

Latest Update on Missouri's Minimum Wage Increase and Paid Sick Leave Requirements, Lawsuit Challenging Proposition A, and Potential Missouri Legislative Changes to Proposition A

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As we explained in our previous **client alert**, on November 5, 2024, Missouri voters approved Proposition A by over 57%, which increased the Missouri Minimum Wage to \$13.75, effective January 1, 2025, and will increase it to \$15.00 per hour, effective January 1, 2026. Thereafter, the Missouri Minimum Wage will be adjusted annually based on the Consumer Price Index. Further, Proposition A requires that most Missouri non-governmental employers provide one hour of paid sick leave for every 30 hours worked, effective May 1, 2025. Proposition A also requires that Missouri employers post and send a notice regarding paid sick leave to employees by April 15, 2025. On March 19, 2025, we published another **client alert** with an update on the pending litigation challenging Proposition A and potential legislative changes to Proposition A.

This client alert provides new developments since our recent client alert (published March 19, 2025), covering the fact that Proposition A is still in effect, and the April 15, 2025 deadline to post the required notice and send employees a notice regarding Missouri paid sick leave is only about a week away.

Missouri Department of Labor Guidance

The Missouri Department of Labor ("MDOL") has published on its **website** a list of Frequently Asked Questions to assist Missouri employers in complying with Proposition A's paid sick leave requirements. MDOL has also published a **Model Poster** and a **Model Notice** which employers may use to comply with Proposition A's April 15, 2025 notice deadline.

Unless the Missouri Supreme Court declares Proposition A unconstitutional by April 15, 2025, or unless the Missouri Legislature passes a law repealing the paid sick leave provisions of Proposition A by April 15, 2025, which is highly unlikely given the time it takes for a bill to become law, the safest and recommended course of action for Missouri employers is to post the Model Poster on or before April 15, 2025, and provide employees the Model Notice on or before April 15, 2025. Please note that the text of Proposition A and the guidance from MODL provides that written notice to employees of paid sick leave must be provided "on a single piece of paper 8.5 X 11 paper in no less than 14-point font." Thus, it appears that email or other electronic notice would not meet the statutory requirements.

We can assist employers with advice regarding the necessary poster and notice, including the extent to which employees should be advised that the paid sick leave provisions in Proposition A have been challenged as unconstitutional and that they may be repealed by the Missouri Legislature.

Update on Lawsuit

As we noted in our client alert from March 19, 2025, a lawsuit has been filed in the Missouri Supreme Court alleging that Proposition A is invalid and unconstitutional for several reasons:

1. The election results for Proposition A must be set aside because the Fiscal Note Summary for Proposition A is insufficient and unfair;
2. The election results for Proposition A must be set aside because the Summary Statement Proposition A is insufficient and unfair;
3. Proposition A is invalid because it contains multiple subjects in violation of the Single Subject Clause of the Missouri Constitution; and
4. Proposition A is invalid because it violates the Missouri Constitution's Clear Title requirement.

On March 12, 2025, the Missouri Supreme Court heard oral argument on the constitutionality of Proposition A. It is unclear how soon the Missouri Supreme Court will rule, but we hope to have a ruling by May 1, 2025, when Missouri Paid Sick Leave is scheduled to take effect. We intend to prepare another client alert on this issue after the Missouri Supreme Court announces its ruling.

Update on Missouri Legislative Developments

On March 13, 2025, the Missouri House passed House Bill 567, which would repeal the Missouri paid sick leave requirements in Proposition A. However, HB 567 does not contain an emergency clause that would make HB 567 effective when signed by the Governor.

House Bill 567 has gone to the Missouri Senate, where it was amended to add an emergency clause and approved by one committee then referred to the Fiscal Oversight Committee. If it passes that committee, it will be submitted to the full Missouri Senate for consideration. If both the Missouri House and Senate agree to pass HB 567 with an emergency clause and if the Governor signs it, the bill would take effect upon the Governor's signature. If HB 567 passes the Missouri Senate and House without an emergency clause and is signed by the Governor, it would take effect August 28, 2025.

What This Means for Employers

If the paid sick leave provisions of Proposition A are not declared unconstitutional or repealed by May 1, 2025, the Missouri paid sick leave law will become effective May 1, 2025, and will likely require every Missouri employer to revise its existing PTO and sick leave policies.

We recommend that employers monitor MDOL guidance and Missouri legislative developments and await the Missouri Supreme Court's ruling.

Given the uncertainties and legal risks, we believe the prudent course of action to post the Model Poster on April 15, 2025, provide the Model Notice to employees on April 15, 2025, and be prepared to implement Missouri Paid Sick Leave on May 1, 2025. We further recommend that employers be prepared to publish revised PTO and/or sick leave policies by May 1, 2025, but not to publish these policies to employees until on or shortly before May 1, 2025, or to make clear that these revised policies will not be effective if Proposition A's paid sick leave provisions are declared unconstitutional or are repealed.

In the meantime, we are prepared to assist Missouri employers with advice regarding the required notice to employees and the poster. We can also assist Missouri employers with revising their existing policies to create policies that would comply with Proposition A if it becomes law on May 1, 2025.

We will continue to monitor the latest developments, guidance, and legal requirements in this area of law. *This article is general in nature and does not constitute legal advice. If you have legal questions, please consult the authors, John Vering (jvering@sb-kc.com) at 816.265.4109 or Katie*

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