

# Compliance Year in Review & 2025

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# Agenda

- Political Landscape – from an employment perspective
- What were the major laws/legislative initiatives?

# Political Landscape moving into 2025:

- NOT TAKING SIDES!
- Overall stance: less regulation.
- Pendulum on Independent Contractors
  - Critical for “gig” workers

- Tips – proposal to make them free from Federal income tax
- Overtime – proposal to make payments free from Federal income tax
- Prior election – indicated support for Federal paid family leave
- Less Union friendly – supports Right to Work Laws
- Employer friendly appointees – EEOC, DOL, NLRB
- Minimum wage? 2020 election debate signaled openness to \$15/hour. No significant comment during this election.
- Healthcare – Repeal ACA? Place preexisting condition individuals in separate “pool”. Require payment of IVF.



## Significant Supreme Court Cases:

### **Loper Bright Enterprises v. Raimondo**

- The Supreme Court weighs in ... on a fishing case?!?
- Tracks with 2025 promises by President-Elect Trump about deregulation

### **Muldrow v. City of St. Louis**

- Loss of Prestige is enough for Title VII

# Fair Labor Standards Act (FLSA):

Courts have REFUSED to block; President-elect Trump silent

- FLSA Salary Basis Increased:
  - \$844/week July 1, 2024
  - \$1,128/week January 1, 2025
  - Increase every 3 years
  - Still must meet duties test



## FLSA Tip Rule – 80/20/30

**1. 80% Tip-Producing Work:** At least 80% of an employee's work must involve tip-producing activities, such as serving customers or bartending.

**2. 20% Related but Non-Tipped Work:** No more than 20% of the workweek could be spent on duties related to tipped work but not directly generating tips, like setting tables or restocking supplies.

**3. 30-Minute Limit:** Non-tipped work could not exceed 30 consecutive minutes during any shift.

- Blocked by Federal court (5<sup>th</sup> Circuit)
- But what about Pennsylvania? (Incorporated by reference)
- Common issue to have disconnect between FLSA and PA wage and hour law

# City of Pittsburgh (and other local) leave laws

- 500 plus employer leave policies submitted for “approval”
  - Only 200 accepted
- Website of “shame”/”fame”
- Focusing on restaurant/hospitality
- Issue for outlying communities, work-from-home, deliveries, etc.





# FTC Noncompete Rule:

- FTC issued regulations prohibiting almost all noncompetes/no-poaching agreements in “for profit” sector.
- Federal court blocked enforcement
- VP elect Vance has signaled support for FTC rule as it applies to tech firms.
- Likely moving to state level.



# Pregnant Workers Fairness Act (PWFA):

- Went into effect in July 2023 but Final regulations issued in April 2024
- Limited documentation requests
- Certain accommodations were automatic
- Made 40 week leave of absence almost always reasonable.
- September 2024 saw the first two Federal PWFA lawsuits filed by the EEOC




## EEOC and Artificial Intelligence:

- EEOC “hot button”/enforcement priority
- Concern that historical biases are built into AI
- Concern over hiring/promotion/etc. based on AI criteria
- Includes employer responsibility for third party agents.



## EEOC Initiatives:

- Guidance to conduct such surveys to ferret out potential issues/discrimination
  - Training for other employees on how to report/support victims
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# Workplaces:

- Mandatory return to work
- Employer culture (given labor shortage)
- Worker Freedom of Speech Acts prohibit “captive audience” meetings.
  - Illinois, Connecticut, Hawaii, New York, and Oregon
  - Limiting employers’ ability to conduct mandatory meetings on religious or political matters, including on unionization.
  - Employers cannot discipline or incentivize employees to attend such meetings or listen to related communications.



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**Thank You**