



LABOR SECRETARY WALSH'S CHALLENGING AGENDA

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After a lengthy confirmation process last week, Marty Walsh was confirmed by the Senate as U.S. Labor Secretary. With the confirmation process finally behind Walsh, all eyes are now on his impending agenda for the Department of Labor (DOL).

It is anticipated that of high priority will be a workplace safety rule addressing the COVID-19 pandemic among other pandemic related items. Additionally, Walsh will also likely begin the process of creating new regulations and establishing a plan for moving forward on three hot-button regulations, including the independent contractor rule, the joint employer rule, and the tipped employee rule.

These three regulations have received significant attention over the past few months given the actions taken by the outgoing Trump Administration as well as the incoming Biden Administration. With regard to the independent contractor rule, following the Trump Administration's final issuance of this rule in early January, in March the DOL proposed withdrawing the regulation, but has yet to announce a new interpretation for classifying employees. The joint employer rule, similar to the independent contractor rule, was proposed for rescission in March with no alternative interpretation. The tipped employer rule was finalized by the Trump Administration in late December and the effective date was later delayed by 60 days by the DOL and it is rumored that a proposed revised regulation is in the pipeline.

Although it is unclear what direction or path Secretary Walsh will take on these regulations, including those related to the COVID-19 pandemic, it is clear that any action will be met with opposition and will need to be mindfully considered in light of current and likely future litigation.

Roetzel will continue to monitor developments in this area. For more information and insight on this matter, please contact one of the listed Roetzel attorneys.

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