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# **Compliance Connection**

May 2025

## **Federal Compliance Update**

It has been a busy month...

### **Independent Contractor Misclassification Enforcement**

On **May 1, 2025**, the U.S. Department of Labor (DOL) issued <u>Field Assistance Bulletin (FAB) 2025-1</u> on how to determine employee or independent contractor status when enforcing the Fair Labor Standards Act (FLSA).

#### Background

On Jan. 10, 2024, the DOL published a <u>final rule</u> revising the agency's guidance on analyzing who is an employee or independent contractor under the FLSA. This rule rescinded the <u>2021 Independent Contractor Rule</u>. Several lawsuits are pending in federal courts challenging the 2024 final rule. In those lawsuits, the DOL has taken the position that it is reconsidering the final rule, including whether to rescind it. Additionally, the DOL's Wage and Hour Division (WHD) is currently developing a standard for determining employee versus independent contractor status under the FLSA.

### **Enforcement Guidance**

While the DOL reviews the 2024 final rule, the WHD will no longer apply the rule's analysis when determining employee versus independent contractor status in FLSA investigations. Instead, the WHD will rely on principles outlined in <u>Fact Sheet #13</u> and the reinstated <u>Opinion Letter FLSA2019-6</u>, which addresses classification in the context of virtual marketplace platforms. According to the DOL, this approach will provide greater clarity for businesses and workers navigating modern arrangements while legal and regulatory questions are resolved.

#### **Employer Takeaway**

The DOL's guidance does not change existing regulations but reflects how the department is allocating enforcement resources during the review of the 2024 final rule. The FAB supersedes any prior or conflicting guidance provided to the WHD staff on enforcement related to independent contractor misclassification. Until further action is taken, the 2024 final rule remains in effect for purposes of private litigation, and the FAB does not change the rights of employees or the responsibilities of employers under the FLSA. Employers should continue to monitor the situation for updates.

### HHS Rescinds Section 1557 Interpretation and Enforcement Guidance From 2021

On **May 14, 2025**, the U.S. Department of Health and Human Services (HHS) <u>rescinded</u> its Section 1557 interpretation and enforcement guidance from May 10, 2021, effective immediately. According to HHS, the rescission is part of an agency-wide initiative to reduce regulatory burdens in accordance with the Trump administration's policies, and the guidance no longer represents the legal views of the agency.

#### **Background**

Section 1557 of the Affordable Care Act prohibits discrimination based on race, color, national origin, sex, age or disability in certain health programs and activities. Section 1557 has been in effect since its enactment in 2010, with HHS' Office of Civil Rights (OCR) enforcing the provision.

The rules and guidance HHS has published to implement Section 1557 have been the subject of numerous lawsuits, dating back to when initial regulations were issued in 2016. The litigation has primarily focused on:

- Which health programs and activities are subject to Section 1557's nondiscrimination requirements; and
- Whether sex discrimination includes discrimination based on gender identity, sexual orientation and termination of pregnancy.

#### **Rescinded Guidance From 2021**

The <u>2021 HHS guidance</u> was issued after the U.S. Supreme Court's June 2020 ruling in *Bostock v. Clayton County*, where the Court held that employment discrimination based on gender identity or sexual orientation violates federal law.

Effective May 10, 2021, HHS announced in its guidance that it would interpret and enforce Section 1557's prohibition on sex discrimination to include discrimination based on sexual orientation and gender identity, consistent with the Supreme Court's *Bostock* decision. At the time, HHS stated that the interpretation would guide the OCR in processing complaints and conducting investigations but noted that the interpretation would not determine the outcome in any particular case or set of facts on its own.

### **Action Steps**

While the rescission of the 2021 guidance does not appear to impact the most recent iteration of the Section 1557 final regulations from 2024, implementation of those regulations remains in flux as federal courts have blocked enforcement of certain provisions relating to how the rule defines sex-based discrimination. Thus, plan administrators and issuers should continue to monitor all developments in this area in consultation with benefits counsel and work closely with their advisors in complying with their Section 1557 obligations.

