who fails to take certain actions, such as identifying, claiming or paying a bonus to more than 10 percent of eligible employees, may face penalties.

Next Steps:

Qualifying New York employers should:

- Create an account on the **Portal**;
- Determine which of their current employees were employed for the entirety of Vesting Period 1 and meet the eligibility criteria for the Program;
- Distribute the Employee Attestation form to eligible workers;
- Prepare to submit the bonus claims for Vesting Period 1 by September 2, 2022; and
- Begin determining which employees may meet the Vesting Period 2 eligibility criteria.

Local

Denver Minimum Wage Set to Increase January 1, 2023

The City of Denver, Colorado, has **announced** that its minimum wage will increase from $15.87 per hour to $17.29 per hour.

The Details:

Effective January 1, 2023, the Denver minimum wage will be $17.29 per hour. On this same date, tipped employees must be paid cash wages in the amount of $14.27 per hour (currently $12.85 per hour).

Next Steps:

As of January 1, 2023, Denver employers must pay its non-tipped employees at least $17.29 per hour. Tipped employees must be paid at least $14.27 per hour in cash wages.

Jersey City, New Jersey, Requires Pay Transparency

Jersey City, New Jersey, has passed an ordinance that calls for pay transparency and reinforces the state's ban on salary history inquiries. The Ordinance is effective immediately.

Background:

New Jersey law prohibits employers from asking about an applicant's salary history or requiring that an applicant's salary history satisfy any minimum or maximum criteria.

The Ordinance:

The **Ordinance** reinforces the state's salary history ban and requires employers to include a minimum and maximum salary, and/or hourly wage, and benefits in a job posting or advertisement in Jersey City if they:

- Employ five or more workers;
- Have their principal place of business within Jersey City; and
- Use print or digital media in Jersey City to provide notice of employment opportunities.

Note: The Ordinance defines salary range as the lowest to the highest salary that an employer in good faith believes they would pay for the advertised job, promotion or transfer opportunity at the time they post the job.

Next Steps:

Employers in Jersey City should review their hiring policies, procedures and postings to ensure compliance with Ordinance 22-026.

Los Angeles Healthcare Workers Minimum Wage on Hold

On August 10, 2022, a petition was filed with the City of Los Angeles seeking to stop the Healthcare Workers Minimum Wage Ordinance from taking effect on August 13, 2022.

As a result, the minimum wage increases are frozen while the respective city clerk offices verify that the petitions contain the required number of valid signatures, which is 40,717 in Los Angeles. Assuming the requisite number of signatures are verified, the issue would be put to a public vote, but most likely not until 2024. However, if it is determined that there are not enough signatures as required, the Ordinance will go into effect upon the city clerk issuing a certificate of insufficiency.

The Details:

On July 7, 2022, Los Angeles Mayor Eric Garcetti signed into law the Healthcare Workers Minimum Wage Ordinance (Ordinance). Under the Ordinance, **effective August 13, 2022**, the minimum wage for healthcare workers employed at privately-owned healthcare facilities within the City of Los Angeles was to be no less than $25.00 per hour.

"Healthcare Worker" includes a clinician, professional, non-professional, nurse, certified nursing assistant, aide, technician, maintenance worker, janitorial or housekeeping staff, groundskeeper, guard, food service worker, laundry worker, pharmacist, nonmanagerial administrative worker and business office clerical worker, but does not include a manager or supervisor.

As a result of the petition, employers at privately-owned healthcare facilities in Los Angeles, are no longer required to pay healthcare workers at least $25.00 per hour effective August 13, 2022.

For more information on the Ordinance, click on the link provided below.

https://clkrep.lacity.org/onlinedocs/2022/22-1100-s4_ord_draft_06-14-22.pdf

Minneapolis to Increase Minimum Wage Effective January 1, 2023

Minneapolis, Minnesota, has **announced** that its minimum wage will increase.

The Details:

Effective January 1, 2023, the minimum wage for employers with more than 100 employees in Minneapolis will increase to $15.19 per hour. This is a 19 cent increase over the current amount of $15.00 per hour.

The minimum wage for employers with 100 or fewer employees will remain at $13.50 per hour until July 1, 2023, when the minimum wage will increase to $14.50 per hour.

