Pay Matters: Fall 2024

Stay compliant with the latest payroll and HR updates in our Fall 2024 edition of Pay Matters.

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Welcome to our Fall 2024 edition of Pay Matters – our roundup of all the payroll and compliance news that you must know.

Read on to stay informed and in compliance with relevant alerts and insights that matter most for your payroll.

Form I-9 Updated with New Expiration Date

The United States Citizenship and Immigration Services (USCIS) has changed the Form I-9 expiration date displayed at the top right of the form from July 31, 2026, to May 31, 2027. The revision date in the lower left-hand corner of the form remains August 1, 2023. The version of the form with the July 31, 2026, date remains valid for use up to that date, at which point only forms with the May 31, 2027,

expiration date may be used. The USCIS is encouraging employers who use electronic I-9 systems to update to the May 31, 2027, expiration date as soon as possible to ensure compliance by July 31, 2026.

For clients using Viventium Onboarding, the electronic Form I-9 will be updated by July 31, 2026.

Delaware Paid Family and Medical Leave Reminders

The Delaware Department of Labor is reminding employers of key dates for the state's Paid Family and Medical Leave Program, which will be funded through payroll contributions.

Employers are encouraged to register with DelawareLaborFirst between September 1 and December 1, 2024. Contributions start on January 1, 2025. Employees can submit claims for paid leave starting on January 1, 2026.

The program includes parental leave, family caregiver leave, medical leave, and military family leave, allowing eligible employees a maximum of 12 weeks of paid leave per year.

The program applies to employers with 10 or more employees (smaller employers can opt in.) Employers must either participate in the state's plan or offer a private alternative and ensure compliance by providing employee notices, displaying posters, and maintaining health benefits during leave.

Contributions to the program are the employer's responsibility, but employers can deduct up to 50% of the required contribution form employee wages. For 2025 and 2026, the total contribution rate is 0.8 percent, with the breakdown as follows:

- 4 percent Medical Leave
- 08 percent Family Caregiver Leave
- 32 percent Parental Leave

Viventium will provide further updates and information to our Delaware clients in the coming weeks and months.

Changes Coming to Michigan Minimum Wage and Paid Leave Requirements

On July 31, 2024, the Michigan Supreme Court ruled that the state legislature overstepped its authority when it amended voter-initiated ballot initiatives on minimum wage and paid sick leave. As a result, starting February 21, 2025, the original versions of the laws will take effect. This means that the minimum wage will rise, the tip credit will be phased out, and paid sick leave requirements will be expanded. The legislature's previous amendments, which kept the minimum wage lower and limited paid sick leave to larger employers, will no longer apply.

Minimum Wage

Until February 2025, the state minimum wage remains $10.33 per hour. On February 21, 2025, Michigan minimum wage will increase to $10.00 per hour plus the state treasurer's inflation adjustment, using July 31, 2024, as the endpoint for that calculation. The minimum cash wage for tipped employees will increase to 48% of the state minimum wage. Increases to both minimum wages will continue through 2029.

Paid Sick Leave

Changes to paid sick leave will also go into effect February 21, 2025, including:

- Paid sick leave will apply to all employers, not just those with 50 or more employees;
- Employees will accrue one hour of sick leave for every 30 hours worked, and the law does not address an accrual cap;
- Employers must carry over unused leave year-to-year;
- Larger employers (10 or more employees) must allow employees to use at least 72 hours of their accrued paid sick leave annually; and
- Smaller employers (less than 10 employees) must allow employees to use at least 40 hours of their accrued paid sick leave annually; in addition, they must allow use of at least 32 hours of unpaid leave.

The rules will also expand qualifying reasons for leave, the definition of family members, and adjust pay and notice requirements during leave. For a copy of the legislation, click here.

Minnesota Paid Family and Medical Leave Reporting Begins Soon

The first wage detail report for Minnesota employers covered under the state's paid family and medical leave program is due October 31, 2024. Wage detail reports will include wages paid between July 1, 2024, and September 30, 2024. For those employers covered by Minnesota's unemployment insurance (UI) law, the reporting requirements will be satisfied via the quarterly UI wage detail report. Employers not covered by Minnesota's UI program will need to set up a "Paid Leave Only" account through the UI Online system in order to file.

Viventium will automatically handle this filing for tax service clients who are set up for Minnesota unemployment tax.

This information is for educational purposes only, and not to provide specific legal advice. This may not reflect the most recent developments in the law and may not be applicable to a particular situation or jurisdiction.