RETAILERS WELCOME LEGISLATION TO PHASE IN DOL OVERTIME RULE

Arlington, VA - 7/14/2016

The Retail Industry Leaders Association (RILA) welcomed the introduction of legislation in the U.S. House of Representatives that would require the U.S. Department of Labor to phase in the new rules that determine what employees qualify for overtime. The overtime rule, released in May and slated to take effect on December 1, increases the salary threshold under which most employees must be paid overtime from $23,660 to $47,476.

Introduced by Rep. Kurt Schrader (D-OR), the Overtime Reform and Enhancement Act would revise the implementation of the overtime rule by phasing in the salary threshold increase gradually over the course of three years. Additionally, the legislation would nullify the automatic updates to the salary threshold set forth by the final rule.

“Retailers applaud Congressman Schrader for stepping in to ease the pain that the enormous and sudden changes this rule will cause employees and employers, and we urge Congress to take action quickly,” said Jennifer Safavian, executive vice president for government affairs. “By making such dramatic changes to how employees are classified, the Department of Labor is hurting those that it claims it is trying to help. For retail employees, the changes will force countless employees to be reclassified from salaried to hourly, robbing them of the flexibility and upward mobility they currently value.”

RILA also supports the Protecting Workplace Advancement and Opportunity Act (H.R. 4773), introduced by Representative Tim Walberg (R-MI) and Chairman John Kline (R-MN) and has urged Congress to take action on the bill.

RILA is the trade association of the world’s largest and most innovative retail companies. RILA members include more than 200 retailers, product manufacturers, and service suppliers, which together account for more than $1.5 trillion in annual sales, millions of American jobs and more than 100,000 stores, manufacturing facilities and distribution centers domestically and abroad.

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Brian Dodge  
Executive Vice President, Communications and Strategic Initiatives  
Phone: 703-600-2017  
Email: brian.dodge@rila.org