

Governmental Affairs

Lynchburg SHRM,
Lisa H. Gordon, Chair

I. 116th Congress officially gaveled on Thursday, Jan. 3, 2019.

- a) Government Shutdown – Took effect at 12 a.m. on Saturday, Dec. 22, 2018
- b) **E-Verify** is closed and unavailable and you will be unable to access it to verify employment eligibility or perform any daily functions as normal. This does NOT affect the Form I-9 requirement—employers must still complete the Form I-9 no later than the third business day after an employee starts work for pay. *Be aware that you may not take any adverse action against an employee because of an E-Verify interim case status. Check www.dhs.gov/e-verify.*
- c) **EEOC** Only activities involving the safety of human life or the protection of property will continue. No staff will be available to answer questions or respond to correspondence. However, they will accept charges that must be filed in order to preserve the rights of a claimant during a shutdown. During this time, the EEOC will not litigate in the federal courts, and mediations will be cancelled. In addition, federal-sector hearings will be cancelled. In addition, no federal employees' appeals of discrimination complaints will be decided. Of course, outreach and education events will be cancelled. No FOIA requests will be processed.
 - i) *The partial shutdown does not translate to relaxed compliance standards for employers. As the E-Verify and EEOC websites specified, employers and employees will need to continue to meet their responsibilities as determined by both entities.*
- d) **Department of Labor (DOL)** The majority of the Department of Labor's employees will be furloughed. The Bureau of Labor Statistics and the Employment and Training Administration are the departments most affected by the shutdown.
- e) The **Internal Revenue Service (IRS)** will cease audits, examinations of returns, processing of paper returns and call-center operations for taxpayers with questions during this shutdown.

Those who would have to work without pay include:

54,000 Customs and Border Protection agents and customs officers.
53,000 Transportation Security Administration employees.
42,000 Coast Guard employees.
41,000 federal law enforcement and correctional officers.
5,000 Forest Service firefighters

II. EOY/Year Begin - 2019 Checklists

- New W-4
- Mileage rate - .58 cents for 2019
- Retirement Plan Cost of Living Adjustment (COLA) Limits

Type of Limitation	2019	2018
401(k) Plan/403(b) Plan Maximum Elective Deferral	\$19,000	\$18,500
Catch-up Contribution Limit 401(k)/403(b)/457	\$6,000	\$6,000
Defined Contribution Annual Additions Limit	\$56,000	\$55,000
SIMPLE Contribution Limit	\$13,000	\$12,500
SIMPLE Catch-up Contribution Limit	\$3,000	\$3,000
Defined Benefit Annual Additions Limit	\$225,000	\$220,000
Annual Compensation Limit	\$280,000	\$275,000
Highly Compensated Definition — Compensation Limitation	\$125,000	\$120,000
Social Security Taxable Wage Base	\$132,900	\$128,400
Key Employee Definition	\$180,000	\$175,000

III. Employment Law predictions for 2019

- a) The effects of #MeToo will persist:
It's not just compliance with the letter of the law, it's the ongoing work of creating the right culture within an organization, having boards and the C-suite focus on the issues.
- The law has been the same for a while and companies already know what constitutes harassment across several contexts; however, it should at least be given a second look, if HR hasn't done so already.
- Make sure that your policy is clear, and that it covers what it needs to cover; that it informs, properly, an employee where to report their issue.
- b) Keeping up with federal law changes. The best way to address these federal issues and the actions of the Trump administration, according to the sources, is to be vigilant and closely monitor developments. Among those to watch: joint employment, overtime exemptions, GINA and wellness and the ADA. We as HR professionals need to stay on top of these expected changes.
- c) With the surge of access and legalization of marijuana, addressing and managing drug use and drug testing will remain one of the most challenging issues for employers who are tasked with making sure their workforce is efficient and operating safely and productively going into 2019.