Blogs

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Missouri Implements Automatic Annual Increases to Minimum Wage and Paid Sick Leave Requirements



Missouri voters similarly approved a state ballot measure—Proposition A—that will increase the state minimum wage starting in 2025 and provide employees in the state with paid sick and safe leave. On January 1, 2025, employers will be required to pay Missouri employees a minimum wage of \$13.75 per hour, from the current minimum wage of \$12.30 per hour. This represents an increase of \$1.45, or approximately 11.8%. Proposition A includes annual increases each subsequent January 1. On January 1, 2026, the minimum wage will increase to \$15.00 per hour; each January 1 thereafter, the minimum wage will be adjusted based on the cost of living, as reflected in the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the U.S. Department of Labor.

The approval of Proposition A implements a new law that will require employers to provide one hour of paid sick leave for every 30 hours worked and allow carryover of up to 80 hours of unused sick leave, effective May 1, 2025. Two notable requirements on the amount of sick leave employees will be entitled to include the following:

- 1. there is no maximum or cap on the accrual, which means, based on a 40-hour workweek, employees are likely to accrue approximately 70 hours of paid sick leave per year (or more if the employee works overtime); and
- 2. unless the employer pays out the value of any unused sick leave at the end of the year, frontloading an employee's sick leave entitlement at the beginning of the applicable year does not alleviate the 80-hour carryover requirement.

Despite the generous accrual and carryover provisions, employers can cap use of paid sick leave based on employer size. Employers with 15 or more employees in the state may cap annual use of paid sick leave to 56 hours per year, while employers with fewer than 15 employees in the state may cap use of paid sick leave to 40 hours per year.

Paid sick leave may be utilized in the smaller of hourly increments or the smallest increment that the employer's payroll system uses to account for absences or use of other time for (i) an employee's mental or physical illness, injury, or health condition, including medical diagnosis, care, treatment, or preventative care; (ii) care or assistance to the employee's family member for a mental or physical illness, injury, or health condition; (iii) in the case of a public health emergency where employees' place of business or schools for employees' children are closed, or to care for oneself or a family member due to a communicable disease; and/or (iv) absences for specified purposes related to domestic violence, sexual assault, or stalking. Employers will be required to allow the use of paid sick leave upon request of an employee, which may be oral or written and, if possible, should include the expected duration of absence. When the need for sick leave is foreseeable, employees are required to make a good faith effort to provide notice to the employer in advance of the use of paid sick leave and make a reasonable effort to schedule use of paid sick leave in a manner that does not unduly disrupt the employer's operations; otherwise, for unforeseeable reasons, employees are only required to provide notice as soon as practicable. If an employee uses paid sick leave for four or more consecutive workdays, an employer may require "reasonable" documentation that the paid sick leave has been used for a permissible purpose, which the law specifically states can simply be a written statement from the employee affirming that they have utilized sick leave for a qualifying purpose. However, employers are prohibited from seeking documentation that discloses the details of an employee's or family member's health or safety information as a condition of providing paid sick leave.

Starting April 15, 2025, or when employment begins (whichever is later), employers must provide employees with a written notice that contains the following information:

- Beginning May 1, 2025, employees are entitled to paid sick leave;
- It is prohibited for an employer to take retaliatory action against employees who request or use earned paid sick leave in accordance with the law;
- Each employee has the right to bring a civil action if earned paid sick leave is denied by the employer or the employee is subjected to retaliatory action for exercising rights pursuant to the paid sick leave law; and
- The contact information for the Missouri Department of Labor and Industrial Relations (the "Department").

Employers will also be required to display a poster in an accessible place at each establishment that contains the information required in the time-of-hiring notice, provided that the Department has made such poster available. Employers must also retain records documenting hours worked by employees and earned paid sick leave taken by employees for at least three years.

Authors

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