



LEGISLATIVE UPDATE  
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**New Overtime Rule Changes Are Coming, but Will They Arrive in Time to Be Implemented?**

If the Labor Department fails to finalize a new overtime-pay rule before the 2020 elections, the rule that was struck down in 2016—doubling the salary threshold for exempt positions—could come back to life, a former head of the wage and hour division warned.

**What's Next for Health Care Legislation?**

Republicans are no longer expected to make big changes to the Affordable Care Act (ACA). But bipartisan legislation that streamlines ACA reporting and gives health savings accounts more flexibility are on the agenda.

**Trump rewrites rules for Obamacare marketplaces**

The Trump administration on Monday issued new rules for health plans sold through Affordable Care Act marketplaces, in a move that shifts much of the control over insurance standards from the federal government to states and gives Americans new ways to avoid penalties for failing to carry coverage, the Washington Post reported.

The 523 pages of rules released late Monday afternoon mark the first time the Trump administration has been responsible for an annual exercise in which the government sets forth the standards for insurers planning to participate in ACA marketplaces a year ahead, the Post wrote.

The rules add two broad exemptions from the ACA's requirement that most consumers be insured. The change offers escape hatches that will be retroactive two years, even before a recent tax law ends the penalties completely starting in 2019.

People living in areas where only one insurer is selling plans in the marketplace -- which includes most of Iowa -- now can qualify for a "hardship exemption." Additionally, residents who oppose abortion and live in places where the only available plan covers abortion services can also file for an exemption. Federal health officials and private researchers have shown that about half of U.S. counties have only one ACA insurer this year.

State insurance regulators and insurers are still grappling with changes authorized by the Trump administration's October 2017 executive order. That order allows small businesses to form association health plans, makes it easier for individuals to buy short-term health insurance plans that cost less and have less comprehensive coverage, and loosens rules on how businesses could use health reimbursement accounts.

Earlier this month, Gov. Kim Reynolds signed legislation that allows the Iowa Farm Bureau Federation to build a self-funded health benefit arrangement for Iowans forced from the individual market due to high premium costs. It also allows small employers to band together to create affordable health care options for their employees.

### Reynolds OKs sale of non-ACA health plans

Iowa Gov. Kim Reynolds has signed a controversial bill allowing the sale of health coverage that is exempt from certain state and federal regulations, the Des Moines Register reports. The law, modeled after one in Tennessee, will allow Wellmark Blue Cross & Blue Shield to partner with the Iowa Farm Bureau Federation on a new type of policy that won't be regulated by the Iowa insurance Division and won't have to comply with existing rules in the Affordable Care Act, such as covering pre-existing conditions.

Ms. Reynolds at her Monday press conference described the bill a temporary option until Congress has a more permanent fix for the nation's health care system, WHO-TV reports. "Before Obamacare, Iowa had a healthy individual insurance market," she said. "We had nine carriers in the individual insurance market, we had reasonable premiums, and we had good participation. Now, the market is in collapse." Critics of the bill included Medica, the state's sole insurer on the individual market, which said it is unfair to exempt certain organizations from coverage rules while requiring carriers to follow them, the Register reported.

### Fringe Benefits Affected by the TCJA: Moving and Transportation Expenses

The enactment of the Tax Cuts and Jobs Act (TCJA) on December 22, 2017, brought the most sweeping overhaul of the Internal Revenue Code (IRC) since 1986. Most of the changes took effect January 1, 2018. This article discusses the TCJA's impact on employer provided fringe benefits and our insights, based on conversations with employers across the country, on how the changes may influence an employer's fringe benefit offerings over the years to come.

### Johnson County approves 'symbolic' bump to minimum wage

The Johnson County Board of Supervisors voted to increase the county's recommended minimum wage by 17 cents to \$10.27 per hour late last week.

The symbolic wage increase, set to take effect July 1, was based on Consumer Price Index data, taking inflation into account. The wage hike is unenforceable under state law, but in line with the supervisors' September 2015 vote to begin phased increases.

### Too few people in the Midwest and too many jobs

"Iowa's Employment Problem: Too Many Jobs, Not Enough People" was the Wall Street Journal's attention-catching headline for a story dated April 1, but it's far from a joke: The Midwest is the nation's only region where the number of job openings exceeds the number of unemployed persons. According to Labor Department data, if every unemployed person in the Midwest was placed into an open job, there would still be more than 180,000 unfilled positions

### WPI Wage Watch: Minimum Wage & Overtime Updates (March Edition)

Never mind the Ides of March, for employers with tipped employees: beware the federal budget process. Presumably no one's March Madness bracket had federal Fair Labor Standards Act (FLSA) amendments going to, let alone winning, D.C.'s "big dance." How this Cinderella story plays out remains to be seen, so, during federal legislative half-time, we'll take a quick look at the scores from other minimum wage, tips, and overtime games around the country.

### **WPI State of the States: Pay Equity, Sexual Harassment Continue to Drive State Bills**

While the surge of state-level legislation introduced in the first quarter of 2018 has waned, some significant labor and employment bills are advancing through their legislative chambers. In March, over 300 labor and employment bills were actively considered at the state and local levels, but only about a quarter of these measures were new. More than 30 bills and ordinances were enacted last month, some of which will require employers operating in multiple jurisdictions to take a second look at their workplace policies and practices. This month's State of the States will examine the notable bills that did make it to the finish line, and highlight those getting close.

### **Study: Voodoo Dolls Help Employees Pinpoint Problem Bosses**

Feel like sticking it to the man? Venting that frustration on a voodoo doll—even an online version—can help, according to a new report. But be sure to address the underlying problems causing your frustration, researchers say.