



Construction Industry Round Table

Legislative News

A force for positive change in the design / construction industry

8/23/2016 – DOL’s New Overtime Rule Under Fire in Congress

As the members of Congress return from their conventions break, a piece of business that might get attention is the recently finalized Department of Labor (DOL) “salaried” employee rule. CIRT opposed the DOL’s new overtime regulation which will dramatically change what employees must be paid overtime if they work more than 40 hours a week. The new salary threshold that defines who is eligible will go from \$455/week (\$23,660 annually) to \$913/week (\$47,476 annually)—a 100% increase. Employers will either have to increase an employee’s salary to continue classifying them as exempt, or reclassify them and pay them overtime, with all of the hourly restrictions that entails. The new overtime rule will take effect December 1st, if Congress doesn’t act, and so far, they haven’t acted.

If this is a matter of interest to you, CIRT is working in concert with many other business groups as part of the U.S. Chamber of Commerce to promote a compromise bill in Congress that will at least reduce the immediate impact of the changes to spread them out. The *Overtime Reform and Enhancement Act* (H.R. 5813) would soften the impact of the Department of Labor’s overtime regulation by phasing in the salary threshold increase over 3 years, and eliminating the provision that will result in a new salary threshold every three years automatically—without input from employers or any other affected parties.

The bill was introduced just before the summer recess, and not many members of the House have cosponsored [H.R. 5813](#). **Contact your member of Congress and ask them to Co-Sponsor this bill, or one similar in nature.**