Note: Based on Minnesota state law, Minneapolis employers are not allowed to utilize a tip credit when paying tipped employees.

Next Steps:

Effective January 1, 2023, employers with more than 100 employees in Minneapolis must pay their employees at least $15.19 per hour. Minneapolis employers with 100 or fewer employees must continue to pay at least $13.50 per hour until the minimum wage for these employees increases to $14.50 on July 1, 2023.

Petaluma, California, to Increase Minimum Wage Effective January 1, 2023

Petaluma, California, has **announced** that the city minimum wage will increase on January 1, 2023.

The Details:

The Petaluma city minimum wage will increase from $15.85 per hour to $17.06 per hour effective January 1, 2023. All businesses regardless of size are subject to the minimum wage requirement.

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.

Note: California does not allow the use of a tip credit when paying tipped employees.

Next Steps:

Effective January 1, 2023, all Petaluma employers must pay their employees at least $17.06 per hour if the employee works at least two hours per week within the city limits. Employers should also post an up-to-date minimum wage notice in the workplace.

San Francisco Voters Approve Paid Public Health Emergency Leave

Voters in San Francisco, California, have approved a ballot initiative (Proposition G) that will require certain employers to provide paid leave to employees for public health emergencies. The requirement takes effect **October 1, 2022**.

The Details:

Coverage:

The requirement applies to:

- Employers with 100 or more employees (worldwide)
- Employees working in San Francisco

Amount of Leave:

On October 1, 2022, covered employers must generally allocate an annual amount of leave equal to the number of hours over a one-week period that the employee regularly works, up to a maximum of 40 hours. Beginning in 2023, the amount of leave provided each year on January 1 must generally be equal to the number of hours that each employee regularly works over a two-week period, up to a maximum of 80 hours.

Note: There are different rules for employees whose work hours vary from week to week. See the **text of the ballot initiative** for details.

Use:

Employees may use public health emergency leave in the following circumstances if they are unable to work:

- To comply with the recommendations or requirements of an individual or general federal, state, or local health order (including an order issued by the local jurisdiction in which an employee resides) that is related to the public health emergency.
- The employee has been advised by a healthcare provider to isolate or quarantine.
- The employee is experiencing symptoms and seeking a medical diagnosis, or has received a positive medical diagnosis, for a possible infectious, contagious, or communicable disease associated with the public health emergency.
- The employee is caring for a family member who falls into one or more of the categories above.
- The employee is caring for a family member whose school or place of care has been closed, or the care provider is unavailable, due to the public health emergency.
- An Air Quality Emergency, if the employee is a member of a vulnerable population and primarily works outdoors. The law defines vulnerable population as a person who has been diagnosed with heart or lung disease; has respiratory problems including but not limited to asthma, emphysema and chronic obstructive pulmonary disease; is pregnant; or is age 60 or older.

An employee may choose to use public health emergency leave or paid sick leave in circumstances where both could apply. Any unused public health emergency leave doesn't carry over to the next year.

Under the law, a family member means any person for whom an employee may use paid sick leave to provide care under the city's paid **sick leave law**.

A public health emergency is defined as a local or statewide health emergency related to any contagious, infectious or communicable disease declared by the city's local health officer or the state health officer pursuant to the California Health and Safety Code, or an Air Quality Emergency.

Note: There are special rules on using the leave for healthcare workers and first responders. See the **text of the ballot initiative** for details.

Employee Notice:

If the leave is foreseeable, employers may require employees to follow reasonable notice procedures.

Employer Notice:

Employers must post a notice in a conspicuous place at any workplace or job site where covered employees work. Where feasible, employers must also provide it to employees via electronic communication, which may include email, text and/or posting in a conspicuous place in an employer's web-based or app-based platform.

The required notice will be prepared by the city and be available in multiple languages. Employers must post/provide the notice in each language the city makes the notice available.

Wage Statements:

If employers are required to provide similar information on wage statements under the state's paid sick leave requirement, they must set forth the amount of public health emergency leave that is available to the employee on either the employee's itemized wage statement or in a separate writing provided on the designated pay date with the employee's payment of wages.

Recordkeeping:

Covered employers must retain records documenting hours worked by employees and public health emergency leave taken by employees, for a period of four years.

Next Steps:

If you are a covered employer:

- Read the **law in full** and ensure compliance by October 1, 2022.
- Watch the Office of Labor Standards Enforcement's **website** for the required notice.

