

# Legislate<sup>®</sup>

## Key Legislative Developments Affecting Your Human Resources US

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### GOP Erodes Obama Legacy while Considering Next Steps for Health Care Reform

GOP lawmakers and President Trump took actions to strip away benefit and labor rules issued during former President Obama’s tenure. In the meantime, following the House speaker’s decision to forego a vote on the American Health Care Act, the deeply divided Republican caucus struggles to determine a path forward to repeal and replace, or perhaps repair, the Affordable Care Act.

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#### Undoing DOL Government-Run Savings Plan Rules

Last week, congressional lawmakers advanced measures aimed at discarding DOL rules for states, as well as certain cities and counties, to require private employer participation in government-run IRAs. The Senate passed a resolution that would roll back the regulation for cities and counties and is expected to consider a similar one, perhaps before the upcoming two-week recess, for states. The House passed identical resolutions earlier this year, and President Trump has made clear his support. Employers can expect that he will sign them when presented.

**Comment.** Even if President Trump signs these measures, states and local governments may proceed with their initiatives to implement government-run IRAs. Indeed, many states do not think the DOL rules are necessary to implement these programs. As noted in our *For Your Information* from [August 29, 2016](#), employers that do not sponsor a savings plan for workers, as well as employers that sponsor one that excludes some employees from participating, may become subject to state or local government-run savings programs as they are rolled out. Multi-state employers, as well as single-state employers with employees from other states, may become burdened with compliance obligations arising from an array of state and local government-run programs that may have conflicting and/or overlapping rules.



## Relief from Obama’s Blacklisting Order

Last week, President Trump issued an executive order revoking President Obama’s Fair Pay and Safe Workplaces Executive Order – the so-called “blacklisting” order that required prospective government contractors to disclose past labor law violations during the federal procurement process, and imposed other obligations and restrictions. The president also signed Congress’ disapproval resolution, nullifying the final rule implementing the blacklisting order and permanently blocking the government from enforcing its requirements. As a result, federal contractors are relieved from the requirement to publicly disclose labor law violations as part of the competitive bidding process and the restrictions the blacklisting rule would have imposed on arbitration agreements. In addition, the paycheck transparency requirements that went into effect earlier this year have been rescinded. (For additional background and analysis, please see our [March 28 FYI Alert](#).)

## Health Care Reform

Despite the deep divide within the GOP caucus, Republican lawmakers in both congressional chambers remain steadfast in their support to overhaul the health care ecosystem. As such, the American Health Care Act, or AHCA, ([H.R. 1628](#)) – legislation that passed several House committees but was not presented to the full House for a vote – as well as other bills, remain under active consideration. (For background on the AHCA, please see our [March 27 Legislate](#) and our [March 8 FYI Alert](#).)

**Comment.** Although the different factions within the GOP may together find a path forward without Democrats, it’s more likely that the next stage of health care reform will advance on a bipartisan basis, with Republicans leading the charge and Democrats providing input. Indeed, there are some Democrats and Republicans who appear willing to join forces to save portions of the ACA (such as the insurance market reforms) while modifying others (such as the taxes, subsidies and funding provisions). In terms of timing, although comprehensive tax reform may move to center stage, it is unlikely that health care reform efforts will be relegated to the back burner. Indeed, because congressional lawmakers are wary of losing seats in the upcoming 2018 mid-term elections, lawmakers from both caucuses may seek to accomplish meaningful health care reform without unnecessary delay.

## Looking Ahead – DOL Secretary Nominee

Alexander Acosta’s nomination to run the Labor Department will be brought to the full Senate for a vote. Although it has not yet been scheduled, and may not be before the Senate’s upcoming two-week recess that starts April 10, Mr. Acosta is expected to be confirmed with the full support of the GOP Senate lawmakers, as well as some Democrats.

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