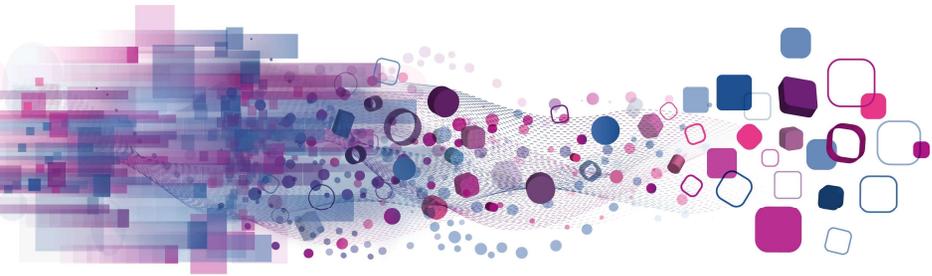




Five Ways to Better Manage Compliance for Your Hybrid Workforce



November 2, 2023



Meet your Experts



Gordon Middleton, J.D.

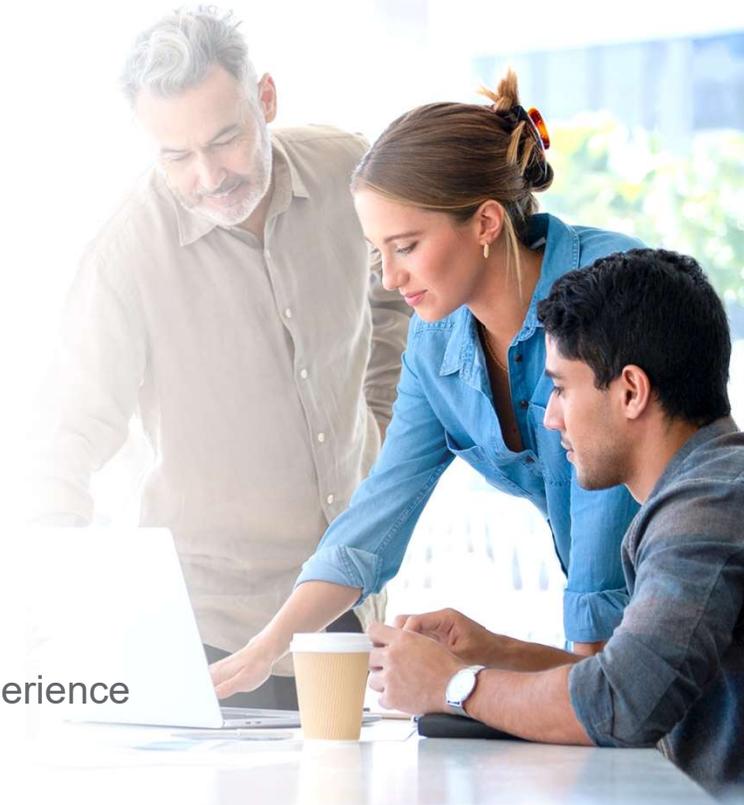
Product Intelligence Manager

Experian Employer Services



Agenda

- 1 Latest compliance updates
- 2 Realities of the hybrid work environment
- 3 Compliance for your hybrid workforce
 - a. New Form I-9 & re-verification requirements
 - b. Keeping up with state/federal compliance requirements
 - c. Managing tax withholding for your remote employees
 - d. Delivering a streamlined and engaging employee onboarding experience
 - e. Providing a consistent experience for your hybrid workforce

