

Strategies for Revamping your Employee Handbook

February 19, 2025



Agenda

Employee
Handbook
Objectives &
Structure

Updating Your Employee Handbook 3 State Handbook Requirements

Paid Sick Leave

What do you want from your employee handbook?

Here are some common answers:

- An effective resource for our employees
- A way to establish expectations for our employees
- A tool to help us comply with federal, state, and local employment laws
- An instrument for creating and maintaining our organization's culture and values



Poll question:

What do you want from your employee handbook? (Choose all that apply)



If you want your handbook to be a resource for your employees, you need to make it:

- Easy for employees to access
- Easy for employees to navigate
- Easy for employees to read and understand



If you want your handbook to establish employee expectations, you may need to include more than just required policies.

You may want to consider policies such as:

- Code of conduct
- Social media
- Outside employment
- Pets in the workplace
- Employee dating
- Marijuana



Do you want your employee handbook to help establish and maintain your organization's culture?

If so, you should consider including:

- Your mission statement.
- Your values
- Policies that reflect those values



Do you want your employee handbook to help you comply with federal, state, and local employment laws?

If so, you need to know:

- How many employees you have
- Where each of your employees work
- What policies are required for each of those locations



Different ways to structure an employee handbook

All-in-one

All of your policies for all of the states where you have employees in one handbook.

Core + Addenda

Core policies in main handbook with state differences in addenda.

Universal

Core policies set to comply with all of the states where you have employees.

Separate Handbooks

Separate handbook for each state where you have employees.



Poll question:

What type of handbook does your organization use?



Different ways to structure an employee handbook, continued

All-in-one

Pros

Easy to navigate and maintain

Cons

- Can get long if you have employees in multiple states
- Employees in different states can compare benefits

Universal

Pros

- Can help keep handbook short and easy to maintain
- Treats employees in different states uniformly

Cons

• Likely requires giving some employees more benefits than they are entitled to under state law

Core + Addenda

Pros

- Allows for a shorter core handbook when employers have employees in lots of states
- Relatively easy to update when hiring an employee in a new state

Cons

• Employees may have to flip between core handbook and addenda and can compare benefits

Separate Handbooks

Pros

- Handbooks can be shorter and easier for employees to navigate
- Employees can't compare benefits across states

Cons

• It can be a larger administrative burden to maintain multiple handbooks



Updating your Employee Handbook

- **Best Practice**: Review your employee handbook every month for possible updates
 - Consider changes to laws, footprint, and employee count
 - Depending on your company footprint, you may not need to make any changes
 - A little time each month can save you a lot of time down the road
- A lot can change in a month
 - SixFifty Employee Handbook Update for February 2025→

Legal Updates

U.S. Department of Labor Clarifies Interaction of PTO and FMLA

On January 14, 2025, the DOL issued an <u>opinion letter</u> clarifying that employers can't require employees to use (and employees can't unilaterally choose to use) available paid time off while on FMLA leave if the employee is also receiving benefits under a state or local paid family or medical leave program. But in this situation, the employer and employee can mutually agree that the employee will use available paid time off to supplement the paid family and medical leave benefits, so long as that's allowed by state law. We've updated our FMLA policy to align with this opinion letter.

Indiana Updates its Teen Work Hour Poster

 Indiana updated its Teen Work Hours <u>poster</u> (now named Work Restrictions for Youth Employees) to reflect changes to the law that went into effect on January 1. Employers should replace their existing posters. We've added the updated version to the 50-State Hiring Kit and Research.

Massachusetts Wage Transparency Reporting Requirements Take Effect

Last year, Massachusetts Governor Healy signed Bill H.4890, implementing new wage transparency requirements, which take effect on different dates depending on employer size. Beginning February 1, 2025, employers with 100 or more employees in Massachusetts must provide annual wage data reports to the State Secretary.
 Beginning October 29, 2025, employers with 25 or more employees in Massachusetts must provide wage ranges to applicants on all job postings, to employees who are offered a new position, and to both applicants and employees upon request.



Signatures and Acknowledgements

- When do you need to send your employee handbook to employees for signature or acknowledgement?
- An Employee Handbook is not a contract
- Different Approaches:
 - Send out for acknowledgement every time there is a significant change
 - Make employees aware of changes as they occur and send out for acknowledgment once a year
 - Make employee aware of changes as they occur but only get acknowledgments when employees start



Which state's laws govern your employment relationships?

Lawyer answer: It depends

General rule: The law of the state where the employee works





Practical Tips

Make sure you know where all your employees live and work

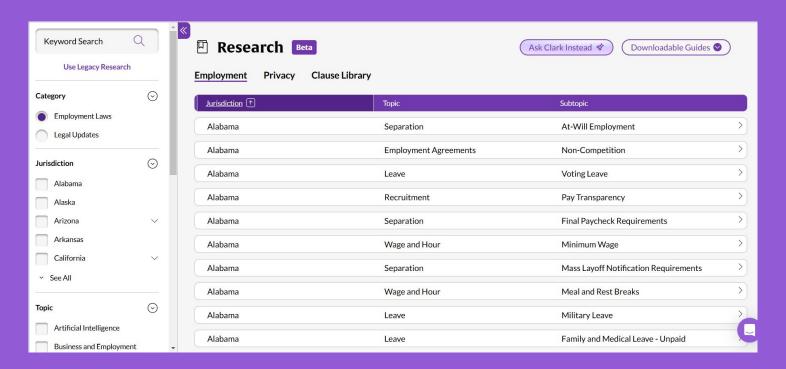
Relocation policies can help

Make sure your handbook complies with the law of *every* state where you have employees

 Find resources to help you track changes to the law



SixFifty: Research



What does it mean to say a policy is "required" by law?

