ISSUE:

In 2016, the U.S. Department of Labor (DOL) issued a final regulation updating overtime rules for white-collar salaried employees for the first time since 2004. The result of the regulation is that any salaried employee meeting the DOL’s criteria making less than $47,476 a year and working more than 40 hours a week will be entitled to overtime pay.

Met with strong resistance and legal challenges, in 2017 the overtime rule was blocked by a federal court from taking effect. As a result, the DOL has begun a new rulemaking process to update the overtime rules. In a statement to the Court, the DOL asked the Court to approve the validity of using some type of income threshold in determining overtime as has been the practice since the 1940s.

NAMA POSITION:

NAMA supports overtime rules for white-collar salaried employees that are adequately aligned with their job duties and the region of the country in which they work and not overly-burdensome to employers.

Thus, NAMA encourages Congress and the Administration to protect employers, employees and consumers by creating flexibility for all businesses, especially small to medium sized businesses, and taking regional differences into account with any new overtime proposal.