

8 Legal Trends Managers Need to Know



Together, we are Roth Staffing Companies.



TODAY'S TOPICS

- The Changing Legal Landscape
- Sexual Harassment, Equal Pay and Salary History
- Background Checks, Marijuana Laws
- Meal and Rest Breaks, Sick Pay, Minimum Wage, Local Legislation
- Understanding Trends and Planning Ahead

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Employment Trends



20K

The number of new jobs added fell dramatically, resulting in the smallest job growth since September 2017.

Employment Trends



3.8%

The unemployment rate
also fell 0.2%.

Employment Trends



7.3%

The U-6 rate fell sharply, marking the lowest total unemployment number since 2000.

*These numbers further indicate that the U.S. labor market remains **very tight**.*

Employment Trends



\$27.66/hour

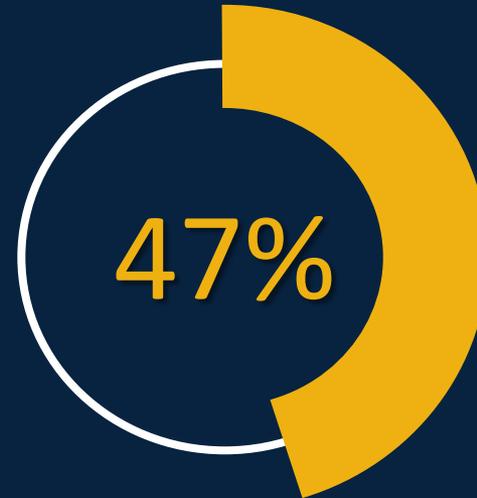
Average hourly earnings went continued to slowly and steadily rise to 11 cents per hour, up 0.4% m/m and 3.4% y/y.

*As employers find it more difficult to find skilled workers, they are willing to **pay more to attract talent.***

Hiring Trends

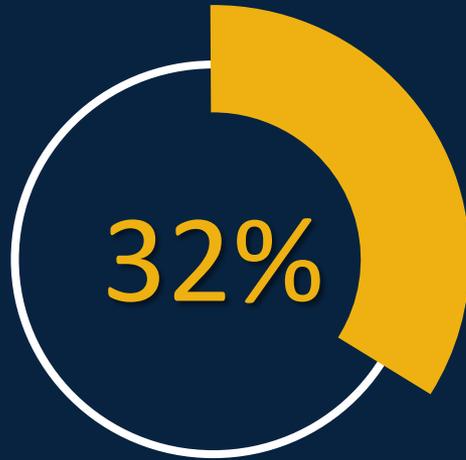


of employers
plan to hire **full-**
time, permanent
employees



of employers
plan to hire **part-**
time, permanent
employees

Hiring Trends



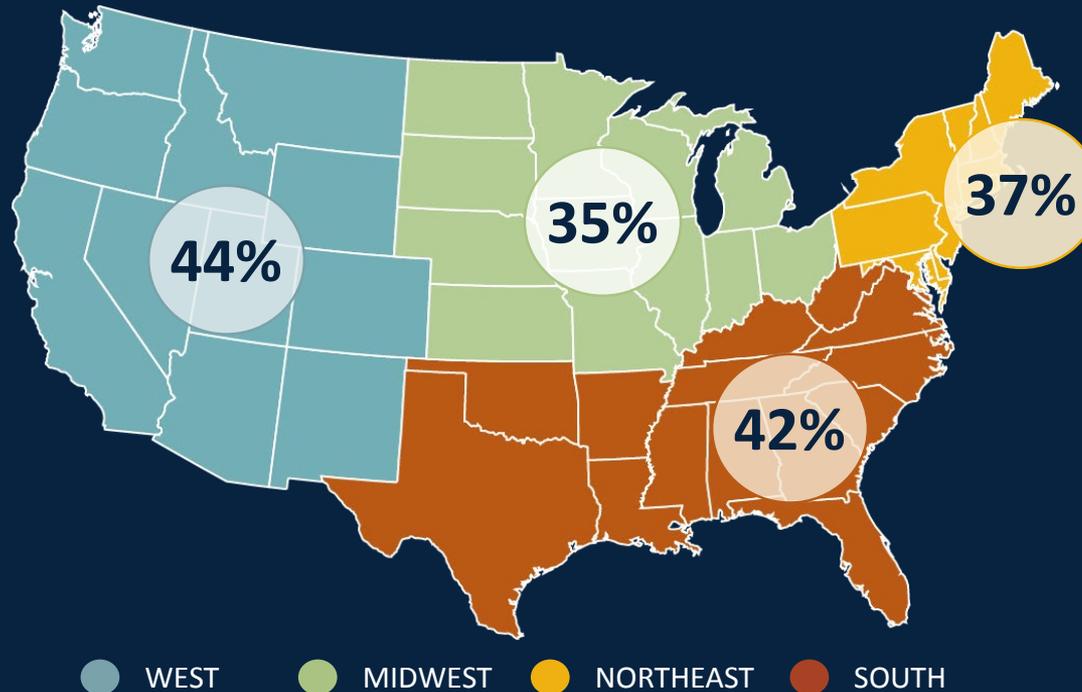
of workers are
looking to **change**
jobs in 2019



