# **Election 2024 State Ballot Initiative Outcomes:** What's Ahead for Employers

By Richard I. Greenberg, Susan E. Groff, Tasos C. Paindiris, Jennifer Ellerkamp & Cecilie E. Read

November 20, 2024

# Meet the Authors



Richard I. Greenberg (Rich) Principal (212) 545-4080 Richard.Greenberg@jacksonlewis.com



Susan E. Groff (She/Her) Principal (213) 689-0404 Susan.Groff@jacksonlewis.com



#### Takeaways

- Multiple states across the country voted this past election day on key employment mandates, from minimum wage increases and paid sick leave to medical marijuana and more.
- Voter-approved mandates will begin to take effect anywhere from Jan. 1, 2025, through the rest of the new year and beyond.
- The results of both passed and failed mandates will affect compliance and daily functional issues for employers operating in these states.

#### Article

Voters in several states made decisions on key employment mandates on election day. These results will have significant implications for employers, particularly in terms of compliance and day-to-day operational issues. Below we discuss the outcome of specific initiatives.

#### Minimum Wage Increases

Voters in five states decided whether to increase the state minimum wage, with mixed results.

#### Alaska Ballot Measure 1 Passed

Alaska's voters voted to increase the state's minimum hourly wage to \$13.00 effective July 1, 2025, with phased increases until 2027, when the minimum wage would be \$15.00, and thereafter adjusted annually for inflation.

#### Missouri Proposition A Passed

Missouri voters voted to increase the state minimum hourly wage to \$13.75 effective Jan. 1, 2025, with an increase to \$15.00 in January 2026, and annual adjustments thereafter based on the Consumer Price Index.

#### Arizona Proposition 138 Failed

Arizona's voters decided against amending the state constitution to allow an employer of any employee who customarily and regularly receives tips or gratuities to pay up to 25 percent less than the minimum wage per hour if the employer can establish the employee receives wages and tips that total at least minimum wage plus \$2.00 per hour for all hours worked.

#### California Proposition 32 Failed

California's voters appear to have voted against increasing the state's minimum wage.

### Tasos C. Paindiris

Principal 407-246-8440 Tasos.Paindiris@jacksonlewis.com



Jennifer Ellerkamp <sup>(She/Her • Jenny)</sup> KM Attorney 303-876-2223 Jenny.Ellerkamp@jacksonlewis.com



Cecilie E. Read <sup>(She/Her)</sup> KM Attorney 213-689-0404 Cecilie.Read@jacksonlewis.com

## **Related Services**

California Advice and Counsel Disability, Leave and Health Management Labor Relations National Compliance and Multi-State Solutions Staffing and Independent Workforce Wage and Hour The measure would have implemented different minimum hourly wages, either \$18.00 or \$17.00, depending on the number of employees employed. Thereafter, the minimum wage would have increased annually based on inflation. As of this writing, the ballot measure appears to have failed but has not yet been confirmed by the secretary of state. Assuming the proposition has failed, then California's minimum wage will instead increase from \$16.00 to \$16.50 per hour, effective Jan. 1, 2025.

#### Massachusetts Question 5 Failed

Massachusetts voters voted down a phased minimum wage increase for tipped workers until they are paid the full state minimum wage effective Jan. 1, 2029. In essence, voters decided to keep the "tip credit" currently allowed under state law.

#### Paid Sick Leave Mandates

Voters in all three states with paid sick leave on their ballots opted to join the growing trend of requiring employers to provide paid sick leave to employees.

#### <u>Alaska Ballot Measure 1</u> Passed

Effective July 1, 2025, employers with at least 15 employees will be required to allow employees to accrue up to 56 hours of paid sick leave per year, and employers with up to 15 employees to allow employees to accrue up to 40 hours of paid sick leave per year. For further details, see <u>Alaska Paid Sick Leave Law: Requirements Employers</u> <u>Need to Know</u>.

#### Missouri Proposition A Passed

Effective May 1, 2025, employers will be required to provide one hour of paid sick leave for every 30 hours worked. For further details, see <u>Missouri's Paid Sick Leave</u> <u>Law: What Employers Need to Know</u>.

#### Nebraska Initiative 436 Passed

Effective Oct. 1, 2025, Nebraska employers with at least 20 employees will be required to allow employees to accrue 56 hours of paid sick leave annually, and employers with up to 20 employees will be required to allow employees to accrue 40 hours of paid sick leave annually. For further details, see <u>Nebraska Paid Sick Time Law:</u> <u>Requirements Employers Need to Know</u>.

#### Marijuana and Psychedelic Substances

Six states included measures on legalizing marijuana or psychedelic substances.

#### Nebraska Initiative 437 Passed

Nebraska has voted to allow medical marijuana in the state. The statute makes penalties inapplicable under state and local law for the use, possession, and acquisition of an allowable amount of cannabis for medical purposes by a qualified patient with a written recommendation from a healthcare practitioner and for a caregiver to assist a qualified patient with these activities. For more see <u>Marijuana</u> <u>Ballot Initiatives Approved in Nebraska, Defeated in Three Other States</u>.

Oregon Measure 119 Passed

Oregon will require cannabis businesses to submit to the Oregon Liquor and Cannabis Commission a signed labor peace agreement requiring the business to remain neutral when labor organizations communicate with employees about collective bargaining rights with its licensure or renewal application.

#### Florida Amendment 3 Failed

Florida declined to legalize recreational marijuana for adults 21 years and older. While this ballot measure received more than 55 percent of the votes, it needed 60 percent of the vote to pass.

#### Massachusetts Question 4 Failed

Massachusetts voted against authorizing individuals 21 years of age or older to grow, possess, and use a personal amount of psychedelic substances.

#### North Dakota Initiated Measure 5 Failed

North Dakota declined to legalize recreational marijuana. The measure would have allowed individuals to possess up to 1 ounce of marijuana, 4 grams of concentrate, 300 milligrams of edibles and to grow three plants, with a limit of six plants per household.

#### South Dakota Initiated Measure 29 Failed

South Dakota also declined to legalize the recreational use, possession, and distribution of marijuana.

### Other Employment Mandates <u>Alaska Ballot Measure 1</u>Passed

Effective July 1, 2025, Alaska will join the growing number of states that prohibit employers from compelling employees to attend meetings regarding religious or political matters, similar to legislation <u>passed in California</u> and other states. Whether these enactments are preempted by federal law remains unclear.

#### Massachusetts Question 3 Passed

Massachusetts voters authorized the formation of a union and collective bargaining for ride-share drivers. The new framework would be overseen by state regulators, who would approve agreements between the parties.

If you have questions about these measures or related issues, including legislative developments, contact a Jackson Lewis attorney to discuss.

©2024 Jackson Lewis P.C. This material is provided for informational purposes only. It is not intended to constitute legal advice nor does it create a client-lawyer relationship between Jackson Lewis and any recipient. Recipients should consult with counsel before taking any actions based on the information contained within this material. This material may be considered attorney advertising in some jurisdictions. Prior results do not guarantee a similar outcome.

Focused on employment and labor law since 1958, Jackson Lewis P.C.'s 1,000+ attorneys located in major cities nationwide consistently identify and respond to new ways workplace law intersects business. We help employers develop proactive strategies, strong policies and business-oriented solutions to cultivate high-functioning workforces that are engaged and stable, and share our clients' goals to emphasize belonging and respect for the contributions of every employee. For more information, visit <a href="https://www.jacksonlewis.com">https://www.jacksonlewis.com</a>.