### Federal Court Vacates EEOC Guidance on Gender Identity and Sexual Orientation Harassment

On **May 15, 2025**, the U.S. District Court for the Northern District of Texas <u>ruled</u> that the U.S. Equal Employment Opportunity Commission (EEOC) exceeded its authority by issuing enforcement guidance expanding gender identity and sexual orientation protections. The ruling vacates relevant portions of such guidance and applies nationwide.

### **Background**

On Apr. 29, 2024, the EEOC issued an updated <u>Enforcement Guidance on Harassment in the Workplace (Enforcement Guidance)</u>. Among the updates, the EEOC added protections for harassment on the basis of gender identity and sexual orientation to incorporate case law, including the Supreme Court's 2020 decision in *Bostock v. Clayton County*, that holds discrimination on the basis of sexual orientation constitutes sex discrimination under Title VII of the Civil Rights Act (Title VII).

#### **Court Ruling**

In *Texas v. EEOC*, the Texas District Court held that the EEOC exceeded its authority in expanding the definition of "sex" to include "sexual orientation" and "gender identity" and that neither Title VII nor the ruling in *Bostock* define "sex" accordingly. In its ruling, the Texas District Court vacated certain elements of the updated Enforcement Guidance, including:

- All language defining "sex" in Title VII to include "sexual orientation" and "gender identity";
- The entire section of the Enforcement Guidance outlining harassment based on sexual orientation and gender identity(including that discriminatory harassment includes failure to accommodate transgender bathroom, pronoun and dress preferences);
- The example that states misgendering an employee may constitute a hostile work environment; and
- All language defining "sexual orientation" and "gender identity" as protected classes under Title VII.

The other portions of the Enforcement Guidance remain in effect.

#### **Employer Takeaways**

Although the Texas ruling affects how the EEOC may evaluate claims of harassment at the federal level, Bostock still prohibits employment discrimination based on sexual orientation and gender identity. In addition, employers may be subject to prohibitions on sexual orientation and gender identity harassment and discrimination under state and federal laws. Therefore, employers should continue to ensure compliance with all relevant discrimination and harassment laws and guidance.

### **Washington Expands Pregnancy and Lactation Accommodations**

On **May 20, 2025**, Washington <u>amended</u> the Healthy Starts Act (Act), which requires covered employers to provide reasonable accommodations for pregnancy and related conditions. The amended Act, which takes effect **Jan. 1, 2027**, will cover more employers and expand employee protections.

### **Background**

Washington currently requires employers with **15 or more employees** to provide reasonable accommodations for an employee's pregnancy and pregnancy-related health conditions, including the need to express breast milk, unless doing so would impose undue hardship on the employer.

### **Amendment Overview**

Effective Jan. 1, 2027, all Washington employers with **one or more employees** will be required to provide pregnancy accommodations under the Act. The amended Act will also provide greater protections for employees, including:

- Paid lactation breaks—Currently, the Act requires employers to provide reasonable break time to express breast milk. The amended Act will require employers to provide paid lactation breaks at the employee's regular compensation rate. Such paid breaks must be in addition to any legally required meal and rest breaks.
- Scheduling flexibility for postpartum visits—The Act requires employers to provide scheduling flexibility for
  prenatal visits as a reasonable accommodation. The amended Act will require employers to provide such flexibility for
  postpartum visits as well.

The amended Act will also transfer enforcement authority from the attorney general to the Washington Department of Labor and Industry, which may assess civil penalties. Individuals will continue to have a private right of action as well.

### **Employer Takeaways**

Small employers not currently required to provide pregnancy accommodations may be required to do so, effective Jan. 1, 2027. Such employers may take steps to ensure compliance, such as training relevant personnel and updating accommodation policies. In addition, all covered employers may review policies and practices to ensure compliance with the expanded law by the effective date.

