



POLICY MATTERS

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Minimum Wage Bill Passes House . . . Today, the Raise the Wage Act ([H.R. 582](#)) passed the House [231-199](#). The Act would raise the federal minimum wage to \$15 per hour over a five-year period, then annually index the minimum wage to the percentage increase in the median hourly wage for all employees. It would also (1) increase the tipped employee wage by no more than \$1.50 per year until it equals the minimum wage (a minimum of 9 years after enactment); and (2) immediately eliminate mandatory tip pooling. Finally, the Act would gradually eliminate the subminimum wage rates under section 14(c), as well as for newly-hired employees under 20 years old. Majority Leader McConnell (R-KY) has said that the bill will not be taken up by the Senate.

. . . As Does the Cadillac Tax Repeal. The House voted overwhelmingly ([419-6](#)) to pass the Middle Class Health Benefits Tax Repeal Act ([H.R. 748](#)), which would repeal the so-called Cadillac tax on high-cost health insurance plans as part of the Affordable Care Act (ACA). The tax was intended to deter high cost health care plans and to finance parts of the ACA and repeal has been long supported by both the business community and organized labor. Nevertheless, consideration by the Senate is uncertain due to general fears of opening up debate on health care on the Senate Floor.

Pizzella Poised to Take DOL Reins. As has been now widely reported, Secretary of Labor Acosta recently resigned amid controversy over how he handled a plea deal related to Jeffrey Epstein while serving as U.S. Attorney in Miami. Tomorrow, Deputy Secretary Patrick Pizzella will begin his tenure as Acting Secretary. Pizzella is well known within the Washington, D.C. business labor community, served previously at the Department under Secretary Elaine Chao, and is expected to push forward with the Department of Labor's agenda, including the overtime, joint employer, and regular rate rulemakings. Due to his lengthy experience with the Department, Pizzella is likely to be keenly aware of—and interested in addressing—Departmental management and operational issues, as well as the subregulatory agenda. Whether Pizzella will be formally nominated to be Secretary remains to be seen, but the Department is in more-than-capable hands as we await confirmation of Acosta's successor.

New York and New Jersey Continue Pay Equity Legislative Efforts. The legislatures of New York and New Jersey each recently passed salary history bans and other developments in the equal pay arena, continuing the state and local efforts to tackle these issues. The New York provisions take effect in January 2020, while the New Jersey provision awaits the Governor's (expected) signature. For detailed analysis of the provisions, see Seyfarth's [Client Alert](#).

New Hampshire Bans Low-Wage Non-Competes. States remain active on a variety of labor and employment fronts, one of which is the effort to ban non-compete agreements in whole or in part. New Hampshire recently joined the non-compete ban train with a prohibition on non-competes for any employee earning 200% of the federal minimum wage (currently, \$14.50 per hour). For more, see the Trading Secrets [blog](#).

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