of HR managers
cannot find **qualified**
candidates for
open jobs

Hiring Trends

TOP U.S. REGIONS HIRING IN 2019



Temporary Help Highlight

- 5,800 jobs added in February 2019
- Temporary help job gains were up 2.2% y/y
- On average, 2,600 jobs were added over a three-month period
- Temporary help penetration rate rose to 2.028%

A group of business professionals in a modern office setting, engaged in a meeting around a conference table. The scene is overlaid with a semi-transparent dark blue and red gradient. The text is white and centered over the image.

2019: The Legal Landscape for Employers

- The only thing constant ... is change!
- Societal trends are influencing legislation
- Employers must keep up with changes



1. Sexual Harassment

Increasing legislation regarding sexual harassment prevention and training

Sexual Harassment

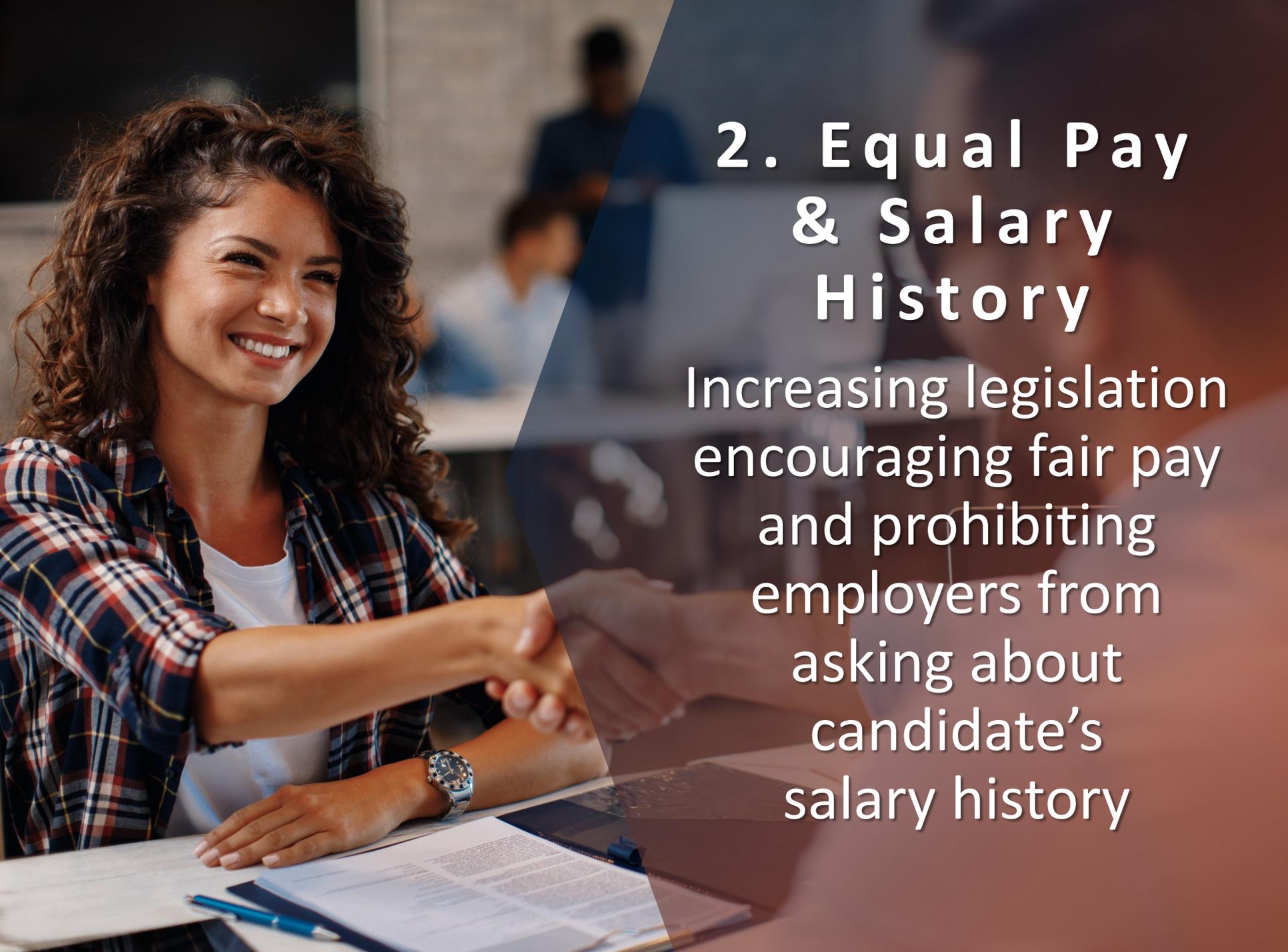
- The topic of sexual harassment continues to be at the forefront of media coverage ... *#MeToo*.
- Take the time to ensure your organization's policy is well-defined, updated, and communicated to all your employees.
- California has passed several new laws regarding sexual harassment. Your organization and its legal counsel should be aware of these.



