

Navigating New Wage and Labor Laws: How Staffing Companies Can Help Employers in IL, MO and TX

Changes in wage and labor laws are on the horizon. Employers in Illinois, Missouri, and Texas can gain numerous benefits from partnering with a staffing agency.

CHICAGO, IL, UNITED STATES, October 3, 2024 /EINPresswire.com/ -- As 2025 and 2026 approach, employers in Illinois, Missouri, and Texas must prepare for significant changes in wage and labor laws. Staying compliant with these new regulations is crucial to avoid penalties and maintain smooth operations. Partnering with a [recruiting and staffing agency](#) can be a strategic move to help businesses navigate these changes effectively.



STAFFING

Source One Staffing specializes in find for outsourced recruiting of temporary staffing and temp-to-hire services in the manufacturing and light industrial market sectors, with offices in Chicago, St. Louis and Dallas/Fort Worth.

Illinois: Minimum Wage Increase Law



By leveraging the expertise and resources of outsourced recruiting and temp-to-hire services, employers can navigate the evolving regulatory landscape with confidence."

*Jacob Wiczer, Partner at
Source One Staffing*

The Illinois minimum wage will increase each January 1 until it reaches \$15 per hour in 2025. Employers need to adjust payroll and budgeting incrementally to accommodate these increases.

Paid Leave for All Workers Act

Starting in 2025, all Illinois workers will be entitled to paid leave for any reason, accruing one hour for every 40 hours worked. Impact: Employers must revise HR policies to align with the new leave accrual and usage requirements.

[Industrial staffing services](#) can help with:

- Payroll Management: Staffing agencies can assist with adjusting payroll systems to comply with

the new minimum wage requirements, providing accurate and timely payments.

- Policy Updates: Agencies can help update HR policies to include the new paid leave provisions, providing templates and guidance for compliance.
- Training: Offering training programs for management and staff on the new laws to inform and prepare all team members.

St. Louis, MO: Proposition A – Missouri’s Minimum Wage Law

Proposition A on Missouri’s November 5 ballot proposes to raise the state’s minimum wage to \$13.75 an hour next year – and gradually move it up to \$15 an hour by 2026. Once it reaches \$15, the minimum wage would continue to go up based on changes in the Consumer Price Index starting in 2027. The initiative would also require employers to provide one hour of paid sick leave for every 30 hours worked.

Nearly a third of Missouri’s workforce — approximately 900 thousand workers, could get raises because they are below or already make just above that new minimum wage, according to the Economic Policy Institute. Currently, Missouri’s minimum wage is \$12.30 an hour

Industrial staffing services can help with:

- Wage Adjustments: Staffing agencies can manage wage adjustments for temporary and permanent staff, maintaining compliance with state laws.
- Flexibility: Staffing agencies can offer flexible staffing solutions to manage last-minute scheduling changes without incurring penalties.

Dallas, TX: Overtime Exemption Salary Increase

In order to classify employees as exempt from overtime pay requirements, employers are required to pay a guaranteed minimum salary specified in Department of Labor regulations, in addition to meeting the job duties test of each exemption.

In April 2024 the DOL (Department of Labor) issued a new rule implementing a two-stage increase exempt employees’ salaries to \$844 per week/\$43,888 per year (up from \$684 per week, or \$35,568 per year) which took effect this past July. A larger increase goes into effect Jan.1, 2025, raising the exemption rate to \$1,128 per week/\$58,656 per year. The rule also provides for automatic increases to the salary threshold every three years, starting on July 1, 2027.

[Manufacturing employers](#) will have to either raise the salaries of exempt employees to meet the new threshold or reclassify them as non-exempt, making them eligible for overtime pay. This leads to higher payroll costs, especially for employees who regularly work more than 40 hours per week.

Industrial staffing services can help with:

- Compliance Support: Staffing companies can provide guidance on the new overtime

regulations and help ensure that employers remain compliant by reviewing job classifications and ensuring they adhere to the new salary thresholds.

- Flexible Staffing Solutions: To minimize the impact of increased overtime costs, staffing companies can offer temporary or part-time staff, allowing employers to manage workloads without paying overtime to permanent employees.
- Reclassification and Transition Support: Staffing agencies can assist with the transition by advising on best practices for reclassifying employees and offering temporary staff to fill gaps during the adjustment period.
- Cost Management: They can help employers manage labor costs by optimizing the mix of temporary, contract, and full-time workers to balance workload fluctuations, reducing the need for overtime.

Forming a Strategic Partnership with a Staffing Company

With significant changes in wage and labor laws on the horizon, employers in Illinois, Missouri, and Texas must be diligent in their efforts to remain compliant. Partnering with a staffing agency like Source One, can offer numerous benefits, including:

- Expertise: Staffing agencies possess in-depth knowledge of labor laws and can provide expert guidance.
- Efficiency: Agencies can streamline payroll, scheduling, and HR processes, reducing the administrative burden on employers.
- Compliance: By staying updated on legal changes, staffing agencies help employers avoid penalties and maintain smooth operations.

Preparing for these changes proactively will position businesses for success in 2025 and beyond. By leveraging the expertise and resources of outsourced recruiting and temp-to-hire services, employers can navigate the evolving regulatory landscape with confidence.

Source One specializes in find for outsourced recruiting of temporary staffing and temp-to-hire services in the manufacturing and light industrial market sectors, with offices near Chicago, St. Louis and Dallas/Fort Worth. For more information: <https://www.sourceonestaff.com/staffing-solutions>

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