How States Can Support a Multigenerational Workforce

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The Multigenerational Workforce

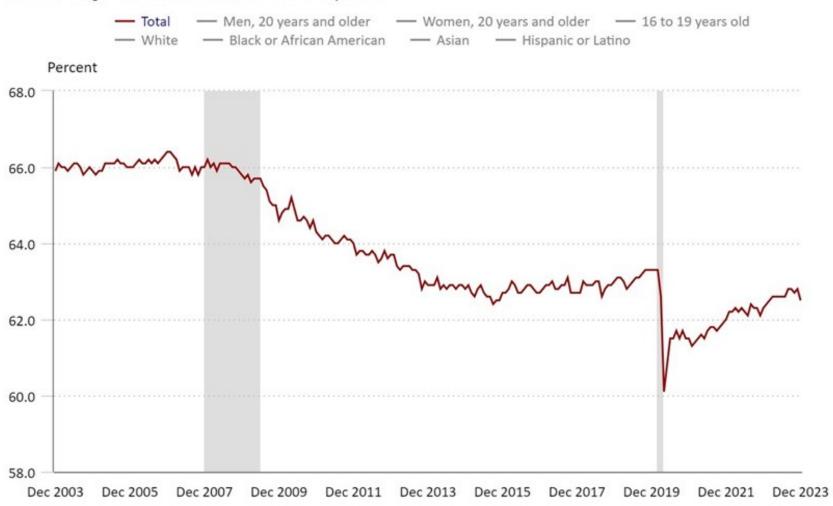


What is the Multigenerational Workforce?

- People living longer than ever → people working longer than ever
- Five generations in the workforce for the first time
- Opportunity for a diversity of perspectives and experience
- Unique challenges to support workers of all ages, but especially older workers

Civilian labor force participation rate, seasonally adjusted

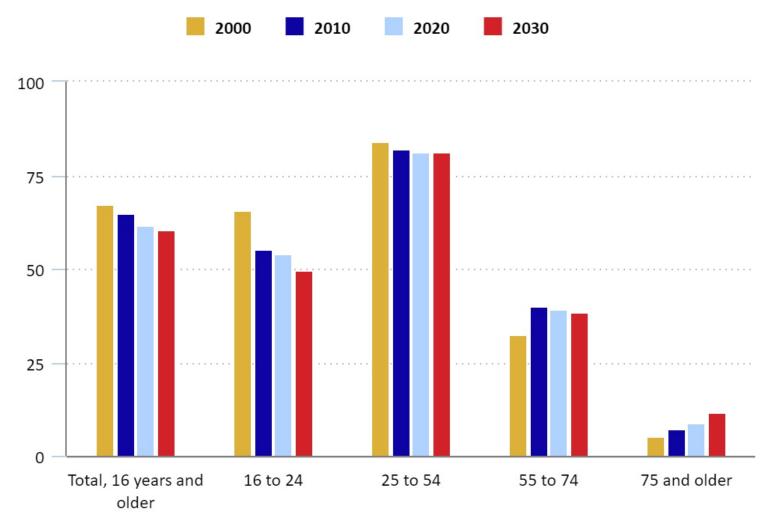
Click and drag within the chart to zoom in on time periods



Source: U.S. Bureau of Labor Statistics.



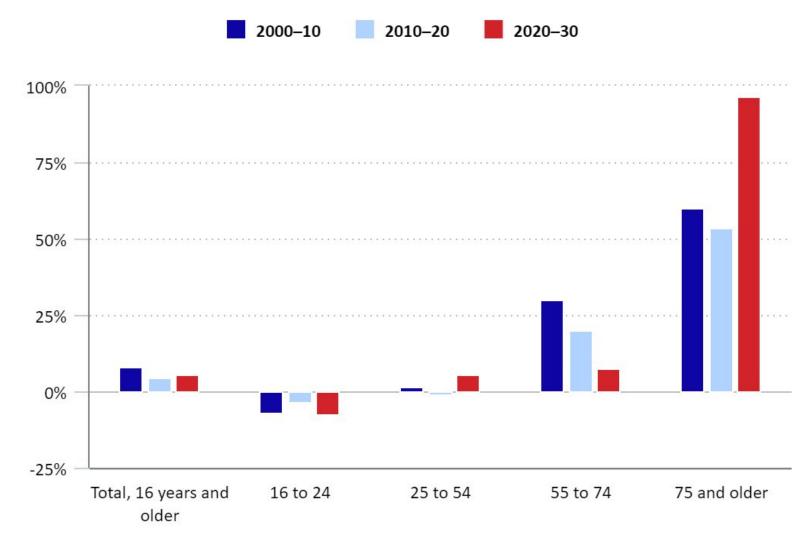
Civilian labor force participation rates by age, 2000, 2010, 2020, and projected 2030