Sexual Harassment Training

Some states require training for supervisors and the state of California just enacted expanded training requirements.



A woman with curly brown hair, wearing a plaid shirt over a white t-shirt, is smiling and shaking hands with a man across a desk. On the desk are a laptop, a pen, and some papers. The background is a blurred office setting with other people working.

2. Equal Pay & Salary History

Increasing legislation encouraging fair pay and prohibiting employers from asking about candidate's salary history



Equal Pay

- Continuing the trend seen in 2018
- Several cities and states are enacting laws that protect equal pay
- Prohibit employers from asking applicants about their prior pay
- All in an effort to discourage discriminatory pay practices

Salary History Inquiry

- Connecticut is the latest state to join the growing list of states and cities that prohibit employers from inquiring about salary history from applicants.
- The state's new law, effective January 1, 2019, prohibits employers from asking an applicant (or any third party) about their past wage history during the hiring process.
- If you operate in Connecticut, consult your legal counsel for full details of the law.

Salary History Inquiry

California, Massachusetts, Delaware, Vermont, New York City, and Philadelphia have enacted similar laws.

Even if your company does not operate in one of the areas affected by these laws, you should be aware of this legislative trend and consider what changes to enact at your organization.

3. Background Checks

In an effort to avoid employment discrimination under Title VII of The Civil Rights Act, the EEOC issued Guidance on Use of Arrest and Conviction Records for employers to consult when making employment decisions surrounding an applicant's arrest and conviction records.

Background Checks

“Ban-the-Box”

- Many states are prohibiting employers from asking the yes-or-no question: “Have you been convicted of a crime?”
- In areas where this practice has been enacted into law, the question can be asked only after an initial interview or a conditional offer of employment has been made.



