

2026 Legislative Conference

Wisconsin Association of Staffing Services
November 6, 2025

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Congress

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119th Congress

- **House of Representatives**
 - **Republicans: 219**
 - **Democrats: 214**
 - **Vacant: 2 (TN-7 and TX-18)**

- **United States Senate**
 - **Republicans: 53**
 - **Democrats: 47**



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Congress

- **Congress Passes The One Big Beautiful Bill Act**
 - Key Provisions for the Staffing Industry
 - QBITD made permanent.
 - ICHRA classification for temporary employees maintained
 - Preservation of per diem plans maintained
 - Other Provisions of Interest
 - Immigration Policy changes
 - Extension of 2017 tax cuts
 - Elimination of taxes on tips and overtime
 - SALT deduction
 - Medicaid reforms



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Congress

■ Government Shutdown

- Entering 4th Week
 - House passed clean CR, blocked in Senate
 - Democrat demands:
 - Extension of ACA premium tax credits
 - Rollback of Medicaid cuts in OBBA
 - No further recession bills from White House
- Possible End of Year Legislation Issues
 - Continuing Resolution
 - Tax Issues
 - Health Care Issues



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Trump Administration



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Trump Administration

- **Executive Orders: Flurry from the start**
 - ❑ Immigration: Worksite audits, revoking of temporary protected statuses, requests from clients.
 - ❑ DEI Policies: Clients' reaction, staffing firms own internal policy
 - ❑ Return to Office for Federal Workers: Reaction in private sector
 - ❑ Federal Workforce Hiring Freeze
 - ❑ AI: Revoked previous AI Executive Order. Leaves issue to state legislatures
 - ❑ Energy: Declared energy emergency. Paused clean power initiatives



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Trump Administration

- **Department of Labor**
 - ❑ Semiannual Regulatory Agenda
 - Joint Employer Status under the FLSA
 - Employee Classification under the FLSA
- **Department of Homeland Security**
 - ❑ H1-B Visas
 - Increase of fee to \$100,000
 - Proposed regulations to change criteria
 - ❑ Immigrations and Customs Enforcement
 - Increased enforcement actions
 - Increased funding, open during shutdown



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Trump Administration

■ E-Verify+

- The goal of E-Verify+ is to:
 - Shift burden of validating employee's authorization to work from the employer to the employee;
 - Do so within an electronic I-9 tool embedded within the E-Verify system; and
 - Once an employee has their employment authorization validated in E-Verify+, they would not have to keep redoing the E-Verify process at each employer.
- Positives of the Program:
 - Streamlines the I-9 process
 - Saves time and money for staffing companies.



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Trump Administration

■ E-Verify+

- Concerns with the Program
 - System is not yet fully developed for various scenarios, including:
 - Employee presents a receipt for replacement of a lost, stolen or damaged document;
 - Employee does not yet have a Social Security Number;
 - Federal Government is shut down
 - No guidance on how an employer could avoid running E-Verify on a new hire that had been previously validated through E-Verify+.
 - No clear guidance how these electronic I-9s would be stored and accessed in the event of a future I-9 audit.



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Trump Administration

- **Potential Future Executive Orders**
 - Immigration: More orders that could have a more direct impact on labor supply
 - Tariffs: Drive up domestic production? Cause economic chaos?
- **Agency Actions**
 - New rules could be promulgated
- **Independent Agencies**
 - Pro-Labor agenda likely to grind to a halt
- **Potential Roadblocks**
 - Congress, Courts, Lame Duck Status



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States



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States

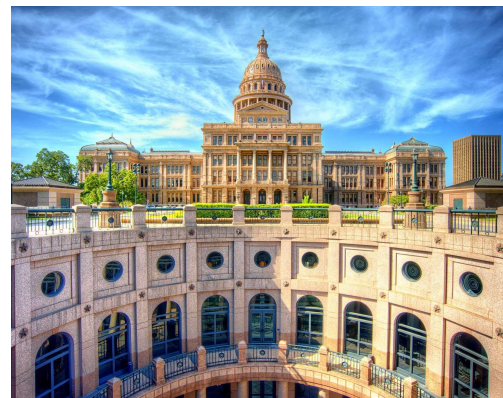
- **States focusing on issues Congress not Interested in**
 - Paid leave
 - Wage/pay transparency
 - Data collection
 - Artificial intelligence in employment context
- **States weighing in on administration policies**
 - DEI initiatives
 - Return to work
 - Immigration
- **States looking to be less reliant on federal government**



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States

- **Top legislative issues in 2025**
 - AI in the Workplace
 - Automated Employment Decision Tools
 - Wage and Hour
 - Pay transparency
 - Pay Equality
 - Data collection
 - Race and Gender information about employees
 - Predictive Scheduling
 - Healthcare Staffing
 - Noncompete agreements
 - Conversion Fees