### **Federal Court Vacates PWFA Abortion Accommodation Mandate**

On **May 21, 2025**, the U.S. District Court for the Western District of Louisiana <u>vacated</u> the U.S. Equal Employment Opportunity Commission's (EEOC) requirement that employers must accommodate elective abortions and the inclusion of abortion as a pregnancy-related medical condition for purposes of the <u>Pregnant Workers Fairness Act (PWFA)</u>.

### **Background**

The PWFA took effect on June 27, 2023, and requires employers with 15 or more employees to provide reasonable accommodations for an individual's known limitation related to pregnancy, childbirth or related medical condition unless doing so would impose an undue hardship on the employer. The EEOC published a <u>final rule</u> to implement the PWFA that took effect on June 18, 2024.

In its final rule, the EEOC defined "related medical condition" under the PWFA to include a "termination of pregnancy, including via miscarriage, stillbirth or **abortion**." Consequently, the final rule required employers to reasonably accommodate an individual's abortion, including elective abortions.

### **Court Ruling**

In Louisiana v. EEOC, the plaintiffs (including the states of Mississippi and Louisiana and religious organizations) argued that the EEOC exceeded its statutory authority to implement the PWFA by including the abortion accommodation mandate in the EEOC's final rule.

The court ruled in favor of the plaintiffs and vacated any portion of the final rule that includes abortion in the definition of related medical condition," as well as any portion of the rule that requires or suggests that employers are required to accommodate purely elective abortions that are not necessary to treat a medical condition related to pregnancy. The court further ordered the EEOC to modify any applicable guidance to conform with the court's decision.

### **Employer Takeaways**

Pursuant to the ruling, the PWFA no longer requires employers to provide reasonable accommodations for purely elective abortions. However, covered employers must still provide reasonable accommodations for pregnancy terminations, including abortions, that are necessary to treat a medical condition related to pregnancy. In addition, some states and municipalities have passed their own pregnancy accommodation laws that may provide greater protections to employees than those provided under federal law. Therefore, employers should carefully review and ensure compliance with all applicable laws when evaluating an employee's request for a reasonable accommodation. Employers may also monitor for updated PWFA guidance from the EEOC.

## **State Compliance Update**

#### Colorado Clarifies Job Protection Rules for FAMLI Leave

Recently adopted regulations, effective July 1, 2025, will clarify when job protection applies under Colorado's Paid Family and Medical Leave Insurance (FAMLI) program. Employees taking continuous leave must be employed for at least 180 days before the leave begins to be entitled to job protection. However, for intermittent leave, job protection kicks in once employees reach their 180th day of employment—even if that happens during the leave period.

#### **Action Item**

Update your FAMLI benefits policy to reflect these changes, if needed including employee handbooks, onboarding packets, newsletters, etc.

Regulation 18862 was adopted by the Colorado Department of Labor and Employment on April 29, 2025.

### Other Changes Effective July 1, 2025

Regulations concerning premiums and individuals electing coverage <a href="https://drive.google.com/file/d/1MUu3oZXhlmUn4imFdIGmdkY-RciIN5kM/view">https://drive.google.com/file/d/1MUu3oZXhlmUn4imFdIGmdkY-RciIN5kM/view</a>

Regulations concerning local government participation with the paid family medical leave program <a href="https://drive.google.com/file/d/1ifH\_UTOXEG-KKzYoLKHsYxZMt4zYdl4i/view">https://drive.google.com/file/d/1ifH\_UTOXEG-KKzYoLKHsYxZMt4zYdl4i/view</a>

Regulations concerning benefits and employer participation requirements https://drive.google.com/file/d/1Wf1aXIPGoFNUtLvZRZPZ\_v3iSK1UeTT2/view