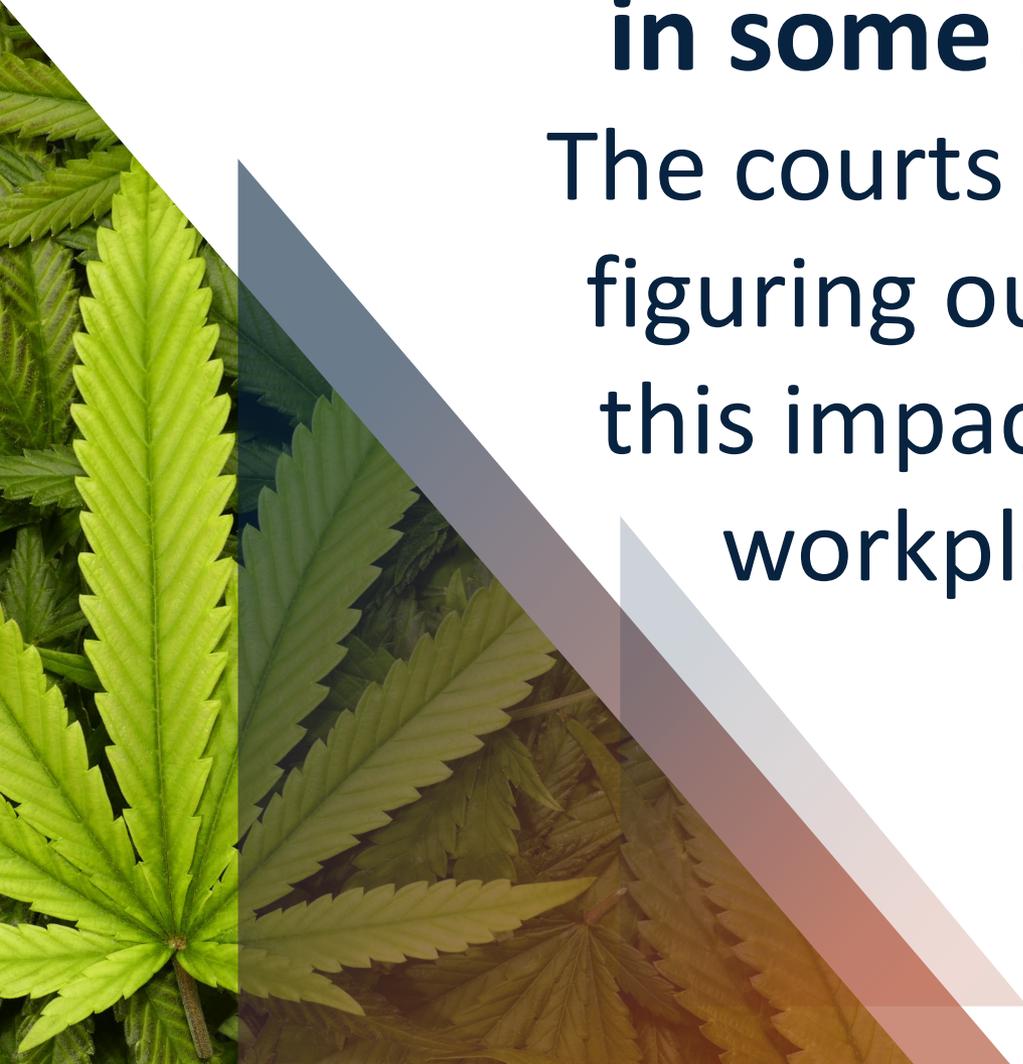
Background Checks

California

- Employers cannot ask this question or run a background check on the applicant until after a conditional offer of employment has been made.
- If a criminal background check shows no convictions, the offer of employment cannot be rescinded.

4. Legalization of Marijuana in some areas

The courts are still
figuring out how
this impacts the
workplace



Marijuana Laws

More states have legalized marijuana for recreational purposes in recent years.



Your company needs to be aware of the rights of medical marijuana users and whether, as an employer, you need to accommodate marijuana use.

Marijuana Laws

Most states allow employers to enforce zero-tolerance drug policies and fire employees for off-duty use.

- Only one state so far—Maine—protects “off-duty recreational marijuana use.”
- Some states prohibit employers from discriminating against medical marijuana cardholders or from firing employees for testing positive for marijuana due to off-duty use.





Marijuana Laws

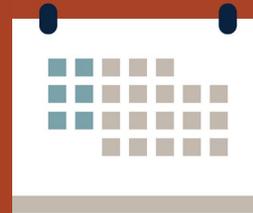
The legal landscape on this issue is complex and changing rapidly.

- Many court rulings are based on previous case law—not statutes.
- You must be aware of rulings as they relate to employers.

5. Minimum Wage Increases

19+

The number of states plus several cities and counties that have passed increases to the minimum wage.



While many of these changes took effect January 1, 2019, some do not take effect until July 1, 2019.

Be sure you are up-to-date on all new or changing laws regarding the minimum wage in your area.

6. Meal & Rest Breaks

There is not significant new legislation in this area, but employers need to be aware of—and enforce—the strict rules around employees' meal and rest break requirements.

- Many employers make minor technical mistakes in this area which can result in very costly class action lawsuits.
- Make sure that your company's managers who directly oversee employees and their clock-in/out procedures understand and properly enforce the rules.





7. Sick Pay

Cities and states are continuing to pass laws that require employers to provide paid sick time for their employees.

Be aware of laws that impact your business—especially if you have locations in different cities—and develop a plan.

8. City & Local Legislation

Many major cities have been passing their own municipal laws, making for a complicated legal landscape.

- If your company does business in multiple locations, you must be aware of city law as well as county and state laws.
- Your company could be subject to different laws based on the locations.

Planning Ahead

Changes to the law may not directly impact you right now, but ...

- Be aware of legal trends—if several states have adopted a new law, chances are it's going to be in your state soon.
- If you operate in multiple locations, you must be aware of local legislation. Consider companywide policies that comply with legislation everywhere you do business.



2019 Upcoming Webinars



Three Big Technology Changes
Impacting How You Hire



Recruiting Challenges, Culture and
Engagement



2020 Salary Trends



Thank you!

If you would like more information on any of these topics, please contact us.



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