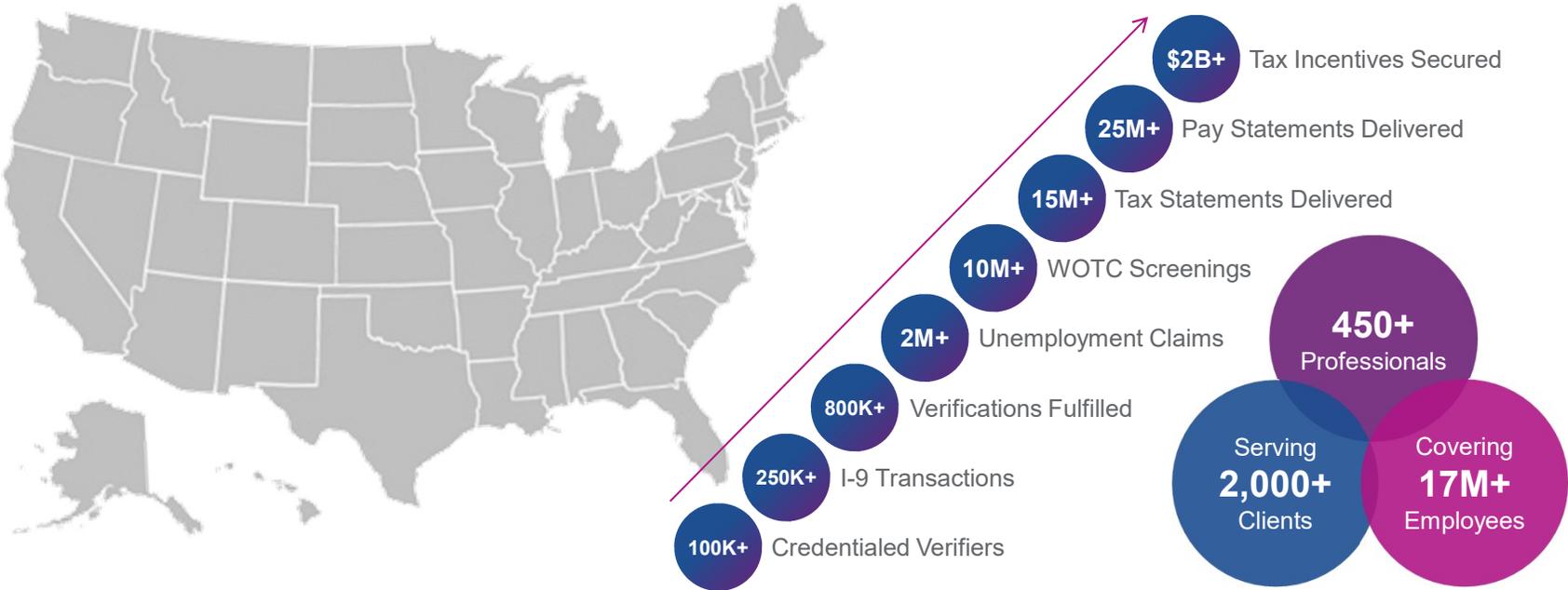


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Poll Question 1:

Approximately, what percentage of your workforce work remotely?

- Less than 25%
- 25 - 49%
- 50 - 57%
- Greater than 75%



Compliance Updates



ACA Legislation



- ACA Bill to provide alternate delivery method for 1095-C now in the Senate (the bill passed the House)
- HR 3797 provides for an alternative manner of furnishing 1095-Cs, which is already in place for 1095-Bs. Employers may distribute upon employee request, either by January 31 or within 30 days of employee request.
- Currently in the Senate Finance Committee. If passed, the legislation would be applicable for forms after Calendar year 2023.



New California EITC Law



- New CA EITC law provides new language and distribution now twice annually
- Notice language is lengthened to include a fuller account of state credits
- Distribution must now occur within a week of W-2 distribution, and a second distribution in March



The World of Hybrid Work



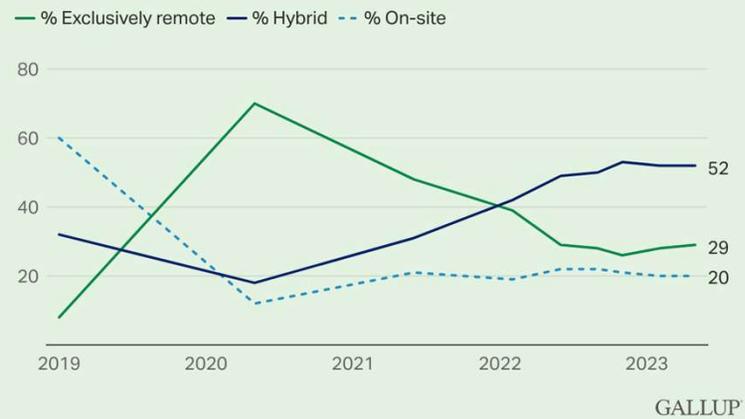
The World of Work Has Changed



Only 1 in 5 employees works on-site full time

Work Locations for U.S. Employees With Remote-Capable Jobs

Employees are returning to the office — but with more remote work flexibility than ever.



The World of Work Has Changed

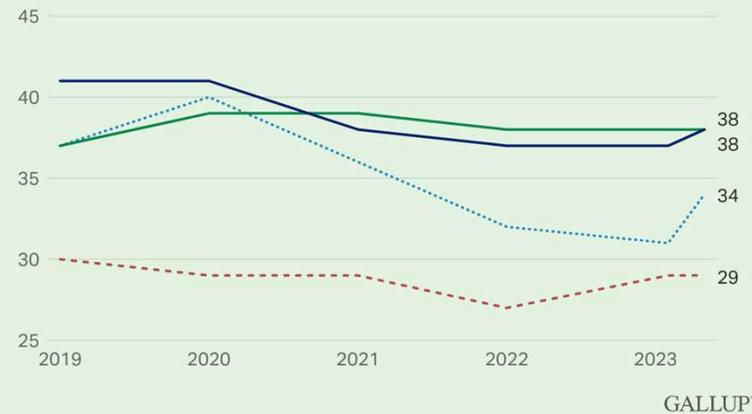


Employers requiring employees to return to the office need to understand the impact on employee engagement

Employee Engagement Lowest for On-Site Employees

% Engaged

— Exclusively remote — Hybrid ... On-site (remote-capable) - - On-site (non-remote-capable)



Employers Left Navigating an Unprecedented Business Environment



The implications of employee work locations migrating across state lines is not well understood by many employers

How do we monitor where employees are working?

