## Annual Update 2019:

SUBJECT	LEGAL CHANGE	ACTION REQUIRED
<b>Employee benefits</b>		Ç. 1 <u>——</u>
Increase in social security contributions	The maximum monthly income on which social security contributions are calculated is increased from BGN 2,600 to BGN 3,000.  Effective date: January 1, 2019.	Pay (and withhold) higher social security contributions for employees earning more than the former threshold of BGN 2,600.
Discrimination		
Compulsory placement system (quota) for the recruitment of disabled people	(1) Employers must hire 'permanently disabled' individuals (i.e. more than 50% disabled). The number depends on the size of the workforce: (i) 50 to 99 employees – 1 person; and (ii) 100 or more employees – 2% of total staff. Exceptions apply to certain sectors.	<ul><li>(1) Review the rules on how to comply when available.</li><li>(2) Conduct a staff audit to determine the applicable quota.</li></ul>
	(2) The quota must be filled within 3 months of informing the Labour Bureau of a vacancy (details on how to notify are expected by March 31, 2019).	
	(3) Existing quotas apply on top (between 4-10% of the workforce for those with more than 50 employees; the specific percentage is sector dependant).	
	(4) Non-compliance will trigger fines equal to 30% of the minimum monthly salary for each unoccupied position.	
	(5) Detailed rules clarifying what employers must do will be released March 31, 2019.	
	Effective date: January 1, 2019. In practice, new hires must be made in July 2019.	
Data protection		
Local data protection law to be amended to comply with the General Data Protection Regulation ('GDPR')	The Personal Data Protection Act must be amended to comply with the GDPR. Parliament is yet to pass a Bill prescribing the changes. The amendments will increase 'data controller' obligations, which impacts employers.	Keep informed of the developments.
	Effective date: Unknown, but progress is expected in 2019.	
Salary		
Increase in monthly and hourly minimum wage rates	Employees must be paid at least BGN 560 per month, and BGN 3.37 per hour.  Effective date: January 1, 2019.	Update pay rates where required.

This is a high level general update only. Legal advice should be obtained on specific circumstances.