

New Employment Laws Become Effective on January 1, 2025

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The following is a summary of new employment laws which become effective on January 1, 2025.

All States

Minimum Wage Increases

Employers should check their state statutes and local ordinances to determine whether the minimum wage has been increased. Failure to do so could lead in underpayment to employees and potential fines and penalties.

State minimum wage increases, effective January 1, 2025:

- California: \$16.50/hour
- Delaware: \$15/hour
- New Jersey: \$14.53–\$15.49/hour
 - \$15.49 (employers with six or more employees)
 - \$14.53 (seasonal employers and employers with fewer than six employees)
- New York: \$15.50–\$16.50/hour
 - \$16.50 per hour (New York City, Long Island and Westchester County)
 - \$15.50 per hour (rest of the state)

Also, in some states, like California, the salary test for exempt employees is dependent on the state's minimum wage. Failure to increase an exempt employee's salary would result in breaking the exemption and entitling exempt employees to overtime and other requirements for non-exempt employees.

California

Seven new employment laws in California took effect on January 1, 2025.

Changes to the Fair Employment and Housing Act

The Fair Employment and Housing Act was amended as follows:

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Government Codes § 12920 was amended to state that employers may not discriminate against employees based upon any combination of characteristics protected under the Fair Employment and Housing Act.

- Government Code § 12926 is amended to define “race” as including traits associated with race (rather than historically associated with race), such as hair texture and protective hairstyles.
- Any city, city and county, county, or other political subdivision of the state will be able to enforce local law prohibiting discrimination in employment against classes of persons covered by the Fair Employment and Housing Act if certain requirements are met, including a requirement that local enforcement is pursuant to a local law that is at least as protective as the act. The Civil Rights Department will promulgate regulations governing local enforcement pursuant to those provisions.

Changes to Leave Laws

There are two amendments to statutes related to employee leaves of absence:

- Paid Sick Leave – Employers must provide sick leave to agricultural employees to avoid smoke, heat or flooding conditions created by a state of local emergency.
- Paid Family Leave – Employers can no longer require that employees take up to two weeks of earned vacation leave prior to using paid family leave.

California Worker Freedom from Employer Intimidation Act

The California Worker Freedom from Employer Intimidation Act prohibits employers from retaliating against employees who decline to attend employer sponsored meetings or to listen to employer communications that have the purpose of communicating the employer’s religious or political opinions.

Workplace Violence Law

Employers may seek a temporary restraining order against an individual who has harassed employees or engaged in workplace violence or threats of violence against employees.

Worker’s Compensation Notices

Employers will be required to include the following in the notice to employees:

- The employee has the right to consult with an attorney
- The attorney’s fees will be paid in most cases

This is a good reminder to update your employment posters effective January 1st of every year.

Prohibition on Requiring Employees to Provide Driver’s License

Employers cannot require applicants to have a driver’s license unless the employer reasonably expects driving to be one of the job functions and an alternative form of transportation would not be comparable in travel time or cost to the employer.

Freelance Worker Protection Act

This Act requires the following for contracts with a freelance worker, defined as a person, that is hired or retained as a bona fide independent contractor by a hiring party to provide professional services in exchange for an amount equal to or greater than \$250:

- Contracts between a hiring party and a freelance worker be in writing and the new law requires a hiring party to retain the contract for no less than 4 years.
- A hiring party to pay a freelance worker the compensation specified by a contract for professional services on or before the date specified by the contract or, if the contract does not specify a date, no later than 30 days after completion of the freelance worker's services.
- The law prohibits a hiring party from discriminating or taking adverse action against a freelance worker for taking specified actions relating to the enforcement of these provisions. The law authorizes an aggrieved freelance worker or a public prosecutor to bring a civil action to enforce these provisions.

Delaware

Healthy Delaware Families Act

The Healthy Delaware Families Act requires that employers with ten or more employees must enroll in the paid leave program and begin paying the following contributions:

- The contribution rate for medical leave benefits as a percentage of wages is 0.4%.
- The 2025 contribution rate for family caregiving benefits as a percentage of wages is 0.08%.
- The contribution rate for parental leave benefits as a percentage of wages is 0.32%.

Employers may deduct up to 50% of premiums from employees' wages.

New York

Equal Protection

The New York Constitution, and specifically Article 1, § 11 (the equal protection law) is amended to also prohibit discrimination based upon:

- Ethnicity
- National origin
- Age
- Disability
- Sex, including:
 - Sexual orientation
 - Gender identity
 - Gender expression
 - Pregnancy

- Pregnancy outcomes
- Reproductive healthcare and autonomy

Paid Prenatal Leave

Private sector employers must provide pregnant employees with twenty (20) hours of paid prenatal leave per year. The twenty hours must be made available upon hire. Pregnant employees can use this leave for healthcare services received by the employee during the employee's pregnancy or related to such pregnancy, including physical examinations, medical procedures, monitoring and testing, and discussing with the employee's health care provider related to the employee's pregnancy. Prenatal leave may be taken in one-hour increments. Prenatal leave is not paid out when an employee leaves their employment.

Pennsylvania

Fair Contracting for Health Care Practitioners Act

The Fair Contracting for Health Care Practitioners Act prohibits non-compete agreements exceeding one year for doctors, Certified Registered Nurse Anesthetists (CRNAs), Certified Registered Nurse Practitioners (CRNPs), and Physician Assistants (PAs).

Disclaimer: This list is not intended to provide a comprehensive overview of all employment laws effective January 1, 2025, across the United States. Instead, it highlights significant employment law updates in jurisdictions where Offit Kurman serves clients. This content is for informational purposes only and does not constitute legal advice. For personalized guidance, please consult with an attorney.