Click legend items to change data display. Hover over chart to view data. Source: U.S. Bureau of Labor Statistics.



Percent change in civilian labor force by age, 2000–10, 2010–20, and projected 2020–30



Click legend items to change data display. Hover over chart to view data. Source: U.S. Bureau of Labor Statistics.



Policies for a Multigenerational Workforce

- Current discourse primarily focused on managing multigenerational teams from employer side
- However, states can also provide support:
 - Flexible work schedules for public sector employees
 - Reasonable accommodations
 - Supports for family caregivers

Legislation for a Multigenerational Workforce

- Mississippi <u>SB 2810</u> granted state agencies permission to authorize telework to any workers deemed appropriate.
- <u>15 states</u> allow telework as a reasonable accommodation for workers with disabilities.
- Many states are researching how to support family caregivers, including in the workplace.

Re-Employment After Retirement

Why Do Retirees Return to Work?

- Returning to work after retirement = "unretirement"
- People unretire for various <u>reasons</u>:
 - Financial necessity
 - Offsetting inflation
 - Boredom
 - Workforce shortages
 - Emotional and social benefits
 - Increased longevity



Trends in Unretirement

- Pandemic inflation and labor shortages have driven many retirees back to work.
- Excess retirements during pandemic → more unretirements as pandemic waned
- Unretirement is likely to remain a trend in 2024.

Potential Consequences of Unretirement

- Reemployment can cause pension benefits to be frozen.
- Most states restrict the number of hours a person can work while still collecting benefits.
- Many states limit the earnings a person can make annually without disruption of benefits.
- Regulations for people returning to work for state retirement-covered employers are often strict.
 - Typically require a break in service to avoid frozen benefits, as well as a cap on hours and/or annual compensation

Unretirement Legislation Across States

- Many states have introduced unretirement legislation.
 - Increases caps on hours and/or annual compensation limits
 - Allows pensioners to work while collecting benefits under certain circumstances
 - Removes caps on hours and compensation
- Legislation passed to address specific circumstances, such as critical labor shortages, may have an expiration date.

Unretirement Legislation Across States

- During the pandemic, some states <u>suspended the limits on</u> <u>post-retirement work</u> or created <u>exceptions</u>.
 - Primarily for service retirees and disability retirees, or for employment related to COVID surges
- Notable bills from 2023 related unretirement include:
 - Alabama House Bill 41
 - Illinois Senate Bill 1825 (pending)
 - Tennessee HB 706
 - Washington HB 1056
 - Washington SB 5538

Age Discrimination



What Is Age Discrimination?

- The federal Age Discrimination in Employment Act (ADEA) outlawed age discrimination against people who are age 40 or older.
- 47 states have passed laws banning age discrimination, including Nevada.
- Despite this, <u>studies</u> have shown older workers receive job offers at rates significantly lower than younger applicants.
- Nearly <u>a third</u> of U.S. workers report feeling treated unfairly due to their age at some point in their career.

Age Discrimination Legislation and Beyond

- Five states prohibit employers from requesting agerelated information during the hiring process:
 - California
 - Colorado
 - Connecticut
 - Minnesota
 - <u>Delaware</u>
- Potential for use of state hiring preferences for older workers



Why Does All This Matter?

- Combatting workforce shortages
- Research shows a multigenerational benefits all workers
 - Diversity of perspective and skills
 - Increased productivity
 - Older workers can provide workplace stability when younger generations are <u>more likely</u> to job hop
- Work can give us meaning and connection

Questions?

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