



American Staffing Association

# ASA Connecticut Staffing Symposium

## Legal and Legislative Update



# Staffing Firms Employed 145,700 Workers in Connecticut

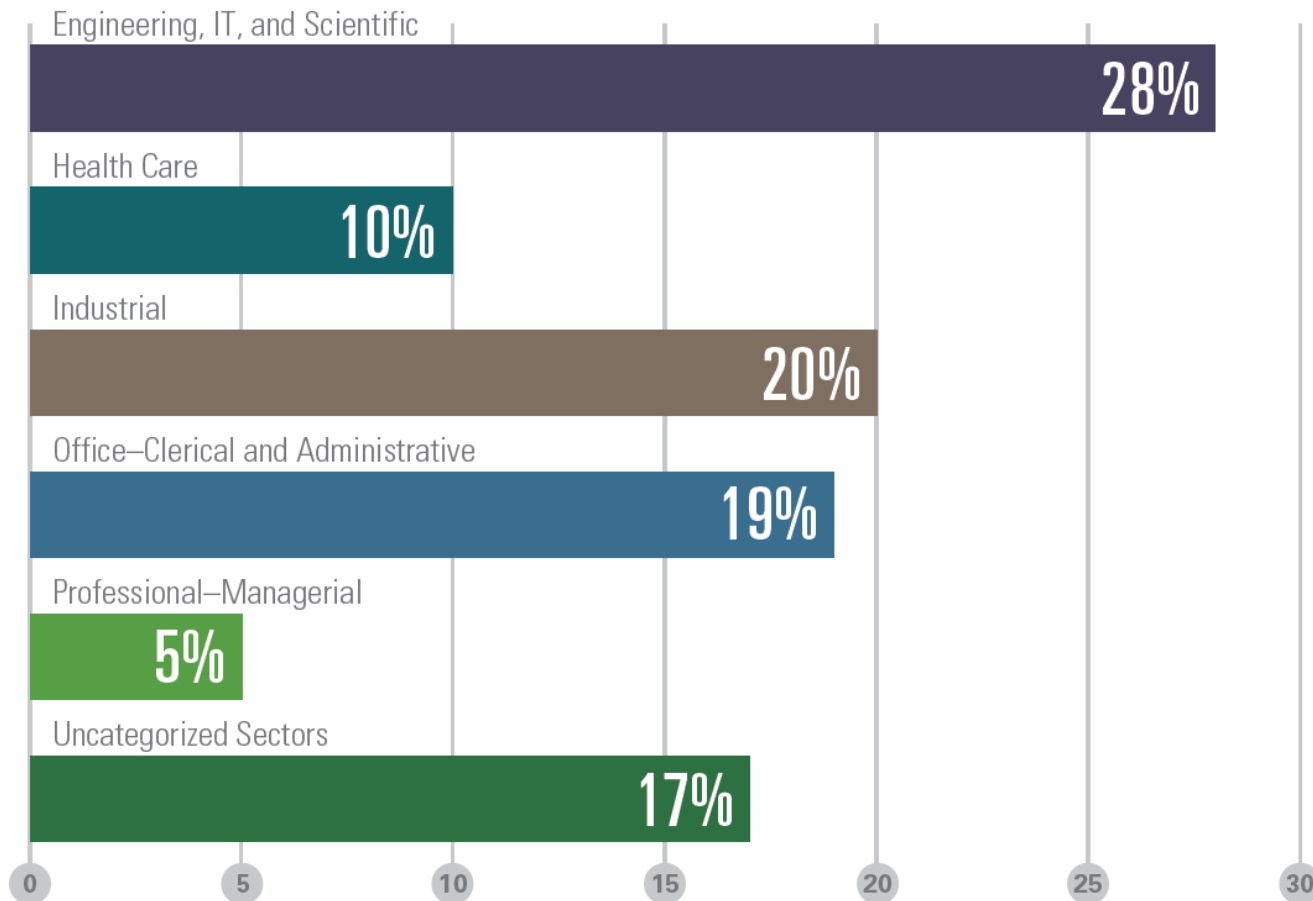


## AT A GLANCE: 2017 Connecticut Staffing Statistics

- Average temporary help workers each week: 30,000
- Annual employment: 145,700
- Average annual earnings per job: \$44,900
- Total annual sales: \$1.3 billion
- Estimated number of offices: 470

Sources: Economic Modeling Specialists Intl. (EMSI), U.S. Census Bureau, and the American Staffing Association

## Connecticut Temporary Help Sales by Sector



*Note: Due to rounding, percentages may not add up to 100%.*

Sources: U.S. Census Bureau and the American Staffing Association

# Legal and Legislative Issues



# Tax Reform

- Tax Reform: H.R. 1 The Tax Cuts and Jobs Acts
  - Retention of Work Opportunity Tax Credit Program (WOTC)
    - Program expires on Dec. 31, 2019
  - Elimination of Affordable Care Act Individual Mandate
    - Repeal effective Jan. 1, 2019
  - Section 199(a): New Pass-Through Deduction
    - Hearing on proposed rules scheduled for Oct. 16
    - ASA testifying and submitting comments