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Wisconsin, OBBB and Taxes



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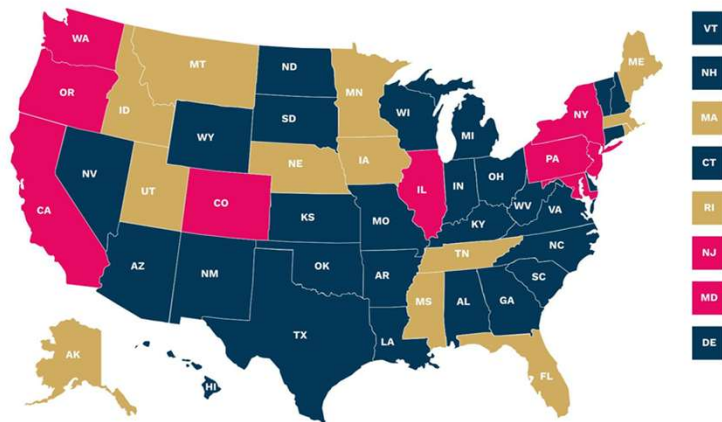
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Fiscal Condition of States, October 2025

State Revenue

How will state revenues fare in the upcoming years?

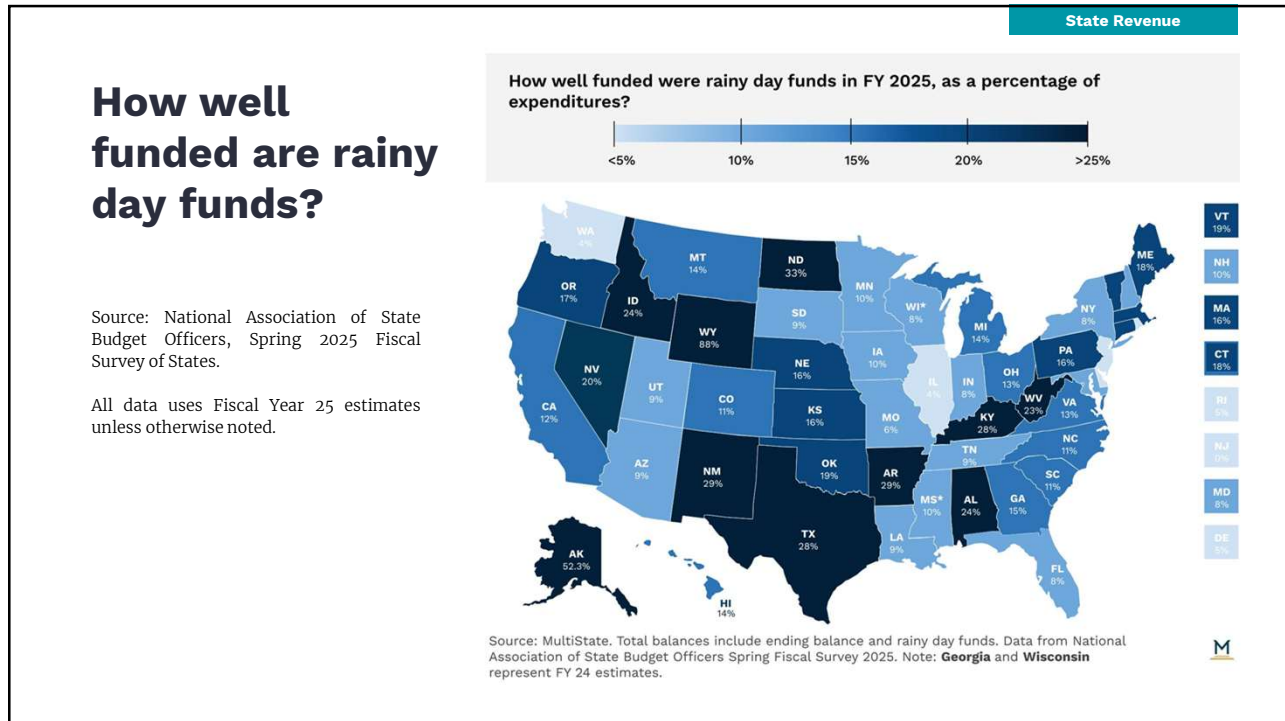
- Stable short-term fiscal outlook
- Challenging short-term fiscal outlook
- Conditional short-term fiscal outlook