Regulations concerning coordination of benefits and reimbursement of Advance payments

https://drive.google.com/file/d/11MB4KIQfWjoGX7jd74ANjRx9irG6kZZX/view

Regulations concerning private plans

https://drive.google.com/file/d/1WheUdcrE8MImzWdUg3mEiFXGNc2mGIRI/view

Regulations concerning program integrity

https://drive.google.com/file/d/1Yz9tAaC pGI9nNpfG6HtY-kKK7G3NTdP/view

Regulations concerning investigations

https://drive.google.com/file/d/1sm3h7KRK7E77-1mCoUobSw6Tzi74xYr8/view

Regulations concerning appeals

https://drive.google.com/file/d/14dM2a3WKXrVK7YAQ9AbuNsk7Pgo\_iyVR/view

### **Colorado Creates Employer Biometric Information Requirements**

Beginning July 1, 2025, the Colorado Privacy Act will be expanded to include new obligations for employers that collect biometric information. Specifically, employers of all sizes will be required to adopt a written biometric policy and obtain consent before collecting biometric identifiers from applicants and employees.

Biometric identifiers are things like fingerprints or retina scans—data based on an individual's biological, physical, or behavioral traits that can be used to identify them. When biometric identifiers are used alone, together, or in combination with other personal information for identification purposes, they are referred to as biometric data. (However, biometric data doesn't include photos or audio recordings.) In this Law Alert, we refer to these two terms collectively as biometric information.

The following are key details of the new requirements.

### Policy

Employers will be required to adopt a written policy that includes the following elements:

A biometric information retention schedule

A protocol for responding to a biometric information security breach

Guidelines for deleting biometric identifiers by certain dates specified in the law

If the policy applies to more than just current employees (for example, to applicants or former employees), then it will also need to be made available to the public, with some exceptions.

#### Consent

Employers will be required to obtain consent from applicants and employees before collecting their biometric identifiers. That said, employers can make consent a condition of employment for the following common uses of biometric identifiers:

To grant access to physical locations (e.g., fingerprint access to enter a building)

To secure electronic hardware and software applications

For timekeeping purposes

For workplace or public safety and security purposes

When collecting or using biometric identifiers for any other purpose, employers will need to obtain applicants' and employees' affirmative and voluntary consent and can't retaliate or take any adverse action against them if they choose not to provide it. According to the law's regulations, employers are required to obtain new consent when an applicant is hired—the consent they previously provided as an applicant is no longer valid.

The requirement to obtain consent has two notable exceptions. First, employers don't need to get an employee's consent to collect biometric identifiers if doing so is expected based on the employee's job duties (for example, a security guard for access purposes). Second, they don't need to get consent when collecting this information from applicants in order to complete applications, background checks, or identification requirements.

#### **Questions Remain**

Some questions remain about the applicability of the law in the employment context because the Colorado Privacy Act (the broader law that these requirements were added to) states that it doesn't apply to data maintained for employment records purposes. We'll monitor the law and provide an update if there are significant changes.

### **Action Items**

If you collect applicants' or employees' biometric information, adopt a compliant biometric policy and establish a process for obtaining consent from applicants and employees before collecting biometric identifiers.

HB 24-1130 was signed by the governor on May 31, 2024.

### **Colorado Clarifies that Gender Expression Includes Chosen Names and Pronouns**

Colorado has expanded its definition of gender expression (a protected class for employment purposes) to include someone's chosen name and how they choose to be addressed. This means that deadnaming—the act of calling someone by a non-chosen name, often one assigned at birth that doesn't correspond with their gender identity—has been clearly defined as discriminatory. The same applies to misgendering an employee.

It's likely a court would have interpreted this conduct as a violation of the protections for gender expression regardless of the amended law, but now it's crystal clear that this behavior violates the Colorado Anti-Discrimination Act. The law applies to employers of all sizes.

CO H 1312 was enacted and took effect immediately on May 16, 2025.

### **BILL WATCH 2025 - Status**

In case you are interested... here are various Bills introduced during this legislative session to watch.

