



*Week of 1-11-16
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Congressional Overview

The House voted on the North Korea Sanctions Enforcement Act, Iran Terror Finance Transparency Act and a joint resolution disapproving the EPA's "Waters of the United States" rule before recessing on Wednesday to allow the Republicans to attend their 2016 issues retreat in Baltimore, MD. Meanwhile, the Senate debated a bill auditing the Federal Reserve. On Tuesday, President Obama gave his final State of the Union Address to a joint session of Congress. The House is in recess until Monday, Jan. 25 and the Senate reconvenes on Monday, Jan. 19.

President Obama Vetoes Affordable Care Act Repeal Bill

President Obama vetoed the reconciliation bill, which would have eliminated many of the provisions in the healthcare law. The house is scheduled to vote on overriding the veto on Jan. 26. However, it's a meaningless effort as the GOP lacks the two-thirds majority required for an override.

Senate Could Skip 2017 Budget Resolution this Year

The Senate could still skip a fiscal 2017 budget resolution this year, even though GOP leaders say the House intends to write a bill. A budget resolution is not as necessary this year because of the 2015 budget deal, which raised the discretionary spending caps for fiscal years 2016 and 2017.

House Passes Legislation to Impose Tougher Sanctions on North Korea

The House passed legislation that would impose tougher sanctions on North Korea (in a 418-2 vote) by discouraging foreign banks from doing business with the country. The bill would authorize sanctions on foreign financial institutions and governments that assist North Korea in evading restrictions imposed upon it by U.N. Security Council rules. Due to China's status as Pyongyang's largest trading partner, the legislation is expected to have a disproportionate impact on Chinese businesses. The legislation would also make some North Korea sanctions mandatory that are currently discretionary.

President Obama Pledges to Start a Cure Cancer Initiative during State of the Union Address

Cancer research groups are pleased with the State of the Union pledge from President Obama that Vice President Biden will lead a "moonshot" initiative to cure cancer. The initiative will aim to break down research silos, increase federal resources and help get new treatments into the hands of more Americans. The effort is expected to include the use of a large new patient information database that researchers could leverage to study diseases. Biden wants to increase collaboration among the private and public sectors and get more patients enrolled in clinical trials.

House Subcommittee Approves Bill that would Prevent PLAs being Required in Federal Projects

On Tuesday, the House Committee on Oversight and Government Reform approved by voice vote a bill (H.R. 1671) to prevent government agencies from requiring that contractors use project labor agreements on federally funded construction projects. Under the legislation, known as the Government Neutrality in Contracting Act, agencies could neither require nor prevent construction contractors from using PLAs on federal projects. In 2009, President Obama issued an executive order that encourages federal agencies to consider using PLAs on certain projects that might benefit from such an agreement.

OSHA Hosting Hearing in February on Beryllium Rule

OSHA is expected to convene at a late February hearing to hash out remaining concerns with its proposal to cut the permissible exposure limit for beryllium, along with a range of new regulatory requirements for the industry. The proposal targets general industry, but in a follow-up statement, OSHA left the door open for the possible inclusion of the construction and shipyard industries in the final rule. OSHA released the nearly 1,000-page proposed rule in August 2015 after nearly 13 years of preparation and outreach to the industry. The agency will provide another 45 days for stakeholder comments following the hearing.

OSHA Posts Online Fatality/Injury Form

On Dec. 24, 2015, OSHA posted an online fatality/injury form for employer use to provide notification of fatalities (within eight hours) and hospitalizations, amputations or loss of eyes (within 24 hours). This form is intended to make it easier for employers to comply with OSHA's new record keeping rule, which went into effect for federal OSHA jurisdictions on Jan. 1, 2015. To access the form, visit <https://www.osha.gov/pls/ser/serform.html>.

Local Iron Workers Pension Fund Becomes Second Fund to Utilize the Multiemployer Pension Reform Act

An Iron Workers local pension fund has become the second multiemployer plan to apply for benefit suspension approval from the Treasury Department. The Iron Workers Local 17 Pension Fund in Cleveland joined the Central States, Southeast and Southwest Areas Pension Fund in seeking to use provisions of the 2014 multiemployer pension reform law to suspend the accrued benefits of its plan participants in an attempt to avoid the fund's insolvency. In a notice informing participants of the fund's application for approval of a proposed reduction of benefits, the fund's trustees said its actuary has certified that the plan is in "critical and declining status" for the plan year beginning May 1, 2015, and that without approval of the rescue plan, the plan is projected to be insolvent by 2025. The Treasury Department has 225 days from a filing to reject an application. Otherwise, it will be considered approved. The Central States fund became the first plan to seek approval of a rescue plan under the Multiemployer Pension Reform Act, also known as the Kline-Miller Act, when it filed its application with the Treasury Department on Sept. 25, 2015.

Bloomberg News' U.S. 2016 Economic Outlook

Per Bloomberg News on Dec. 29, "The U.S. economy will crank out new jobs at a slower but still-strong pace in 2016, tightening the labor supply and causing a bidding war among employers that will drive up wages." The unemployment rate is projected to fall to 4.7 percent by the end of next year, representing a fully recovered labor market, down from 5 percent currently. That would be the lowest jobless rate since 2007 (before the latest recession began). Ultimately, the number of job vacancies will be high, the unemployment rate will continue to decline and wage growth will accelerate.

Conference Board of Canada Believes Canada's Economic Uncertainty will put more Strain on Labour Relations

On Jan. 7, the Conference Board of Canada stated that continued uncertainty over Canada's economic prospects will put even more strain on the labour relations environment in 2016, but this strain is not expected to lead to labour disputes. Per the Board, "The economic uncertainty, coupled with changing technology and operating environments over the past few years, have made it difficult for unions and management to develop and maintain stable relationships." Finally, wage increases are expected to remain modest in 2016, but with significant regional differences that will put additional pressure on collective bargaining. Finally, the board noted significant changes in Canadian labor law in 2015, particularly in the federal jurisdiction, that unions say create new challenges for them.