#### **CPA**

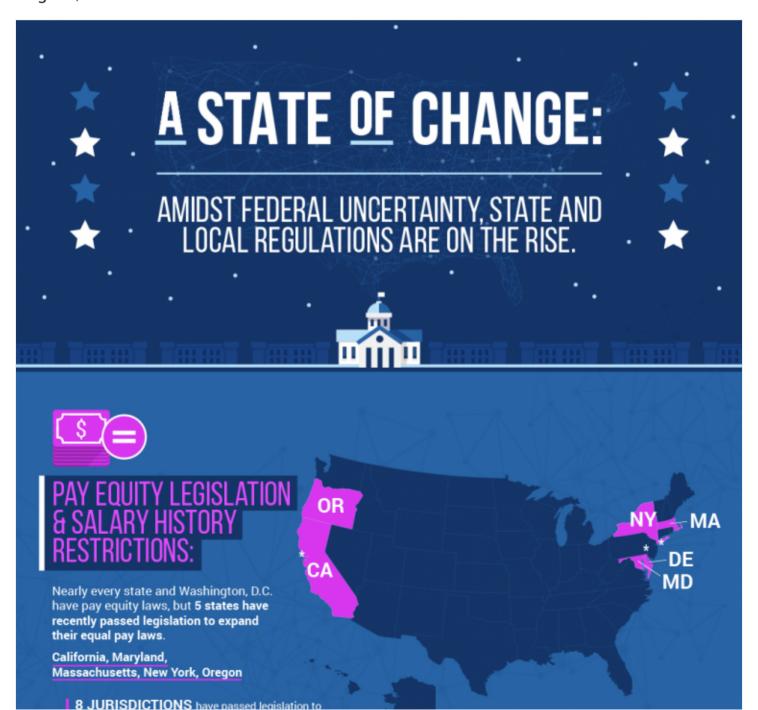
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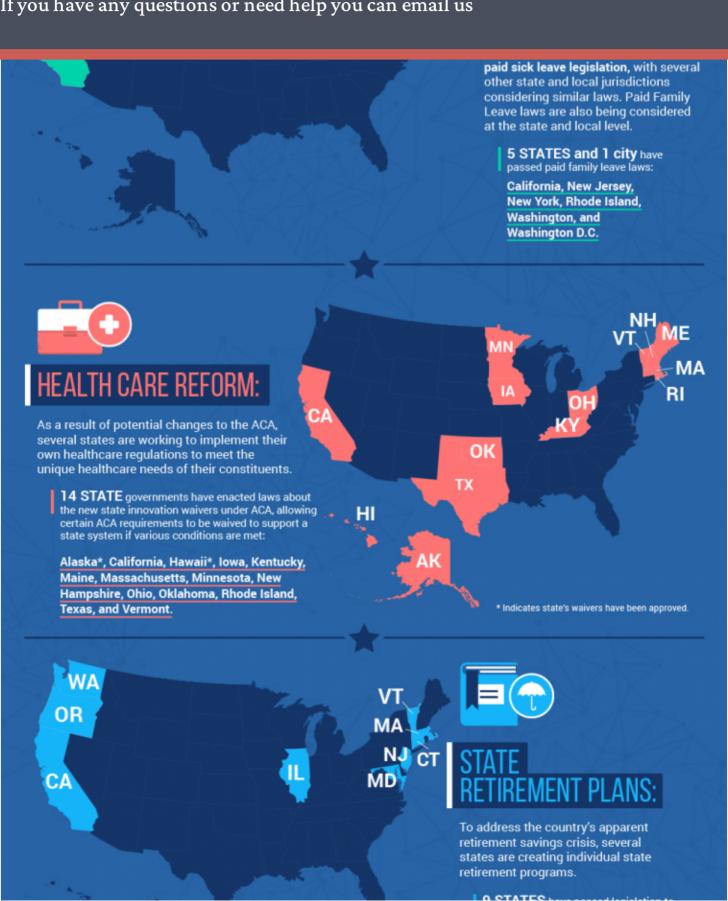
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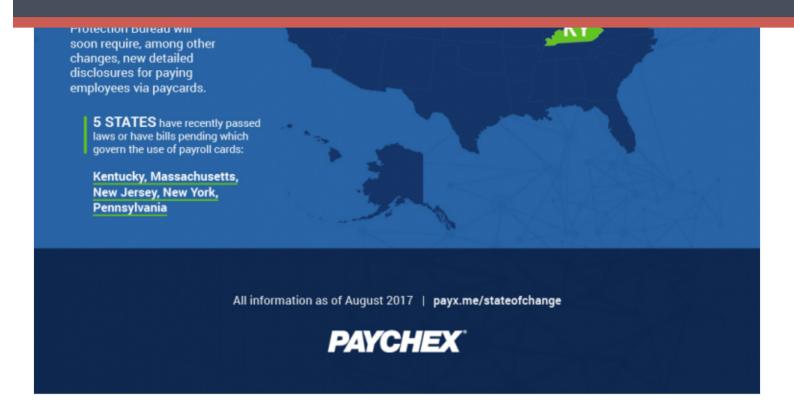
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From healthcare reform to paid leave, major legislation on such issues at the federal level may be far off as Congress likely pivots its focus to tax reform and a government spending bill. With the federal regulatory picture uncertain, many state and local governments are moving ahead with their own legislation to advance such initiatives in their communities. Paychex, Inc., a provider of integrated human capital management solutions for payroll and HR services, has put out a list of what it sees as the top employer regulations advancing with state and local governments across the U.S.

