




Legislative Update

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PA 19-4: Minimum Wage

Increases \$10.10 hourly minimum wage to:

- \$11 (10.1.19)
- \$12 (9.1.20)
- \$13 (8.1.21)
- \$14 (7.1.22)
- \$15 (6.1.23)

Automatic increases beginning 1.1.24 based on changes to employment cost index.

Change in training wage: employers can pay 85% of minimum wage to 16 & 17 year olds during first 90 days provided they are not emancipated.



PA 19-25: Paid FMLA

The basics:


- Requires virtually all employees in state to contribute 0.5% of their wages to fund program.
- Employees eligible for 12-14 weeks of paid leave to care for their own, a family member's, or someone equivalent's illness or injury.
- Employers may be required to continue providing non-wage benefits to employees absent up to three months annually.



PA 19-25: Paid FMLA

Which employers does this apply to?


- Every private sector employer with one or more employee
- Not state or municipalities*
- Optional: sole proprietors



PA 19-25: Paid FMLA

Which employees does this apply to?


- Every private sector employee that earned at least \$2,325 from one or more employers during one of the last five quarters and currently employed or was employed within the last 12 weeks.
- Non-union state and municipal employees



PA 19-25: Paid FMLA

The benefit and tax:


- Beginning 1.1.21 (oddly after an election), employers (or your payroll provider) required to deduct 0.5% of all wages up to Social Security limit of \$132,900, and transmit to the state.
- Beginning 1.1.22, employees eligible to begin taking paid leave. Payout is 95% of wages, capped at 60X the minimum wage.
- Maximum leave is 12 weeks per year or 14 weeks if serious issue related to pregnancy. Leave can be used in four hour increments.



PA 19-25: Paid FMLA

Expanded uses:

- Allows employee to take paid FMLA leave—including intermittent leave, to care for family member, which may include:
 - spouse
 - sibling (NEW)
 - child
 - grandparent (NEW)
 - grandchild (NEW)
 - parent
 - individual related by blood (NEW)
 - individual whose close association the employee shows to be equivalent of those family relationships (NEW)



PA 19-25: Paid FMLA

New notice requirements for employers:

- After 7.1.22, at the time of hire and annually thereafter, you need to provide employees with notice of:
 - the entitlement to FMLA leave and the reasons for leave
 - the opportunity to receive compensation for such leave
 - that retaliation for using leave is prohibited
 - that any violation entitles the employee to the right to file a complaint with the labor commissioner



PA 19-25: Paid FMLA

What is happening now:


- Comptroller transferring \$5.1 million of taxpayer dollars from general fund to paid FMLA trust fund to establish program
- Paid FMLA Insurance Authority board of directors supposed to be appointed by 7.1.19. This is still in progress and no meetings have taken place.
- DOL developing guidelines for factors to be considered when determining someone is “equivalent to that of a family member”



PA 19-25: Paid FMLA

The silver lining:


- For now, employers not required to fund program
- Employers that already offer this exact leave can apply for exemption; approved private sector plans may also be an option
- Employers can require employees use all but two weeks of accumulated leave concurrently with paid FMLA
- Some protections against sole proprietors gaming the system



PA 19-25: Paid FMLA

The silver lining:

- Additional fraud protections adopted, including those against willful false representations by healthcare professionals or those who aid in the making of false claims
- Partially applies to the state



PA 19-16 & 19-93: Sexual Harassment Prevention

Prevention training:

- Commencing 10.1.19, employers with three-plus employees must provide two hours of training to all employees every 10 years.
- The good news: CHRO will provide a free online training course that satisfies this requirement.
- The bad news: You are still on the hook for paying people to complete the program during work hours.



PA 19-16 & 19-93: Sexual Harassment Prevention

Investigations/corrective action:

- Complaints can be filed 300 days from incident
- Employers need to obtain written consent from complainant before modifying their job conditions as a result of complaint and investigation.
- If no consent, must demonstrate modification was reasonable and not a detriment to the complainant
- CHRO may conduct premise inspection of training materials and posters if you've been subject of complaint within last 12 months



Questions?

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