

How to Prepare for New Employment Laws Effective 2017

“I can’t change the direction of the wind, but I can adjust my sails to always reach my destination.” Jimmy Dean

There are many new employment laws that must be complied with by employers effective January 1, 2017. We will highlight only some of the Federal and California laws because they are too many to cover them all here.

There is a large amount of uncertainty regarding how the new Executive Branch and Congress will approach these laws. Some of the most sweeping changes were approved at the state and local levels.

Several states approved minimum wage increases and new Marijuana use laws. All states saw a continued emphasis on equal compensation for both genders. Statewide minimum wage rates and paid sick leave requirements were passed throughout the country for 2017. Employers with operations in multiple states may find it challenging to keep up with the differences in the laws and regulations between states.

We highly recommend you consult with an expert before making any changes in your employment systems and procedures to make sure you are in full compliance with all the regulations.

The “California Employment Law Report” highlighted the following laws for California employers.

[AB 1063 – Wage Differential – Fair Pay Act Expanded to Protect Race and Ethnicity](#)

“Current law prohibits an employer from paying any of its employees at wage rates less than the rates paid to employees of the opposite sex for substantially similar work. This law expands the prohibition of a wage differential based on an employee’s race or ethnicity for substantially similar work.”

[AB 1676 Wage Discrimination](#)

“Existing law generally prohibits an employer from paying an employee at wage rates less than the rates paid to employees of the opposite sex in the same establishment for equal work for work performance that requires equal skill, effort, and responsibility that are performed under similar working conditions. This law now establishes that an employee’s prior salary cannot, by itself, justify any disparity in compensation. It is important to note the bill was modified to take out language that would have prohibited employers from obtaining an applicant’s prior salary.”

[AB 1843 Juvenile Criminal History](#)

“The new law prohibits employers from asking or taking into consideration juvenile convictions” in hiring decisions.

We recommend the following minimum preparations with regard to all 2017 Human Resource legislation:

1. Update your employee handbook and employment documents for adherence to the new laws.
2. Train HR staff and managers on all the requirements applicable to your employees.
3. Review any possible wage disparities based on race, ethnicity and gender.
4. “Ensure that prior salary is not relied upon to justify gender pay disparities. Employers should also consider eliminating from the application and hiring process questions seeking an applicant’s prior salary history.”
5. “Review employment contracts that are required as a condition of employment for employees who live and work in California. Provisions that require adjudication (litigation or arbitration) outside of California or application of non-California law should be removed unless the employee is independently represented by counsel in the negotiation of such provisions.”

Partial Federal Laws Overview

Source: “2017 Labor & Employment Laws: New Year, New Government, New Challenges”

Rule	Main Topic	Summary	Effective Date
Final Rule on Insurance Exchanges (2012)	Healthcare Reform	States can allow businesses with more than 100 employees to participate in healthcare exchanges.	1/1/2017
Final Rules on Wellness Programs	Wellness Programs	Employers must provide a notice clearly explaining what medical information will be obtained, how it will be used, who will receive it, the restrictions on its disclosure, and the methods the employer uses to prevent its improper disclosure. The rules also set limits on inducements for participating in an employer-sponsored wellness program (or multiple employer-sponsored wellness programs that request such information).	1/1/2017

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Final Rule Defining Fiduciary and Conflict-of-Interest-Retirement Investment Advice	Employee Benefits (Retirement)	Defines who is a “fiduciary” of an employee benefit plan under ERISA as a result of giving investment advice to a plan or its participants or beneficiaries.	4/10/2017
Final Rule on Walking-Working Surfaces and Personal Protective Equipment	Workplace Safety	Revises and updates general industry standards on walking-working surfaces to prevent and reduce workplace slips, trips, and falls, as well as other injuries and fatalities associated with walking-working surface hazards.	1/17/2017
Final Rule Improving Tracking of Workplace Injuries/Illness	Workplace Safety	Various employers must submit injury and illness data electronically.	1/1/2017

How We Can Help You

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