

The 2006 Election And HR

The November 7th election results were significant. A number of human resource-related issues were on the ballot. The longer range impact will be even greater as Democrats will control Congress. As a result they will chair powerful committees, set legislative agendas, have great influence in approving federal judicial nominees, and have closer oversight of federal agencies such as the Equal Employment Opportunity Commission (EEOC) or Department of Labor (DOL).

There were also major changes at the state level. Democrats will now hold the majority of governorships and control more state legislatures than Republicans.

Most observers expect significant federal and state HR developments in 2007 and perhaps a few in 2008 before presidential election fever takes over. We can likely expect more action in the HR arena than in the past few years.

What Happened On November 7th?

A. Minimum Wage.

The states have been where the action is regarding minimum wage in recent years. Voters in 6 states approved ballot initiatives that would raise their states' minimum wages beyond \$5.15 and will tie future raises to increases in the cost of living. As a result the following states will raise their minimum wages to the following:

- Arizona \$6.75 effective 1/1/07
- Colorado \$6.85 effective 1/1/07
- Missouri \$6.50 effective 1/1/07
- Montana \$6.15 effective 1/1/07
- Nevada \$6.15 effective 11/28/06. However under certain circumstances where employers provide health insurance, minimum wage can remain at \$5.15.
- Ohio \$6.85 effective 1/1/07

Recent action in Arkansas, California, Connecticut, Delaware, Florida, Hawaii, Maine, Massachusetts, Michigan, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, and West Virginia also increased minimums. As things stand, nearly 30 states will require wages higher than the federal minimum.

In addition to raising the minimum wage some states have also imposed additional requirements as to who must be paid the minimum and how and for how long records must be kept. In some instances employer penalties for violations of the law have also increased.

The states have taken a very active role in wage and hour issues of late. Therefore employers need not only closely monitor federal changes but state ones (and sometimes local ones) as well. If you are a multi-state employer...good luck.

B. Paid Leave.

San Francisco voters approved an ordinance that would require local employers to provide paid sick leave to full time, part-time, and temporary employees as well as those involved in Welfare-to-Work programs. The employees must be able to take sick leave to care for a child, spouse, parent, siblings, grandparents, grandchildren, a registered domestic partner, and any "designated person" the employee chooses.

C. Definition of Marriage.

Voters in Colorado, Idaho, South Carolina, South Dakota, Tennessee, Virginia, and Wisconsin approved initiatives that would require the definition of marriage to only include that between a man and a woman. If passed these measures could have created issues regarding employer sponsored benefits for same sex and unmarried couples. Only Arizona defeated a similar measure.

D. Affirmative Action.

Michigan voters approved an initiative that limits affirmative action programs in public education, state and local government, and public colleges and schools. Michigan joins several other states in limiting certain aspects of affirmative action.

E. Smoking.

In several states voters considered smoking prohibitions. Arizona passed a proposition that generally prohibits smoking in public places and workplaces. Nevada and Ohio both approved more prohibitive smoking restrictions.

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