



How the 2024 employment law changes affect your employees

The new year is in its third week...do you know how the new labor laws for 2024 affect your employees? You or someone in your network may want to consult with an HR advisor like Gierke Jungbauer Human Capital (GJHC) to help you digest these important changes. The changes implemented in 2024 aim to improve the working conditions and rights of employees, ensuring a fair and equitable workplace for all. Compliance isn't optional and it may affect employers regardless of size.

Earned Sick Leave Beginning January 1, employers are required to provide all employees that work at least 80 hours per year in Minnesota with "earned sick and safe time" ("ESST") or paid leave that can be used for certain specified reasons set forth in the statute, for example when an employee is sick, needs to care for a family member, needs to seek assistance because the employee or their family member has experienced domestic abuse, in addition to other reasons.

Prohibition on Pay History Also beginning January 1, 2024, all employers are precluded from inquiring into an applicant's current wage, salary, benefits, or other compensation for purposes of determining the compensation that will be paid to the applicant. The prohibition further applies to an employer's use of publicly available salary information. An employer may not actively try to access publicly available information with the intention of using it to determine the applicant's potential wages, salary, earnings, benefits, or other compensation. The prohibition does not apply if the applicant shares the information voluntarily.

Prohibition on Non-Compete Clauses This law took effect July 1, 2023. A covenant not to compete entered into on or after July 1, 2023, is considered void and unenforceable under Minnesota law, with few exceptions (e.g., in the context of the sale or dissolution of a business.). As such, agreements that were effective prior to July 1, 2023 remain valid while no new non-competes may be entered subsequent to this date.

Minimum Wage Increase Minnesota's minimum-wage rates increased on January 1, 2024, to \$10.85 an hour for large employers and \$8.85 an hour for other state minimum wages. Large employers are defined as employers with gross revenue of \$500,000 or more in the preceding four quarters. The cities of Minneapolis and Saint Paul also have their own minimum wage standards, due to local ordinances passed in 2017 and 2018, respectively.



These changes can be challenging to understand making it important that someone on your team is prepared to address and implement. If you have any questions regarding the changes in Minnesota law or your state of interest, please reach out to Gwen at gwen@gierkejungbauer.com. We'll be glad to review how these changes affect your business!

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