Bill Name	Bill Summary	Last Action
	This is a summary and does not include all aspects of the proposed Bills.	
	This is a summary and does not include all aspects of the proposed bills.	
SB25-165	Revised Licensing Requirements	Sent to the Governor on
Licensure of Electricians	<ul> <li>Journeyman Electrician License: Applicants can qualify with either 8,000 hours of apprenticeship or practical experience, as an alternative to the traditional 4-year requirement.</li> <li>Residential Wireman License: Applicants can qualify with 4,000 hours of practical experience, instead of the standard 2-year requirement.</li> <li>Alternative Experience Substitutions: Applicants may substitute photovoltaic (solar) installation training to meet licensing requirements.</li> <li>Apprenticeship Reporting and Exam Exemptions</li> <li>Reporting Requirements: Employers (contractors, apprenticeship programs, or state agencies) must report only commercial, industrial, or similar work experience for apprentices who hold a residential wireman license.</li> <li>Exam Exemptions: Individuals with an active Residential Wireman or</li> </ul>	5/14
	Master Electrician license are exempt from taking the Journeyman Electrician exam.  Enhanced Oversight of Photovoltaic (Solar) Installations	
	Small Installations (<300 kW): Installations can be supervised by a certified Photovoltaic Energy Practitioner, provided the contractor is registered with the Department of Regulatory Agencies (DORA) by December 31, 2025, is in good standing with the state, and employs a NABCEP PV Installation Professional.      Large Installations (≥300 kW): Such installations must comply with	
	electrical permitting laws, be performed by a licensed electrical contractor, include a contemporaneous review, and be subject to compliance checks by state electrical inspectors or appointed officials.  • Utility Oversight: The bill removes previous exemptions for utilities and the Public Utilities Commission (PUC) from monitoring compliance with solar installation rules, requiring retail utilities to retain all documentation related to solar installations.	
	Public Works Projects	
	<ul> <li>For public works projects not receiving federal funds and valued at \$1 million or more, the bill mandates that general contractors or other entities submit documentation certifying that all firms involved participate in a registered apprenticeship program and have a proven record of graduating apprentices.</li> </ul>	

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HB25-1284	Registration and Termination Requirements	Sent to the Governor on
Regulating	Initial Registration: Employers must register apprentices with the	5/14
Apprentices in	appropriate governing board within 30 days of employment	
<u>Licensed Trades</u>	commencement.	
	Termination Notification: If an apprentice's employment ends, the	
	employer is required to remove the apprentice from the program and	
	notify the board within 30 days of termination.	
	Annual Renewal of Apprentice Registration (Effective January 1, 2027)	
	Renewal Process: Employers are mandated to renew an apprentice's	
	registration annually, providing specific information such as cumulative	
	training hours and contact details.	
	Registration Fee: The governing board may impose a fee to cover the	
	costs associated with maintaining the apprenticeship registration	
	database.	
	Eligibility for Registration	
	Program Enrollment: Apprentices must be enrolled in programs that	
	train for occupations officially recognized by the U.S. Department of	
	Labor as electrical or plumbing occupations.	
	Quarterly Publication: The state apprenticeship agency is tasked with	
	publishing a quarterly list of eligible apprenticeship programs.	
	Data Sharing and Verification (By July 1, 2026)	
	Inter-Agency Collaboration: The state apprenticeship agency and the	
	Department of Regulatory Agencies are required to establish data-	
	sharing agreements to verify apprentice eligibility and program	
	compliance.	
	Examination and Licensing Flexibility	
	Alternative Licensing Paths: Employers may authorize apprentices to	
	take residential license examinations instead of journeyman exams if	
	deemed more suitable based on the apprentice's experience.	
	Examination Exemptions: Apprentices who fail to pass license	
	examinations within specified periods may request exemptions under	
	certain conditions.	
	Enforcement and Compliance	
	Inactive Status: Apprentices who fail to meet reporting or examination	
	requirements may have their registration status declared "inactive" until	
	compliance is achieved.	
	Employer Sanctions: Employers demonstrating consistent	
	noncompliance or whose apprentices exhibit significant patterns of	
	noncompliance may face sanctions from the governing board.	
SB25-144	Extended Leave for NICU Parents	Sent to the Governor on 5/2
Change Paid	Allows parents with a child receiving inpatient care in a Neonatal Intensive Care	
<b>Family Medical</b>	Unit (NICU) to receive an additional 12 weeks of paid family and medical leave.	
Leave Insurance	This extension is in addition to the standard 12 weeks provided by the FAMLI	
Prog	program, potentially totaling up to 24 weeks of leave for eligible parents. The	
	extension aims to support families during critical early life medical situations.	
	Adjustments to FAMLI Premium Rates	
	The bill modifies the premium structure that funds the FAMLI program:	
	2025: The premium rate remains at 0.9% of wages per employee.	
	2026: The premium rate is reduced to 0.88% of wages per employee.	
	2027 and Beyond: The Director of the Division of Family and Medical	
	Leave Insurance is tasked with setting the annual premium rate by	
	November 1 of the preceding year. The rate must ensure that the FAMLI	
	fund maintains a balance of at least six months' worth of projected	
	expenditures, minimize volatility, and not exceed 1.2% of wages per	
	employee.	
SB25-128	Background - The repeal was prompted by the U.S. Supreme Court's 2021	Governor Signed on 5/29
<u>Agricultural</u>	decision in Cedar Point Nursery v. Hassid, which held that a California regulation	
Worker Service	allowing union organizers to enter agricultural employers' property without consent	
Providers Access	constituted a per se physical taking under the Fifth Amendment. This ruling raised	
<b>Private Property</b>	constitutional concerns about similar provisions in Colorado's law.	