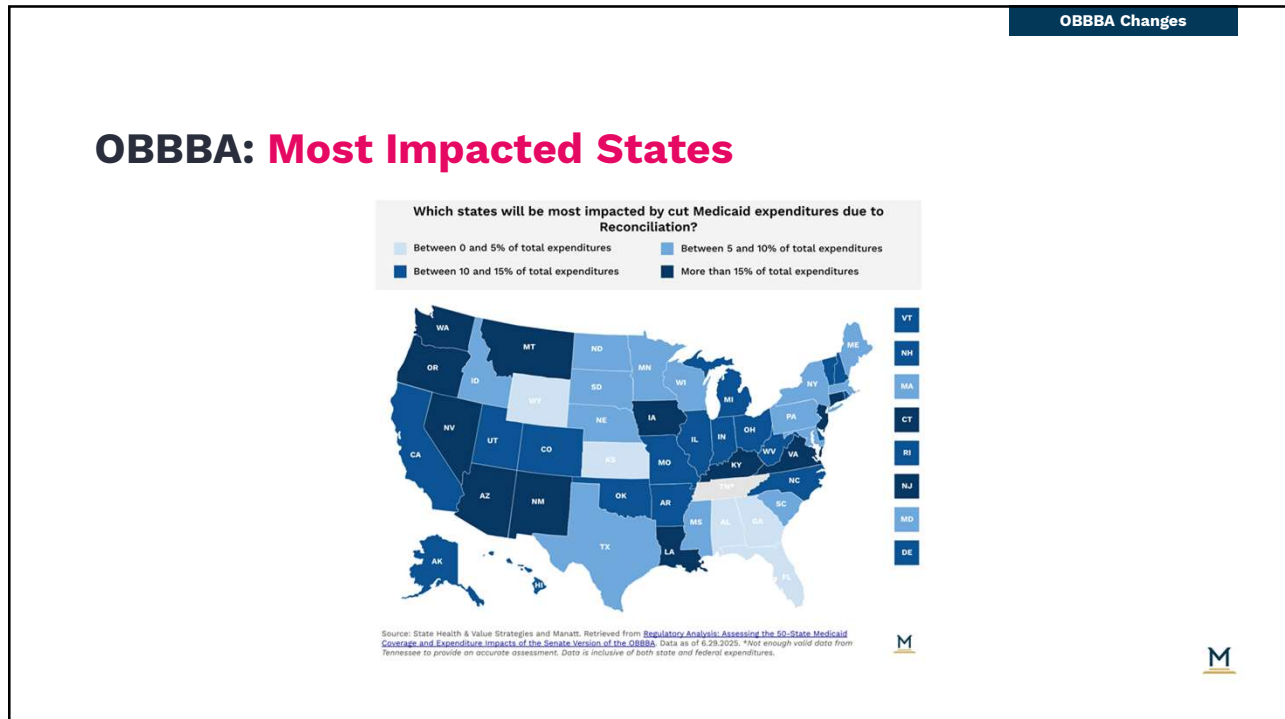
Source: MultiState collection of state revenue estimates. Data as of October 2025.



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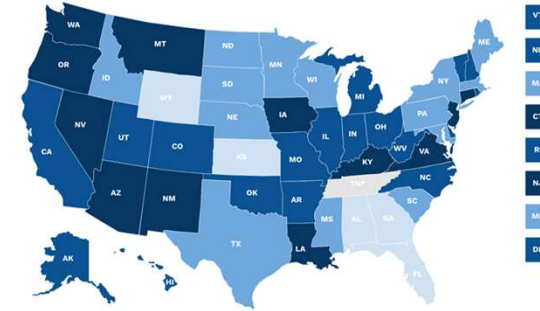


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OBBBA: Most Impacted States

Which states will be most impacted by cut Medicaid expenditures due to Reconciliation?

- Between 0 and 5% of total expenditures
- Between 5 and 10% of total expenditures
- Between 10 and 15% of total expenditures
- More than 15% of total expenditures

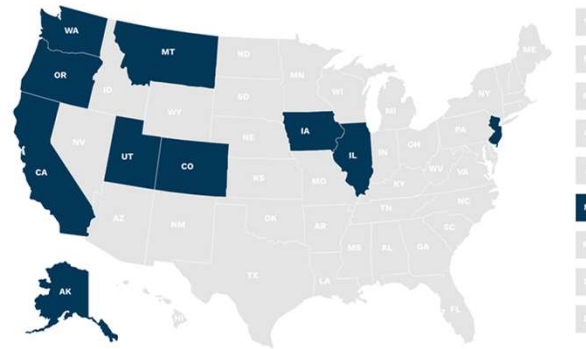


Source: State Health & Value Strategies and Manatt. Retrieved from [Regulatory Analysis: Assessing the 50-State Medicaid Coverage and Expenditure Impacts of the Senate Version of the OBBBA](#). Data as of 6/29/2025. *Not enough valid data from Tennessee to provide an accurate assessment. Data is inclusive of both state and federal expenditures.



OBBBA: Most Impacted States

Which states are already facing conditional or challenging revenue forecasts in the short term, and will be most impacted by the federal Medicaid cuts?



