

POLICY MATTERS

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Bipartisan Budget Deal Reached in Senate. Senators Mitch McConnell and Chuck Schumer unveiled a [bipartisan two-year budget deal](#) that funds the government through March 23 while lifting defense and non-defense spending by \$300 billion and raising the debt ceiling until March of next year. The bill provides almost \$90 billion in hurricane and wildfire disaster aid, extends CHIP for an additional four years, and provides funding to update infrastructure as well as to combat the opioid epidemic. [President Trump tweeted his approval](#) of the budget deal and the measure is expected to pass the Senate. However, GOP [fiscal hawks](#) immediately expressed their aversion to the package which may impede its passage in the House.

But What about DACA? With immigration-related provisions left out of the Senate compromise, House Minority Leader Nancy Pelosi took to the House floor yesterday to deliver an 8-hour speech (the longest speech in House history!) in support of a DACA fix. Pelosi vowed to vote against any spending bill that did not come with a [promise from Speaker Ryan to bring up bipartisan immigration legislation on the House floor](#), just as Senator McConnell has pledged to do in the Senate. In response, Speaker Ryan indicated that he would [bring a DACA bill to the floor](#).

Joint Select Committee formed on Pensions. The Senate budget compromise also included an agreement from leaders to [create a joint select committee in order to address the impending pension crisis](#). The bipartisan committee will consist of 6 senators and 6 House members and will be tasked with producing a bill (by November) to shore up multiemployer plans that are on the brink of insolvency. Any bill emerging from the committee with the support of at least 4 Democrats and 4 Republicans will receive an expedited vote (with no amendments) in both the House and the Senate. Failure to reach a solution could potentially leave taxpayers on the hook for billions of dollars.

Ivanka and Rubio Team Up on Paid Leave. Following the President's call for paid leave in his State of the Union address, [Ivanka Trump and Sen. Marco Rubio have been making the rounds](#) in support of a new paid leave model. Under the plan, workers would be able to receive Social Security benefits for a set period of time after the birth of a child. Workers that choose to utilize this benefit would then have to wait that same amount of time to start drawing on their Social Security benefits after becoming eligible. For example, a worker who takes 6 weeks of paid leave would then have to wait 6 weeks after turning age 62 to begin collecting Social Security benefits. The plan has received mixed reactions from both parties, but it continues a Republican-led discussion on the issue. Late last year, Rep. Mimi Walters (R-CA) also introduced a bill on paid leave. [Rep. Walters' bill](#) provides employers who offer paid leave and flexible work arrangements with an ERISA-like preemption of state and local laws as an incentive.

Tip Pooling Comment Period Ends . . . But What's Next? Monday marked the close of the comment period for the Wage & Hour Division's [NPRM](#) rescinding certain provisions of its tip pooling regulations. WHD's proposal to eliminate restrictions on tip pooling for employees earning a cash wage in excess of the federal minimum wage (i.e., limiting the tip pooling restrictions to circumstances in which the employer uses the "tip credit" to meet its minimum wage obligations) was met with fierce opposition, receiving more than [217,000 comments](#), the overwhelming majority of which were opposed to the proposal. WHD believes that the rescission is necessary to harmonize its regulations with the text of the FLSA. But [fierce opposition](#) by [Democrats](#) on the Hill

and a pending [investigation](#) by the Office of Inspector General into the particulars of an internal economic analysis that was not publicly shared as part of the process may slow down WHD's efforts to finalize the regulations.

The Gig Economy and Saving for Retirement. Earlier this week, the Subcommittee on Primary Health and Retirement Security, of the Senate Health, Education, Labor, and Pensions Committee, held a roundtable entitled "Exploring the 'Gig Economy' and the Future of Retirement Savings." Seyfarth Shaw's [Camille Olson](#) testified at the hearing on behalf of the U.S. Chamber of Commerce and argued that companies needed the flexibility to offer independent workers retirement savings vehicles without fear of altering the independent contractor status of said workers. If retirement savings was no longer an indicia of the employer-employee relationship, companies could extend these benefits to independent workers without penalty. [The Hill](#) and the [National Law Journal](#) covered the hearing and highlighted Olson's [testimony](#). Video of the roundtable can be viewed [here](#).

ICYMI: OFCCP Holds Listening Sessions. The Office of Federal Contract Compliance (OFCCP) held its [third and final listening session](#) last week with stakeholders from membership associations. Previous meetings involved select federal contractors and civil rights advocates. The newly appointed Director of OFCCP, Ondray Harris, focused the listening sessions on apprenticeship programs, compliance evaluations, disability outreach and recruitment, and the overall approach of the agency. OFCCP officials and several of the participants referred to a recent [white paper published the U.S. Chamber of Commerce](#) as providing a good pathway to a more collaborative relationship. Seyfarth Shaw's [Larry Lorber](#) participated in the listening sessions and was one of the primary authors of the Chamber's white paper.

Committee Hearing set for NLRB Nominee Ring. The Senate HELP Committee has scheduled a [full committee hearing](#) for next Wednesday, February 14, on the nomination of John F. Ring to serve on the National Labor Relations Board. Ring would replace Phil Miscimarra on the Board, whose term ended last December, and would restore the Board's 3 - 2 Republican majority. With a Republican majority back in place, the Board may choose to revisit certain Obama-era cases such as the Columbia University ruling, where graduate-student assistants were deemed to be employees and granted the right to hold an election to unionize. Check out Seyfarth's recent [One Minute Memo](#) for the latest on this case.

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