

2022 State ballot initiatives impacting employment law



Ballot initiatives are direct democracy in action. A dozen states had initiatives affecting employment this year. If you're in one of these states, then you'll need to keep track of the changes, as they could impact your business. With that in mind, let's jump in and see

what measures passed.

Colorado

<u>Prop. 121</u> lowers the income tax rate from 4.55% to 4.40%, retroactive to the beginning of this year.

While voters passed the initiative, it won't affect income tax withholding. Employees will just get a larger tax refund next winter.

District of Columbia

<u>Initiative 82</u> gradually eliminates the tip credit. By July 1, 2027, tipped employees will be entitled to at least the full minimum wage.

Idaho

H.B. 1, which passed the legislature in a special session this summer and an accompanying advisory question, lowers the income tax rate to a flat 5.8%, beginning Jan. 1, 2023.

Illinois

An <u>amendment</u> to the state's constitution enshrines the right to collective bargaining and prohibits laws restricting or interfering with employees' ability to collectively bargain over wages, hours and terms and conditions of employment.

Maryland

A constitutional amendment legalizes recreational marijuana, effective July 1, 2023.

Massachusetts

Bucking the trend, Question 1 amends the state constitution to establish an additional 4% state income tax on the portion of annual taxable income in excess of \$1 million, effective Jan. 1, 2023.

Missouri

An <u>amendment</u> to the state's constitution legalizes recreational marijuana.



Nebraska

<u>Initiative Measure 433</u> raises the state's minimum wage from \$9 to:

- \$10.50 on Jan 1, 2023
- \$12.00, on Jan. 1, 2024
- \$13.50, on Jan. 1, 2025
- \$15.00, on Jan. 1, 2026.

Thereafter, the minimum wage will be adjusted for inflation.

Nevada

Question 1 amends the state's constitution to guarantee individuals the right not to be discriminated against on account of their race, color, creed, sex, sexual orientation, gender identity or expression, age, disability, ancestry or national origin.

Question 2 asked voters whether, beginning July 1, 2024, the state's minimum wage should be raised to \$12 from \$11, and the provision allowing employers offering health benefits to pay a minimum wage of \$1 an hour less scrapped.

Tennessee

A <u>resolution</u> declares the state is a "right to work" state and makes it unlawful for any person, corporation or association to deny or attempt to deny employment to any person because of the person's membership in, affiliation with, resignation from or refusal to join or affiliate with any labor union or employee organization.