

PUBLICATION

House Appropriations Labor Legislation Blocking the Labor Department's Fiduciary Rule and Other Regulations Moves Forward

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On Thursday, July 7, the House Appropriations Labor Subcommittee approved a FY2017 appropriations bill for the Departments of Labor, Health and Human Services, and Education. The bill would provide \$12 billion for the Labor Department, a reduction of \$138 million from FY2016 funding levels and \$765 million below the President's budget request.

The bill contains a number of Republican-backed provisions, including blocking the Department of Labor's Fiduciary Rule, stating that the rule "shall have no effective date or have any legal effect." The bill also prohibits the Department from enforcing the "Overtime" rule, as well as other new rules speeding up union elections and expanding corporate liability under the joint employer rule. Additionally, the bill prohibits the National Labor Relations Board from recognizing unions that do not represent all members of a workplace, allowing workplace elections to be done online, or asserting jurisdiction over American Indian reservations.

Approved on a voice vote, subcommittee Democrats opted not to call for a recorded vote. However, the bill remains contentious. After the vote House Appropriations Committee Chairman Hal Rogers (R-KY) said the spending bill would "[roll] back overregulation and overreach by the administration that kills American jobs, and cutting spending to save hard-earned taxpayer dollars." Labor Subcommittee Ranking Member Rep. Rosa DeLauro (D-CT) objected to the blocking of the Fiduciary Rule and other new DOL regulations. "This bill leaves students, workers and women more vulnerable to exploitation. ... It continues the assault on the American worker by stopping the National Labor Relations Board from enforcing its own rules," she said.

Takeaway: With the approval from the subcommittee in hand, the bill now moves to full Appropriations Committee where it is scheduled for a hearing on Wednesday, July 13 at 10:00 a.m. EDT. Given the highly contentious nature of the health care provisions and the broader appropriations slowdown in Congress, it is unlikely the legislation will be taken up by the full House this year. That said, some of the language could make it in to a year-end omnibus spending bill.