Santa Rosa, California, to Increase Minimum Wage Effective January 1, 2023

Santa Rosa, California, has **announced** that the city minimum wage will increase on January 1, 2023.

The Details:

The Santa Rosa city minimum wage will increase from $15.85 per hour to $17.06 per hour effective January 1, 2023. All businesses regardless of size are subject to the minimum wage requirement.

Note: California does not allow the use of a tip credit when paying tipped employees.

Next Steps:

Santa Rosa, California employers should pay all covered non-exempt employees at least $17.06 per hour beginning January 1, 2023. Employers should also post an up-to-date minimum wage notice in the workplace.

Sonoma, California, to Increase Minimum Wage Effective January 1, 2023

The City of Sonoma, California, has **announced** that the city minimum wage will increase January 1, 2023.

The Details:

Effective January 1, 2023, the City of Sonoma minimum wage will increase as follows:

- Employers with 26 or more employees: $17.00 per hour (currently $16.00 per hour)
- Employers with 25 or fewer employees: $16.00 per hour (currently $15.00 per hour)

Note: California does not allow the use of a tip credit when paying tipped employees.

Next Steps:

Employers in Sonoma must, as of January 1, 2023, pay their employees at least the minimum wage as outlined above. Employers should also post an up-to-date minimum wage notice in the workplace.

St. Paul, Minnesota, to Increase Minimum Wage Effective January 1, 2023

St. Paul, Minnesota, has **announced** that its minimum wage will increase. The city's minimum wage ordinance applies to employees performing work within the geographical boundaries of St. Paul.

The Details:

Effective **January 1, 2023**, the minimum wage for employers with more than 10,000 employees will increase to $15.19 per hour. This is a 19 cent increase over the current amount of $15.00 per hour.

Effective **July 1, 2023**, the following increases will apply:

Large businesses (101-10,000 employees): $15.00 per hour (currently $13.50 per hour)

Small businesses (6-100 employees): $13.00 per hour (currently $12.00 per hour)

Micro businesses (5 or fewer employees): $11.50 per hour (currently $10.75 per hour)

Note: Based on Minnesota state law, St. Paul employers are not allowed to use a tip credit when paying tipped employees.

Next Steps:

St. Paul employers must pay their employees at least the minimum wage as outlined above. In addition, St. Paul employers must post and provide notice to their employees of their minimum wage rights using the **notice** provided by the city.

Federal

Inflation Reduction Act of 2022

Click **here** for the article.

Student Loan Relief Extended Through December 31, 2022

On August 24, 2022, President Biden announced an extension of the pause on student loan repayment through December 31, 2022, along with a plan to forgive a certain amount of student loan debt for certain individuals.

The Details:

The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was signed into law on March 27, 2020. The CARES Act was the third stimulus bill aimed at providing relief to employers and individuals affected by COVID-19. One of the provisions of the CARES Act addressed federal student loans.

Under the CARES Act, repayment of certain federal student loans, including direct loans, Perkins loans and Federal Family Education Loans owned by the United States Department of Education, were automatically suspended from March 13 through September 30, 2020. In addition, interest did not accrue and collection actions and wage garnishments for student loans ceased. Private student loans did not qualify for the relief.

Subsequently, President Biden extended the pause on student loan repayment several times, with the last extension set to expire on August 31, 2022. Then, on August 24, 2022, President Biden announced another extension.

Latest Extension:

On August 24, 2022, President Biden announced:

To ensure a smooth transition to repayment and prevent unnecessary defaults, **the pause on federal student loan repayment will be extended one final time through December 31, 2022**. Borrowers should expect to resume payment in January 2023.

Student Loan Debt Forgiveness:

In addition, the President announced a plan that allows for a certain amount of student loan debt forgiveness for individuals earning less than $125,000 ($250,000 if married filing jointly).

For more information on the extension of the student loan repayment pause and the details of the student loan debt forgiveness, click on the link provided below.

https://www.whitehouse.gov/briefing-room/statements-releases/2022/08/24/fact-sheet-president-biden-announces-student-loan-relief-for-borrowers-who-need-it-most/

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.**

If you have any questions regarding our services, please call 855-466-0790.

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Updated on September 22, 2022