Quarterly Washington Update
With CUPA-HR’s Government Relations Team

Sponsored by

July 25, 2019
Our Government Relations Team

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Agenda

• Department of Labor’s Proposed Rules on:
  – Overtime
  – Regular Rate
  – Joint Employment

• Recent Legislative Actions:
  – Minimum Wage
  – ACA Cadillac Tax

• Upcoming Issues
Department of Labor Rules
DOL’s Overtime Proposed Rule

• Salary threshold at $35,308/year, or $679/week
• 2004 methodology and no regional variations
• No automatic indexing, but regularly scheduled rulemakings
CUPA-HR Comments

- Comment window closed May 21
- Prorate salary threshold for part-time employees
- Count cost of employer-provided room and board toward salary threshold
- Update regulations every 5 to 7 years through notice and comment
- Change to methodology requires multiple proposed rulemakings

No DOL projection for a final rule — prep your campus for implementation in 2020!
Amend, clarify, update and define basic rate and regular rate requirements in FLSA

Overtime = 1.5 x regular rate of compensation

First update in over 50 years — the workplace has changed!
CUPA-HR Comments

• Comment window closed June 12
• CUPA-HR comments that mesh with overtime comments – also join PPWO comments
  – Treat room and board consistently across regulation
  – Clarify “meals, dormitory rooms, and tuition" provided to students as scholarship/aid not included

No DOL projection for a final rule — prep your campus for implementation in 2020!
DOL’s Joint Employer Proposed Rule

- Clarify joint-employment relationship to assist employers in complying with FLSA
- Four-factor test:
  - hire or fire employee
  - supervise and control employee’s work schedules or conditions of employment
  - determine employee’s rate and method of payment
  - maintain employee’s employment records
CUPA-HR Comments

• Comment window closed June 25

• CUPA-HR filed comments with the Coalition for a Democratic Workplace

No DOL projection for a final rule — but in anticipation, evaluate subcontractor relationships on campus.
Recent Legislative Actions
Minimum Wage Increase

- Raise the Wage Act – H.R. 582
- Would raise minimum wage to $15/hour over 6-year period and automatically increase every year by a percentage determined by BLS
- House passed on July 18 by a vote of 231 to 199

Not expected to move in the Senate. CUPA-HR has expressed concern regarding the impact on institutions in lower costs areas.
ACA Cadillac Tax

• Middle Class Health Benefits Tax Repeal Act of 2019 – HR 748

• Would fully repeal the 40% “Cadillac Tax” on employer-provided health care coverage

• Introduced by Reps Joe Courtney (D-CT) and Mike Kelly (R-PA)

• House passed on July 17 by a vote of 419 to 6

Bipartisan support in the Senate, too.
CUPA-HR has joined the Alliance to Fight the 40 and sent letters.
Upcoming Public Policy Issues
ED’s Title IX Proposed Rule

- Change how colleges and universities handle allegations of sexual assault and harassment under Title IX

- CUPA-HR filed 2 sets of comments in Feb. 2018

- CUPA-HR webinar in 2017 on initial proposal

Final rule expected in September — discuss implementation with counsel.
NLRB’s Grad Student Proposed Rule

• Expected to reverse NLRB’s 2016 ruling in Columbia University

• “Establish the standard for determining whether students who perform services at a private college or university in connection with their studies are employees” under the NLRA

• NPRM vs. case decision

Expected in September – discuss implementation with counsel.
Quarterly Washington Update
Webinar Series for 2019

Join us for our next 30-minute update with the CUPA-HR Government Relations team!

OCTOBER 10
Thank You!

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