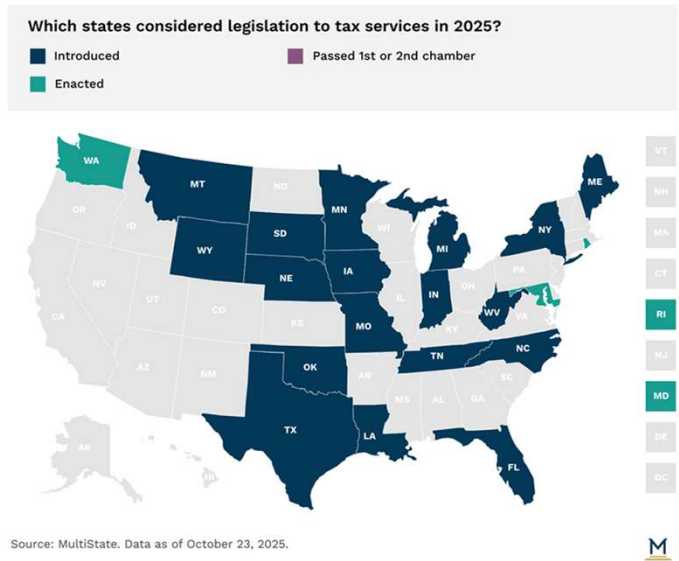
Source: MultiState. Data as of July 17, 2025. Note: Map highlights any states facing conditional or challenging revenue forecasts in the next two to three fiscal years and will experience a reduction of at least 10 percent of federal Medicaid expenditures.



Taxation of Services

GOP seeking a payfor to cut/eliminate taxes, Dems seeking “fiscal equity” and revenue support

- Washington
- Maryland
- Minnesota (seriously debated)



Courts



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Courts

- **IL Day and Temp Labor Services Act**
 - ❑ Preliminary injunction based on ERISA pre-emption granted THEN reversed
 - ❑ Litigation stayed pending rulemaking
 - ❑ ASA filed comment letter - September 10th
- **NJ Temporary Worker Bill of Rights**
 - ❑ Preliminary injunction based on ERISA pre-emption denied
 - ❑ Parties are engaged in extensive discovery
 - ❑ No enforcement of equal benefits provision currently
 - ❑ Final rules published



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Courts

- **Nevada Staffing Ban—ASA Offers a Solution**
 - ❑ NV law prohibits contractors from contracting with staffing firms that are not licensed contractors to perform skilled work requiring a contractor's license.
 - ❑ ASA has proposed creation of a special licensing category for "labor suppliers" that would allow staffing firms to provide skilled construction workers without having to obtain multiple trade licenses.
 - ❑ The Nevada Contractors Board is considering the ASA proposal as part of a potential settlement of the association's lawsuit challenging the ban on skilled staffing.



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New/Updated ASA Resources



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ASA Resources

■ ASA New/Updated Issue Papers & Tool Kits

- Independent Contractor
- AI Policy
- Anti-Fraud
- ICHRAs
- Marijuana in the Workplace
- Co-Employment



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2026 Elections



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2026 Elections: House

- **Republicans**
 - Solid: 190 (WI-05, WI-06, WI-07, WI-08)
 - Likely: 14 (WI-01)
 - Lean: 9
 - Tossup: 8 (WI-03)
 - Other: 1 (NE-02)
- **Democrats**
 - Solid: 172 (WI-02, WI-04)
 - Likely: 19
 - Lean: 10
 - Tossup: 9
 - Other: 3 (NC-01 TX-34 and TX-35)



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2026 Elections: Senate

- **Republicans (22 seats)**
 - Solid: 17
 - Likely: 2 (IA and TX)
 - Lean: 1 (OH)
 - Tossup: 2 (ME and NC)
- **Democrats (13 seats)**
 - Solid: 9
 - Likely: 1 (MN)
 - Lean: 1 (NH)
 - Tossup: 2 (GA and MN)



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2026 Elections: Governors

- **Republicans (19 seats)**
 - Solid: 13
 - Likely: 2 (NH and OH)
 - Lean: 1 (IA)
 - Tossup: 2 (GA and NV)
 - Other: 1 (VA)
- **Democrats (19 seats)**
 - Solid: 9
 - Likely: 5 (ME, MN, NM, NY and PA)
 - Lean: 1 (NJ)
 - Tossup: 3 (AZ, MI, and WI)
 - Other: 1 (KS)



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A presentation slide with a blue background featuring a white cloud pattern. The text "Q&A" is centered in white. At the bottom right, the ASA logo (a blue square with white letters) is followed by the text "American Staffing Association". The slide is framed by a thin black border and has light gray horizontal bars at the top and bottom.