

States & Municipalities – The Engines That Are Driving Legislative Activity

Insights

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While many are mesmerized by the presidential primaries and remain frustrated by gridlock in Congress, states and municipalities are aggressively tackling social and economic issues that impact employers. The states of California and New York recently enacted legislation that will gradually raise the minimum wage in each state to either \$12.50 or \$15 an hour. In California the statewide minimum wage will, for most employers, incrementally rise each year until it reaches \$15 an hour on January 1, 2022. In New York, the minimum wage will rise to \$15 an hour by the end of 2018 for a large number of businesses in New York City, and to \$15 an hour by the end of 2021 in certain counties (Nassau, Suffolk and Westchester) surrounding New York City, while the minimum wage for the rest of the state will gradually rise to \$12.50 an hour by the end of 2020. In addition to minimum wage increases, Governor Andrew Cuomo (D – New York) recently signed a bill that provides employees in New York with 12-weeks paid family leave. This is the strongest and most generous paid family leave law in the country.

Outside of California and New York, the ongoing tug-of-war at the state and local levels of government recently came to a head in North Carolina. The more conservative North Carolina state legislature quickly and swiftly blocked a measure passed by the more liberal leaning City of Charlotte that would have protected the LGBT community from certain forms of discrimination. The state legislature did not just block the ordinance passed by Charlotte, but instead went further and created a uniform statewide nondiscrimination law that prevent local governments from enacting their own antidiscrimination laws. The legislative activity in North Carolina, New York and California are just a few examples of the literally hundreds, if not thousands, of legislative battles that are taking place, many times out of the spotlight, at the state and local levels of government.

Regardless of your political views, most can agree that the increasingly fragmented nature of laws in this country will, from an administrative perspective, make things more challenging for employers. Employers operating in a number of states will, in all likelihood, be faced with differing minimum wages, varying leave laws and an array of antidiscrimination statutes just to name a few. Even smaller employers, with operations in only one state, could face similar challenges with the ongoing rise of local governments, particularly in major metropolitan areas, aggressively passing leave, minimum wage, antidiscrimination and many other laws impacting employers. While actions at the federal level may grab many of the headlines, the real battleground these days is at the state and local levels of government. Employers should and must stay plugged in to what is taking place these lower, yet equally important, levels of government to identify and properly prepare for legislative activity and changes in states and municipalities.