"The Trump administration is actively moving forward with its plans to create a more business-friendly environment. Part of that agenda is the reduction of current regulations impacting employers," said Martin Mucci, Paychex president and CEO. "With the intent of advancing worker protections, state and local governments are responding, ushering in a new wave of employer-facing regulations."

Here are the five regulatory issues effecting employers gaining momentum at the

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more aggressively address the gender pay gap and ensure pay equity in the workplace, recently passed legislation to expand their existing equal pay laws to increase employer obligations and penalties, and change the way claims of pay discrimination are analyzed under the law. There is also a trend at the state and local level to limit salary history inquiries until a certain stage of the recruiting process and prohibit the use of salary information in employment decisions. Delaware, Massachusetts, New York City, Oregon, Philadelphia, and San Francisco have passed legislation in this space with many other jurisdictions, including California, New York, Illinois, North Carolina, and Pennsylvania, having proposed similar bills.

### **#2 Paid Leave Laws**

Although some movement is occurring at the federal level including Ivanka Trump's work with Republican Senators to push forward President Trump's proposal for federal paid parental leave and child care tax credits `and the introduction of proposals for paid family leave by Democrats, federal legislation around paid sick leave and paid family leave has stalled. As a result, we are seeing a push at the state and local level to address this gap in employee benefits. Currently, 45 different states and local jurisdictions have passed paid sick leave laws, varying in their provisions for employer coverage, employee eligibility, accrual rates, carryover, employee/employer notices, recordkeeping, and enforcement. Several other jurisdictions are considering similar legislation. Five states (California, New Jersey, New York, Rhode Island, and Washington), plus Washington, D.C., have passed paid family leave laws that either require or permit employee payroll deductions and in some cases require more complex coordination with the Federal Family and Medical Leave Act or other paid time off.

#### #3 Health Care Reform

The complexity of healthcare and the uncertainty of the Affordable Care Act's future has spurred some legislative and regulatory action at the state level. Some states have

already implemented or proposed laws to shore up their markets (Minnesota and

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through funds – monies otherwise spent by the federal government – absent the waiver. Currently, Hawaii and Alaska have approved waivers, three states have pending waivers with the federal government, and 14 states have enacted healthcare laws addressing these waivers.

#### **#4 State Retirement Plans**

Amidst growing concern of a retirement savings crisis in the U.S., due, in part, to lack of access to retirement savings plans, several states are implementing or passing legislation to create individual state retirement programs. As well, the recent discontinuation of the federal myRA workplace savings program may prompt additional states to look at creating their own plans. To date, a total of nine states have passed legislation to create individual retirement plans. Oregon, Illinois, and California have all passed Roth IRA programs with specific contribution and enrollment criteria, set to take effect in the next two years. Vermont has passed legislation for the creation of the Green Mountain Secure Retirement Plan, the first multiple employer plan (MEP) design among state plans, which will allow for employer participation as well as higher contribution limits than IRA programs allow. Some municipalities are following suit, with Philadelphia and New York City working on legislation to establish retirement savings programs.

# **#5 Payroll Cards**

Payroll cards, also known as paycards, are an increasingly popular method of pay for workers, especially those without access to a traditional banking system. Last year, the Consumer Financial Protection Bureau (CFPB) issued a final rule on prepaid accounts which requires, among other changes, new detailed disclosures for paying employees via paycards, effective April 1, 2018, pending potential delays and additional changes. Meanwhile, states continue to introduce their own rules governing the use of payroll cards. Pennsylvania and Kentucky recently put payroll

card laws into effect, and there are bills currently pending in Massachusetts, New

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