Usually, employers just have to comply with the substantive law behind the requirement

- Handbook policies are an effective, but optional, way to ensure compliance in these cases
 - E.g., ADA policies, Overtime policies, Expense Reimbursement policies, etc.

Sometimes, a law will specifically require employers to create written policies in addition to doing whatever else the law requires

- In these cases, not having a written policy could lead to liability, even if you don't violate
 any other part of the law
- E.g., CA's lactation accommodation policy; Boulder, CO's drug testing policy (only for employers who drug test employees); etc.



An example from Chicago

Chicago requires *all* employers to have a written policy in place that includes:

- A statement that sexual harassment is illegal in Chicago
- The definition of sexual harassment as defined in Chicago Municipal Code Section 6-010-020
- A requirement that all employees participate in sexual harassment prevention training annually
- A requirement for all employees to participate in a minimum of one hour of sexual harassment prevention and one hour of bystander training annually (employees who supervise or manage other employees must participate in at least 2 hours of sexual harassment training)

- Examples of prohibited conduct that constitute sexual harassment
- A statement that retaliation for reporting sexual harassment is illegal in Chicago
- An explanation of how employees can report sexual harassment, including instructions on how to make a confidential report, and
- An explanation of the legal and governmental services available to employees who are victims of sexual harassment

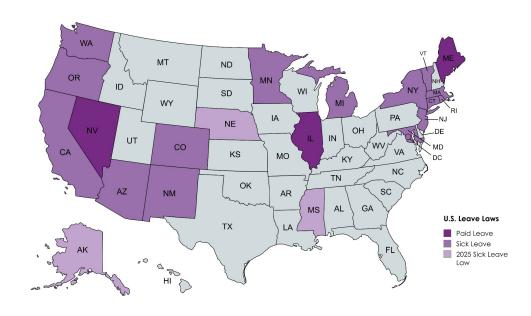




Paid leave laws

- 15 States and D.C. with sick leave
 22 Localities
- 3 States and 5 localities with paid leave for any reason
- 3 States passed sick leave laws that take effect in 2025

In reality, 81% of U.S. employees have access to Paid Sick Leave

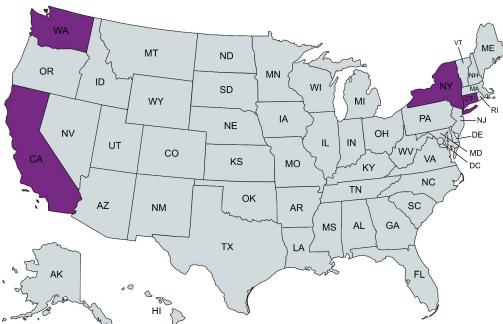


Created with mapchart.net

Jan. 1st, 2025 changes to sick leave

Washington expands uses to include declared emergency leave. "Family member" definition also expanded

California expands crime victim leave to include more types of crimes and to cover family members who are victims



New York expands sick leave to include 20 additional hours of prenatal care leave

Connecticut expands paid sick leave to cover all industries and changes the employee threshold from 50 to 25 Connecticut employees.



2025 timeline of new laws and changes

Voters in 3 states have passed new sick leave laws that take effect in 2025 and Michigan's voter-adopted sick leave changes are being reinstated.

Feb 21st →

Michigan*

The Michigan Supreme Court ruled that the state legislature overstepped by amending the voter-adopted Earned Sick Time Act.

Removes the 50 employee threshold and employees can use 40/72 hours per year depending on employer size (10 EEs in the United States) Missouri

most employees.

(15 EEs in State)

worked

May 1st →

Missouri voters passed Proposition

A which creates paid sick leave for

Employees must earn one hour of

paid sick leave for every 30 hours

Employees can use 40/56 hours per

year depending on employer size

Alaska

July 1st

Alaska voters Passed Ballot Measure 1 which creates sick leave for most employees

Employees must earn one hour of paid sick leave for every 30 hours worked

Employees can use 40/56 hours per year depending on employer size (15 EEs)

Sept 1st

ka

Nebraska voters passed the Paid Sick Leave Proposition which provides 40/56 hours of paid sick leave per year depending on employer size (20 eligible employees)

Employees are eligible if they work at least 80 hours per year in Nebraska

Nebraska

sixfifty

When it comes to a compliant sick leave policy, you have options

Universal

- One-size-fits-all approach that applies the strictest state law to all employees
- Easier to maintain, but it can result in giving more leave than is necessary
- Typically shorter and easier for employees to read and understand

State-Specific

- Functionally creates different rules for employees depending on where they work
- Ensures that employers don't give more leave than necessary, but requires significant maintenance, especially when hiring in new states
- Can become complex and hard to parse when you have employees in lots of states



Q&A time!

What questions do you have?

Join our webinar next week Thurs, Feb. 27th @ 10am PT

Designing Leave Policies: Modern Strategies for Multi-State Teams



