



An Overview of New Laws Impacting Employers in 2021

As we usher in 2021, we should be mindful of new laws impacting the employer-employee relationship. Changes include increases to state minimum wage rates, the end of mandated FFCRA leave, adjustments to state specific paid leave laws, and updates to employee handbooks.

State Minimum Wage

The minimum wage increased in many states on January 1, 2021, including the following:

Alaska: \$10.34 per hour (previously \$10.19).

Arizona: \$12.15 per hour (previously \$12.00).

Arkansas: \$11.00 per hour (previously \$10.00).

California: \$14.00 per hour for employers with at least 26 employees (previously \$13.00); \$13.00 per hour for employers with fewer than 26 employees (previously \$12.00).

Colorado: \$12.32 per hour (previously \$12.00).

Connecticut: \$13.00 per hour, effective August 1, 2021 (previously \$12.00).

Florida: \$8.65 per hour (previously \$8.56).

Illinois: \$11.00 per hour (previously \$10.00).

Maine: \$12.15 per hour (previously \$12.00).

Maryland: \$11.75 per hour for employers with at least 15 employees; \$11.60 per hour for employers with fewer than 15 employees (both previously \$11.00).

Massachusetts: \$13.50 per hour (previously \$12.75). The premium pay for Sunday retail workers will decrease to 1.2 times the worker's regular rate of pay; it had been 1.3 times.

Michigan: \$9.87 per hour (previously \$9.65).

Minnesota: \$10.08 per hour for large employers (previously \$10.00); \$8.21 per hour for small employers (previously \$8.15). The business activity threshold for large employer status is \$500,000 in annual revenue.

Missouri: \$10.30 per hour (previously \$9.45).

Montana: \$8.75 per hour (previously \$8.65).

Nevada: \$9.75 per hour (previously \$9.00), \$8.75 per hour with qualifying health benefits (previously \$8.00), both effective July 1, 2021.

New Jersey: \$12.00 per hour (previously \$11.00); \$11.10 per hour for seasonal workers and employers with fewer than 5 employees (previously \$10.30).

New Mexico: \$10.50 per hour (previously \$9.00).

Ohio: \$8.80 per hour (previously \$8.70).

Oregon: \$12.75 per hour (previously \$12.00); \$14.00 per hour for employees who work in Portland Metro (previously \$13.25); \$12.00 per hour for employees who work in nonurban counties (previously \$11.50).

South Dakota: \$9.45 per hour (previously \$9.30).

Vermont: \$11.75 per hour (previously \$10.96).

Virginia: \$9.50 per hour effective July 1, 2021 (previously \$7.25).

Washington: \$13.69 per hour (previously \$13.50).

Mandated FFCRA Leave

Mandated Family First Coronavirus Response Act (FFCRA) paid sick and family leave ended on December 31, 2020. As of January 1, 2021, covered employers may voluntarily provide emergency paid sick leave or emergency paid FMLA leave under FFCRA and take the tax credit associated with this leave, but only for leave taken through March 31, 2021. Employers should review their leave programs to determine if they wish to provide FFCRA benefits in 2021 and if so, how FFCRA leave will coordinate with their current leave programs. If employers elect to extend the availability of FFCRA leave, employee communications should be prepared.

Changes to state specific paid leave

Several states have implemented paid family and medical leave programs (PFML). For example, employees in Massachusetts, New York, and Maine have entitlements as of January 1, 2021. Entitlements become available to Connecticut employees as of January 1, 2022. It is advisable to be familiar with the programs in the states in which employees work. This is especially true given that so many employees are working remotely and may continue to work remotely well into 2021.

Workplace Posters

Employers are required to conspicuously post federal and state labor law posters in their place of work. Many states change the content of the posters each year, so it is best practice to update the posters at least annually.


Employee Handbook and Policies


The start of the new year is an excellent time to update your employee handbook. Some states and municipalities have implemented changes to their rules and regulations governing the employer-employee relationship. Employers should confirm that the policies described in their handbook are not in conflict with recent changes to the law. In addition, there will likely be changes implemented with the new federal administration.

Employers should also stay well-informed of developments arising as a result of the pandemic. Be sure to communicate with employees on a regular basis about policies and expectations. Let the team know what is expected of them and give managers the resources to successfully lead a remote workforce, if necessary. Employers should have developed a return to work plan; and this plan should be outlined clearly in the employee handbook. The better the lines of communication, the better the team will function.

The Wagner Law Group's Employment and HR team is available to provide legal advice and guidance and to update organizations on changes in the law. Please do not hesitate to contact [Katherine Brustowicz](#), [David Gabor](#), or [Virginia Peabody](#) for assistance with any employment or HR matters.


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