Repeal of Access Rights: The bill removes the requirement that employers allow third-party service providers to access their private property to meet with agricultural workers during off-duty hours. **Remote Access Encouraged**: While physical access is repealed, the bill encourages the use of remote communication methods, such as telehealth, to ensure workers can still connect with essential services. Employer-Provided Housing Exception: An amendment to the bill preserves service providers' access to employer-provided housing, recognizing the unique circumstances of workers residing on-site. Limitations on Rulemaking: The bill restricts the state's Division of Labor Standards and Statistics from adopting rules that would infringe upon private property rights or conflict with common law rights related to emergency access. SB25-083 **Exemptions for Healthcare Professionals** Sent to the Governor on 5/8 Limitations on The bill removes certain exemptions that previously allowed non-compete and Restrictive non-solicitation agreements for highly compensated workers in the healthcare **Employment** sector. Specifically, it prohibits such agreements for: **Agreements Physicians** Advanced Practice Registered Nurses (APRNs) This change ensures that these healthcare providers cannot be restricted from practicing their profession or soliciting patients after leaving an employer, regardless of their compensation level. **Patient Communication Rights** The legislation prohibits agreements that prevent or significantly restrict departing healthcare providers from informing their patients about: Their continued medical practice New professional contact information The patient's right to choose their healthcare provider This provision aims to uphold patient autonomy and continuity of care. Minority Ownership and Non-Compete Agreements For individuals with minority ownership in a business, the bill allows non-compete agreements under specific conditions. The duration of such agreements must not exceed a period calculated by dividing the total consideration received from the sale by the individual's average annualized compensation over the shorter of the preceding two years or the duration of their affiliation with the business. **Cost Recovery Provisions** Employers are permitted to recover certain expenses from physicians if the recovery amount decreases proportionally over a period not exceeding three years from the start of employment. These expenses may include: Relocation costs Signing bonuses or other inducements Recruiting expenses Marketing expenses related to the physician's practice HB25-1001 **Expanded Definition of Employer** Governor signed on 5/22 Enforcement The bill broadens the definition of "employer" to include individuals who own or Wage Hour Laws control at least 25% of a business, thereby extending liability for wage violations to significant stakeholders. Minimum Wage Protections Employers are prohibited from making payroll deductions that would reduce an employee's pay below the applicable minimum wage, closing potential loopholes that could undermine wage standards.

