

11th Hour Questions About DOL's Overtime Rules

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As the DOL's final proposal nears reality, the expected economic impact is making some members of Congress very nervous. Even supporters of the Department of Labor's (DOL) upcoming overtime regulations (anticipated to be released in final form sometime soon) are raising last-minute concerns about the regulations' potentially adverse impact on businesses-- small businesses in particular. The expected revised DOL regulations on overtime will affect the exempt status of an estimated five million white-collar employees. The DOL has proposed a salary threshold of \$970 per week—so those earning less than \$970 weekly will be automatically eligible for overtime. Now, employees who are guaranteed a salary of \$455 per week -- or \$22,660 annually -- may not be eligible for overtime. But, a handful of Congressional Democrats and at least one Independent in the Senate are suggesting changes to how the new rules are implemented. Last week, Maine Independent Senator Angus King sent a letter to the Office of Management and Budget (OMB), where the final regulations are under review. [Senator King's letter](#) expresses "serious concerns" about the impact of the new rules, including,

- The "uniform standard" of the salary threshold, which may not appropriately reflect the geographical differences in wages
- Automatic increases, which may exceed increases in a business's revenue
- The timeline for implementation, which could make it difficult for businesses to adjust their budgets

In addition to Senator King's letter, last week, Minnesota Democrat Representative Collin Peterson asked his colleagues to sign a letter urging the DOL to modify implementation guidelines for those in organizations funded by Medicaid—particularly organizations assisting people with intellectual and development disabilities. These 11th hour questions are familiar to anyone who runs a business, and echo some of the comments made in response to the proposed regulations. As reported by our colleague, Mark Kittaka, on this blog last month, [the final rule](#) is expected very soon.

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