# Immigration Reform

- Take #1: U.S. Senate
  - 4 bills: All defeated
- Take #2: U.S. House
  - 2 bills: Both defeated
- Take #3: ???????
  - May consider some smaller immigration issues
    - Employment visas (nurses, agricultural guest workers)
    - H-1B and lottery reform
    - E-Verify

# Remaining Congressional Issues

- Agricultural Reform Bill
- Higher Education Act
- National Defense Authorization Act
- Federal Aviation Act
- Appropriations Bills
- Executive Branch Appointments
  - Key Openings: Administrator of EPA, Secretary of Veteran Affairs
  - Federal Judicial Nominees

# Labor Reform

- S. 2810: Workplace Democracy Act (Senator Sanders)
  - Among other things, the bill would:
    - Eliminates private voting and secret ballots in union elections;
    - Codifies the NLRB's controversial Browning-Ferris Industries (BFI) joint employment standard;
    - Eliminates Right-to-Work protections for workers;
    - interfere with attorney-client confidentiality and make it more difficult for employers to access legal counsel or other expert advice on complex labor and employee relations issues during union organizing drives



# Labor Reform

- S. 3064: Workers' Freedom to Negotiate (Sens. Murray-Schumer)
  - Among other things, the bill would:
    - Codify the NLRB's controversial Browning-Ferris Industries (BFI) joint employment standard
    - Reverses Supreme Court's *Murphy Oil* decision (permits the use of arbitration agreements)
    - Reverses Supreme Court's *Janus* decision (permits labor unions to collect fees from non-union members)
    - Makes officers and director personally liable for violations of workers right
    - Allows union to bypass National Labor Relations Board and go directly to court

# The Future of Work: Policy Recommendations

- Key Proposals
  - Increase Labor Union Participation
- Supplemental Menu: Ready to Implement
  - Tie overtime to inflation
  - Workplace Democracy and Workers' Freedom to Negotiate Acts
- Supplemental Menu: For Further Exploration
  - Universal basic income
  - Government as Employer of Last Resort
  - Portable Benefits

# Key Federal Agencies

- Department of Labor
  - Overtime: Late 2018- likely a modest increase in salary threshold
  - Apprenticeship Program: Apprenticeship Task Force's recommendations have been forwarded to the President. Staffing industry represented on the task force
- Occupational Safety and Health Administration (OSHA)
  - OSHA's temporary worker safety initiative (TWI) to protect rights, safety, and well-being of temporary workers employed and assigned by staffing firms to clients- likely to continue

# Top State Legislative Issues in 2018

# Top State Legislative Issues 2018

- Predictive scheduling
- Paid sick leave (including paid family & medical leave)
- Joint Liability with clients regarding wage issues
- Hiring Issues
  - Salary history
  - Ban-the-Box
- Harassment (#MeToo movement)
- Minimum wage

# 2018 Midterm Elections





# 2018 Elections: House of Representatives

## ■ GOP (236 seats, 4 vacant)

- ❑ Safe Seats: 147
- ❑ Likely Republican: 25
- ❑ Lean Republican: 26
- ❑ Toss-Up: 29
- ❑ Worse: 13
  - Likely Democrat: 3
  - Lean Democrat: 10

## ■ DEM (193 seats, 2 vacant)

- ❑ Safe Seats: 182
- ❑ Likely Democrat: 9
- ❑ Lean Democrat: 1
- ❑ Toss-Up: 2
- ❑ Worse: 1
  - Likely GOP: 1



# 2018 Elections: U.S. Senate

- **GOP (9 Seats Up)**
  - ❑ Safe Seats: 3
  - ❑ Likely Republican: 2
  - ❑ Lean Republican: 0
  - ❑ Toss-Up: 4 (AZ, NV, TN, TX)
- **DEM (26 Seats Up)**
  - ❑ Safe Seats: 14
  - ❑ Likely Democrat: 4
  - ❑ Lean Democrat: 4
  - ❑ Toss-Up: 4 (FL, IN, MO, ND)

# Connecticut Delegation

- Connecticut House: 5 Seats
  - 5 Democratic Seats
    - Safe: 5
- Connecticut Senate: 2 seats (Dem: 2)
  - Sen. Murphy up for re-election in 2018: Solid Democrat
- Connecticut Governor: Open Seat (Toss-Up)
  - Democratic nominee: Ned Lamont
  - Republican nominee: Bob Stefanowski
  - Best Republican pick up opportunity this cycle

# Why the GOP Will Dominate the Midterm Elections

- Economy
  - GDP: ↑
  - Small Business Optimism: ↑
  - Consumer Confidence: ↑
  - Unemployment: ↓
- Tax Cuts
- Electoral Map: Senate