### **Penalty Waivers and Court Remedies**

The Director of the Division of Labor Standards and Statistics is authorized to waive penalties for employers who fail to pay claimed wages within 14 days of a written demand, provided specific conditions are met. Additionally, courts are empowered to pursue equitable relief in civil actions for unpaid wages.

#### Increased Wage Claim Threshold

The maximum amount for administrative wage claims adjudicated by the Division is increased from \$7,500 to \$13,000 for claims filed between July 1, 2026, and December 31, 2027. Starting January 1, 2028, this threshold will be adjusted for inflation biennially.

#### **Penalties for Worker Misclassification**

Employers found to have misclassified employees as independent contractors face escalating fines:

- \$5,000 for a willful violation
- \$10,000 if not remedied within 60 days
- \$25,000 for a second or subsequent violation within five years
- \$50,000 for a second or subsequent violation not remedied within 60 days

#### **Accelerated Wage Theft Fund Payments**

The waiting period for employees to receive payments from the Wage Theft Enforcement Fund is reduced from six months to 120 days, expediting restitution for affected workers.

#### **Enhanced Anti-Retaliation Protections**

The bill strengthens protections against employer retaliation by:

- Mandating consideration of the timing between an employee's protected activity and any adverse action
- Declaring the use of an individual's immigration status to negatively impact wage and hour law rights as unlawful

Allowing the Division to award reasonable attorney fees and costs in cases of discrimination or retaliation

HB25-1208 Local **Governments Tip** Offsets for Tipped **Employees** 

Mandatory Tip Offset Alignment: Local governments that enact a minimum wage exceeding the state minimum wage are required to implement a tip offset for food and beverage employees. This offset must equal the amount by which the local minimum wage exceeds the state minimum wage, plus the state's existing tip offset of \$3.02.

Implementation Timeline:

- By **September 1, 2025**, local governments with higher minimum wages must enact ordinances specifying the required tip offset.
- These ordinances must take effect by October 1, 2025.

Future Adjustments: Starting October 1, 2026, local governments may adjust the tip offset amount, but with restrictions:

- The offset cannot be reduced below \$3.02.
- Reductions cannot exceed 50 cents in any 12-month period.

Increases cannot result in an employee's wage falling below the state minimum wage minus \$3.02.

HB25-1300 Workers' Compensation **Benefits Proof of Entitlement** 

### Shift in Burden of Proof

Under current law, when a dispute arises over whether recommended medical treatment is reasonable, necessary, and related to a claimant's injury, the injured worker bears the burden of proof. HB25-1300 shifts this burden to the employer or the employer's workers' compensation insurer, requiring them to prove that the treatment is not reasonable, necessary, or related to the injury.

Sent to the Governor on

Sent to the Governor on 5/2

5/15

Expanded Choice of Treating Physician	
The bill grants injured workers greater autonomy in selecting their primary treating physician. Specifically, claimants may choose any Level I or Level II accredited physician listed by the Division of Workers' Compensation. If a claimant is unable	
or unwilling to select a physician, the employer or insurer is responsible for making the selection.	

## **Compliance Calendar**

#### June

6/2 – Prescription Drug Data Collection Reporting – group health plans and health insurers are required to submit data regarding drug costs to the Department of Treasury, Department of Labor (DOL) and Health and Human Services (HHS). Reporting is due annually on June 1st, or the first business day after, if June 1st falls on a weekend day or holiday.

6/24 – 2024 EEO-1 Component 1 Filing Data Filing Deadline

### July

7/31 – Form 5500 Filing Deadline (Calendar year Plans)

7/31 – Form 941 Filing Deadline (Second Quarter)

7/31 - PCORI Fee Deadline

### August

8/1 – Vets-4212 Filing Open (federal contractors)

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