How do you introduce new policies and requirements quickly throughout your organization?

Can we provide employees with the right tools, processes and workflows to complete all necessary business tasks?



Compliance for Your Hybrid Workforce



Poll Question 2:

In which areas of regulatory compliance do you feel fully informed?

- Federal
- State
- Local
- None of the above



Managing Employer Compliance



Poll Question 3:

How confident do you feel in your understanding of the new form I-9 and remote verification processes?

- Very confident
- Somewhat confident
- Not confident at all



Address Top Compliance Challenges



New Form I-9 and Re-verification requirements



Meet state-level compliance requirements as employees work from new states



Managing tax withholding for employees working remotely



Deliver a streamlined and engaging employee onboarding experience



Provide a consistent experience for your hybrid workforce



Compliance Challenge One:

New Form I-9 & Re-verification Requirements

#1

- New Form I-9 introduced on August 1 & must be in use by all employers by November 1
- New permanent remote process now available for E-Verify enrolled employers in good standing
- Same process may be used to complete the COVID I-9 in-person review requirement
- Employers will want to review E-Verify usage if they would like to use the remote processes
 - Those currently using only in required states will want to expand your usage to use the remote process on a nationwide basis



Compliance Challenge Two:

Meet State-Level Compliance Requirements as Employees Work from New States

#2

- **Starting Point:** HR teams need to monitor where employees are working
- Employees working remotely are generally subject to the laws in the state in which work is done
- Compliance regulations to consider as employees work from new states:
 - Wage theft payment notifications
 - Paid sick + family leave laws
 - Workers' compensation
 - Labor law notifications
 - State disability insurance guidelines
- **What Can Help:** Compliance Library



Compliance Challenge Three:

Managing Tax Withholding for Employees Working Remotely

#3

GUIDELINES:

- Employees need to typically pay taxes in the state in which the work/service is performed
- **Temporary Presence Laws:** Dictates how long an employee can work in a state before being required to withhold taxes
- **Reciprocity Agreements:** 16 states have agreements with neighboring states allowing employers to withhold based on the state of the employee's residency, not where work is completed
- **Local taxes:** Many employers must now capture local withholding for employees living in states that require local taxes be withheld—even if they don't have business offices in those locations.

(Applies in: PA, OH, NY, MI, IN, KY, AL, CO, DE, MD, MO, WV)



Compliance Challenge Three:

Managing Tax Withholding for Employees Working Remotely

#3

RECOMMENDATIONS:

1. Communicate with employees so they understand the need to inform HR if they switch work locations
2. Introduce a dependable way to track employee work locations and % of time spent working there
 - **What can help:** Multiple Address Allocation Form
3. Automate the tax withholding process with a provider who can ensure you use the latest federal, state and local tax forms and guide employees to complete all necessary tax forms based on their work and home addresses
4. Provide employees who are working remotely with a checklist to help them understand local tax requirements and other benefits guidelines



Poll Question 4:

How difficult is it for your organization to remain engaged with individuals between job acceptance & Day 1 start?

- Very difficult
- Somewhat difficult
- Not at all difficult



Compliance Challenge Four:

Deliver a Streamlined & Engaging Employee Onboarding Experience

#4

- Great Resignation & subsequent new hiring is putting additional strains on the employee onboarding process
- What this affects:
 - Employee compliance
 - I-9 verification
 - Tax withholding
- Managing employee needs when they leave your organization:
 - Unemployment management tools
 - Employee access for needed documents: pay + tax statements



Compliance Challenge Five:

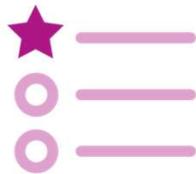
How to Ensure a Consistent Experience for your Hybrid Workforce

#5

- Automate...automate...automate: Employ self-service applications to alleviate administrative burdens for your HR & Payroll teams and streamline the experience for employees
- Introduce new functionality, policies and workflows quickly
- Simplify complex compliance activities
- Give administrators the necessary visibility into compliance activities across the organization



Key Takeaways



1. Monitor where employees are working remotely
2. Stay current on all federal, state and local compliance requirements
3. Ensure you are employing automated tools & services to streamline your compliance workflows
4. Provide your HR administrators with proper visibility into compliance activities occurring throughout your organization



Questions?



Call to Action



Contact Us for Questions

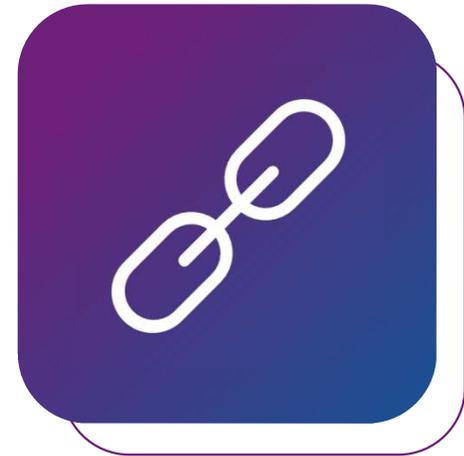
We are here to help!

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