



LEGISLATIVE UPDATE
MAY 18, 2018

[Voluntary Benefits Are Now Essential, Not Fringe](#)

Student loan help and financial planning aid are on the upswing. Offering an array of voluntary benefits that help workers safeguard their financial security, based on personal and family needs, is an increasingly important component of total rewards strategies.

[DOL Issues New Information on Its PAID Self-Audit and Self-Reporting Program](#)

Last month, the U.S. Department of Labor's Wage and Hour Division announced the creation of the Payroll Audit Independent Determination ("PAID") Program, through which employers can proactively seek to resolve potential and actual violations of the Fair Labor Standards Act. The WHD recently issued additional information on the program. While not all-encompassing, the new publication sheds more light on the program's mechanics and the "steps" employers must take to participate.

[Congress Holds Hearing on Proposed NLRA Amendments](#)

The National Labor Relations Act (NLRA) should be amended by the Employee Rights Act to ensure secret-ballot elections and require recertification elections, workers testified before Congress.

[Labor-shed study points to higher salaries, less underemployment:](#)

In what Gov. Kim Reynolds called a sign of the state's strong economy, a new statewide labor-shed study indicates lowans' median annual salary increased \$4,000 to \$64,000 per year while the median hourly wage increased \$1 to \$17 per year.

The [2017 Statewide Labor-shed Study](#) published by Iowa Workforce Development also estimated the state's "underemployment rate" dropped from 5.1 percent in 2016 to 4.5 percent in 2017. Total underemployment measures three categories: inadequate hours, mismatched skills and low income.

"Jobs that pay higher wages require more skills, education and training," Reynolds said in a statement. "As lowans continue to train for the jobs of today and tomorrow, salaries will also rise. That's why Future Ready Iowa is so critical to our state's future."

Ms. Reynolds signed House File 2458, the Future Ready Iowa Act, earlier this month. The initiative's goal is ensuring 70 percent of Iowa workers have education or training beyond high school by 2025.

The statewide laborshed report shows that over three-fifths of employed respondents (61.6 percent) indicated they have completed education or training beyond high school. This statistic has been trending upward since 2008 in the annual statewide reports and increased .4 percent between 2016 and 2017.

The 2017 laborshed study relies on analysis of 6,000 telephone survey responses statewide. Surveys were conducted in each ZIP code based on a random sample of the population between 18 and 64 years of age and weighted by the total population in each ZIP code between 18 and 64 years old.

EEO-1 Deadline Extended to June 1, 2018

The deadline for employers to file their 2017 EEO-1 reports was recently extended by the Equal Employment Opportunity Commission's EEO-1 Joint Reporting Committee. The reports were originally due on or before March 31, 2018, so for employers who have not yet completed their filing, the extension is welcome news

E-Verify Laws

Several states have passed mandatory E-Verify laws that require businesses to confirm the work eligibility of all new hires using the federal electronic verification system. This chart from XpertHR shows the states with mandatory E-Verify laws that apply to private employers, as well as state contractors and subcontractors.

Recommended reads to start your week:

Iowa's low unemployment rate and worker shortage come up as chief concerns among our readers. The Corridor Business Journal took a look at issues important to workers in the Cedar Rapids-Iowa City area and produced a thoughtful, three-part series, "Working for a living."

-- [Part One](#) examines wages and what some business owners are doing retain their workers.

-- [Part Two](#) focuses on the dearth of affordable housing and what's being done to address the issue for homebuyers and renters. Here's one excerpt: "Katja Liimatta, a professional with several advanced degrees, might not be the image that comes to mind of someone struggling with housing costs. But area affordable housing advocates say there are no stereotypes when it comes to who is 'cost-burdened,' or spends more than 30 percent of their income on housing and related expenses, like utilities."

-- Finally, [Part Three](#) spotlights what is going on with the minimum wage issue in Johnson County, where supervisors voted earlier to raise the rate to \$10.27 an hour on July 1, despite state lawmakers' actions last year. One excerpt: "Although it's down, the minimum wage issue is far from dead, supporters say, with gestures like the Johnson County vote helping keep the flame alive. Organizers across the Corridor continue to agitate as the gap between wages and the cost of living increases. Many believe that political winds are shifting quickly and could bring dramatic change to Des Moines next year. Meanwhile, market forces – particularly the region's nearly non-existent unemployment rate – are driving up wages, with or without legislation."

Federal Jobs Guarantee Would Upend Labor Market

Guaranteeing a federal job to everyone in the U.S.—a proposal put forward by Sen. Bernie Sanders, I-Vt., and two prominent Democrats who may vie for 2020 presidential bids—would cause massive changes to the labor market, according to experts.

HSA contributions:

Responding to concerns about administrative headaches for plan sponsors and administrators, the Internal Revenue Service (IRS) reversed its previous decision to lower the maximum family health savings account (HSA) contribution from \$6,900 to \$6,850. "For 2018, taxpayers may treat \$6,900 as the annual limitation on the deduction for an individual with family coverage" under a high-deductible health plan (HDHP), the IRS stated in Revenue Procedure (Rev. Proc.) 2018-27, issued April 26."

[WPI Wage Watch: Minimum Wage & Overtime Updates \(April Edition\)](#)

It may not have been showering minimum wage, tip, and overtime developments in April, but there was a sprinkling at the federal, state, and local levels. The U.S. Supreme Court issued a decision that will impact federal Fair Labor Standards Act (FLSA) exempt classification litigation, federal wage and hour officials have been laboring away on FLSA-related issues and programs, and state and local legislators continue to shape the labor and employment landscape across the country.

[WPI State of the States: Equal Pay, Paid Leave, and Gig Economy Bills Gain Momentum](#)

May begins the legislative homestretch for a number of states. Nearly half of the state legislatures have adjourned for the year, and another nine are expected to end their sessions by the end of the month. As a result, only about 30 new bills and ordinances were introduced in April, down from the hundreds that had flooded the legislatures since the beginning of the year. Most of the legislative activity last month focused on active consideration of these pending measures.

[Hy-Vee extends health insurance, other benefits to part-time workers](#)

Hy-Vee Inc. and its subsidiary Midwest Heritage Bank now offer employee benefits to more than 58,000 eligible part-time employees, [Hy-Vee announced](#). Any part-time employee who is 19 or older is considered eligible for the program and can choose between 11 elective benefit options, including health, dental, vision and critical illness insurance. The program offers medical insurance options beginning at \$200 a month. Benefits are offered through [Connecture](#), a Wisconsin-based insurance distribution platform.

[Agencies Release Regulatory Roadmap for 2018 and Beyond](#)

The latest Unified Agenda of Regulatory and Deregulatory Actions (“spring agenda”) continues this administration’s trend of adding fewer new rules and reexamining older ones. These semiannual agendas provide insight into federal agency priorities for the coming year. While the list of upcoming rules is relatively pared down compared to those issued during the prior administration, there are still a few surprises in the spring agenda