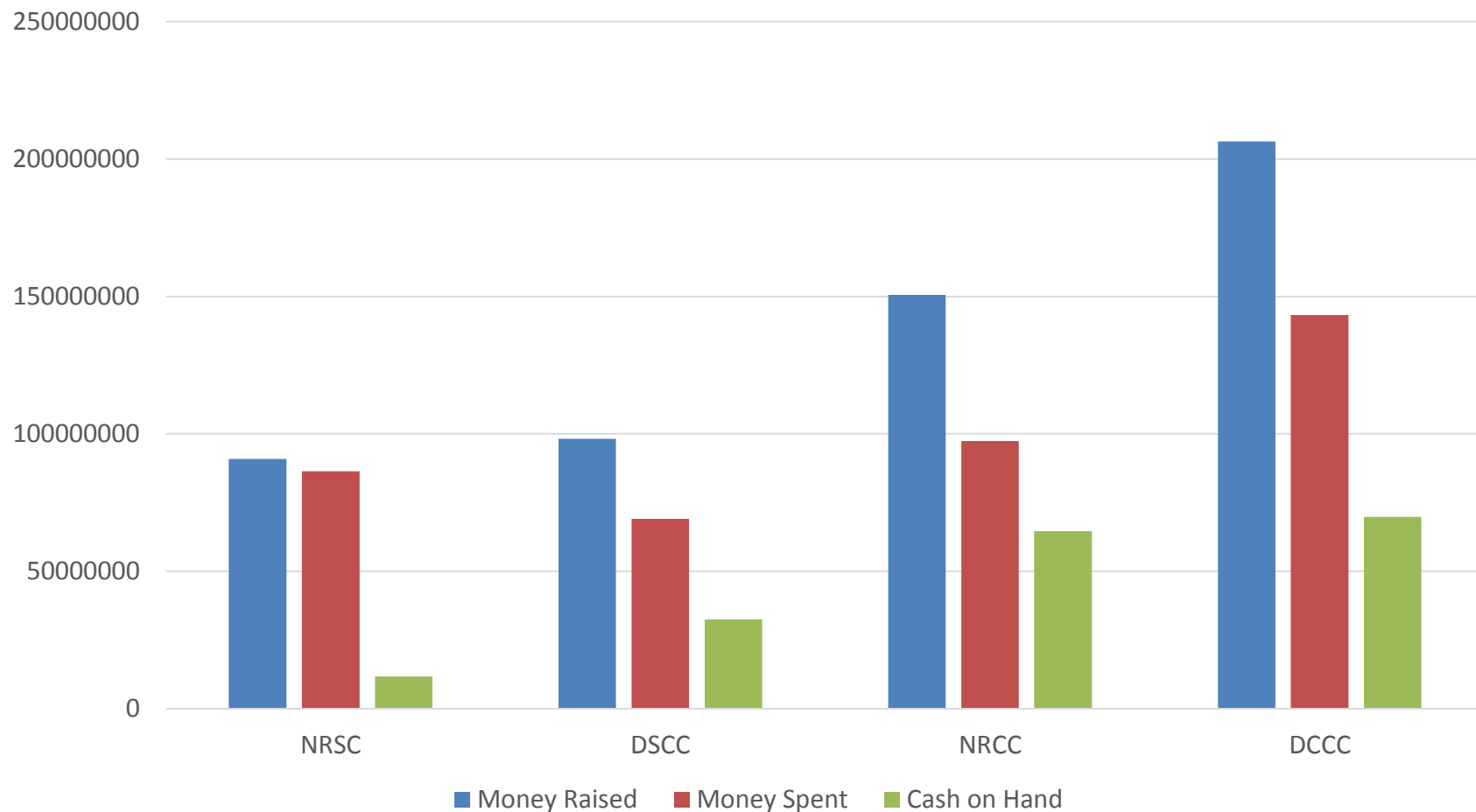
# Why Democrats Will Dominate in Midterm Elections

- History
  - Incumbent President's party historically **loses** seats in midterm elections. Since 1970:
    - House: President's party lost an average of 22 seats elections
    - Senate: President's party lost an average of 3 seats
- Enthusiasm and Recruiting
- Special Elections
- Electoral Map: House

# Key 2018 Election Issues

- Money...Money...Money
- Turnout
- History
- Framing the issues
  - Issue Specific Campaigns vs. Donald Trump
- Wildcard: Supreme Court, Immigration, Russia
- House: Open Seats
- Senate: Blue Senators in Red states

# 2018 Congressional Campaign Cycle Fundraising



# Real Clear Politics Polling Data: 2018 Elections

- **Generic Congressional Ballot: Democrats +7.7%**
  - Democrats: 48.6%
  - Republicans: 40.9%
- **President Trump Job Approval: Disapprove +8.6%**
  - Approve: 43.8%
  - Disapprove: 52.4%
- **Pres. Trump Job Approval Economy: Approve +8%**
  - Approve: 51%
  - Disapprove: 43 %

# Questions