NALP Legislative Alert: DOL Changes to Overtime Pay



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HERNDON, Va. — The U.S. Department of Labor (DOL) has proposed potentially devastating changes to the white-collar exemptions to federal overtime pay requirements. Currently, a person must satisfy three criteria to qualify as "exempt": first, they must make a salary; second, that salary must be more than \$455 a week (\$23,660 annually); and third, their "primary duties" must be consistent with managerial, professional or administrative positions as defined by DOL. In the proposal, DOL is considering raising the minimum salary threshold to \$970 per week (\$50,440 annually); an increase of over 100 percent. The DOL intends to make them effective in 60 days which is far too little time for research and comment by the companies that will be impacted.

That is why NALP is demanding that the administration take a more measured approach. We are in the process of collecting data about how this will impact our industry. While NALP's government relations team is providing comments from the industry as a whole; they need to hear directly from the businesses that will be affected. Please use the links provided below to email DOL and your members of congress and tell them that the public needs an additional 60 days to comment.

Write Your Legislator: <u>Take action now on our Legislative Action Center</u>
Ask the Department of Labor to Extend the Deadline for Comments: <u>Take action</u>
now on the DOL website

Included below is sample language that you can cut and paste and put in the comments box of the Department of Labor website:

I am writing to urge you to extend the comment deadline on the Department of Labor's proposed rule on exemptions to overtime pay requirements under the FLSA by 60 days. This additional time is needed to provide accurate, comprehensive comments on the proposal's potential impact.

DOL is considering increasing the minimum salary threshold from current levels of \$455 a week to \$970, an increase of over 100 percent, which will result in massive increases in costs and decreases in employees' flexibility. DOL is also considering indexing the salary threshold to either inflation or the 40th percentile of salaried workers' weekly earnings in order to avoid the need for future updates. Both of these changes will have serious economic consequences, and analysis will be time-consuming.

The Department has also included several questions regarding the current primary duties test used to determine whether an employee's primary responsibilities exempt them from overtime. Additional time is clearly needed to analyze and answer these questions in an informed manner. I urge you issue a 60-day extension. We need additional time to accurately assess the rule and its implications.