



Phasing in new salary threshold is prudent

EDITORIAL

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Finally, some common sense is floating from the nation's capital to the rest of the country over the proposed wage minimum for managers.

The proposal, which has been adopted by the U.S. Department of Labor and knighted by President Obama, would require employers to increase the threshold for salary employees from \$23,600 to \$47,476, a 100 percent jump. Under the new plan, employers would be obligated to pay their employees overtime if they fall within the new wage guidelines.

Like the low per hour wages, the present threshold is seriously outdated, but the best way to drive a spike into a small business' heart is to take one giant leap to "make everything right." If this revised threshold stands, many small and medium-sized businesses will be financially hurt, and as a result, a leaner workforce may be implemented to meet the new demands.

No one can say \$23,600 is not a reasonable wage for a manager, many of whom work 50 and 60 hours a week. On a 40-hour week, that translates to \$11.17 per hour, but on a 60-hour week, the hourly compensation comes in at \$7.44 an hour.

This law will go into effect unless Congress adopts a more moderate rule. Many small businesses in Churchill and neighboring Lyon counties to include numerous non-profits, restaurant owners, homebuilders and shopkeepers have said the steep increase would cripple their abilities to support their workforces and carry out their missions.

Consequently, communities such as Fallon and Fernley would suffer a setback as they continue their slow recovery to becoming profitable again.

A bill recently introduced by four Democratic Congressmen is now gaining support across the aisle. The proposal made by Representatives by Reps. Kurt Schrader, Oregon; Jim Cooper, Tennessee; Henry Cuellar, Texas; and Collin Peterson, Minnesota, would help small businesses to comply with a new rule being implemented by the U.S. Department of Labor that will increase the salary threshold by 100 percent in one leap on Dec. 1, 2016.

The Overtime Reform and Enhancement Act would instead impose a 50 percent increase in December and then phase in the remainder over four years.

Already onboard for phasing in the new requirements are numerous chambers of commerce, the U.S. Chamber of Commerce, an advocate for small business, and economic development agencies.

Additionally, we would like to see Nevada's four representatives including Congressman Mark Amodei whose district includes Northern Nevada, support the bipartisan effort.

This is one bill that will show small businesses that their representatives from both parties are actually listening and willing to help them, not become a rubber stamp for the DOL and White House.

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