

## Legislative Report - October 8, 2014

### IRS Notice Allows Midyear Departures from Cafeteria Plan

Ordinarily, employees may not change their cafeteria plan elections until open enrollment unless there are qualifying events. But in [Notice 2014-55](#), which took effect Sept. 18, 2014, the Internal Revenue Service (IRS) created two new circumstances when employees may revoke their election for employer-sponsored health coverage under the cafeteria plan.

- See more at: <http://www.shrm.org/legalissues/federalresources/pages/midyear-cafeteria..>

### Final Rule: Executive Order 13658, Establishing a Minimum Wage for Contractors

On February 12, 2014, President Obama signed Executive Order 13658, “Establishing a Minimum Wage for Contractors,” to raise the minimum wage to \$10.10 for workers on Federal construction and service contracts. The President took this executive action because boosting wages lowers turnover and increases morale, and will lead to higher productivity overall. Raising wages will improve the quality and efficiency of services provided to the government. The Executive Order directed the Department of Labor to issue regulations to implement the new Federal contractor minimum wage.

The Department published a Notice of Proposed Rulemaking (NPRM) in the Federal Register on June 17, 2014. The NPRM proposed standards and procedures for implementing and enforcing Executive Order 13658 and invited public comment on the proposed provisions. The Department received many comments from a variety of interested stakeholders, such as labor organizations; contractors and contractor associations; worker advocates, including advocates for individuals with disabilities; contracting agencies; small businesses; and workers.

After carefully considering all timely and relevant comments, the Department has announced that it will publish a final rule to implement the provisions of Executive Order 13658. The final rule to be issued by Secretary of Labor Tom Perez will be an important milestone in raising the minimum wage for workers on Federal contracts.

Provided by: <http://www.dol.gov/whd/flsa/eo13658/>

Important Dates: January 1, 2015 – effective date for \$10.10 requirement. January 1, 2016 – rate to be set annually by Secretary of Labor.

### Ban on Same – Sex Marriage

With the US Supreme Court deciding not to hear the five state same-sex marriage case; it will likely force other states to legalize same-sex marriage. West Virginia currently has a case that had been on hold until the US Supreme Court had made a decision on the matter. The lack of action by the court will likely signal the end of the fights for states against same-sex marriage.