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WorldatWork Supports Legislative Efforts to Eliminate the Automatic-Update Provision of the Overtime Rule

July 14, 2016 — WASHINGTON, D.C. — *Cara Woodson Welch, WorldatWork vice president of external affairs and practice leadership, issued the following statement in support of legislation that would eliminate the most harmful provisions of the U.S. Department of Labor's recently finalized overtime regulation:*

“WorldatWork welcomes the introduction of the Overtime Reform and Enhancement Act by Rep. Kurt Schrader (D-Ore.). WorldatWork is extremely encouraged by the growing bipartisan concern regarding the Department of Labor's final overtime rules.

“WorldatWork supports an increase to the salary threshold, but we strongly believe any updates must be made through a formal notice and comment period that allows the regulated community to have a voice in the proposed change. The recent changes to the regulations include an automatic update tied to the 40th percentile of weekly earnings of full-time salaried workers in the lowest-wage census region. Rep. Schrader's legislation recognizes that tying the salary-level threshold to this index will effectively erode the exempt-worker status as we now know it, and therefore strikes this alarming provision of the rule.

“Because of the U.S. Department of Labor's auto-update mechanism, there is real danger that the exempt classification will head to near extinction in just 15 years, when the threshold could be as high as [\\$262,060](#). This profound and radical change in the structure of the American workforce will be devastating to millions of exempt employees. They may lose benefits, workplace flexibility, advancement opportunities and a sense of worth they've worked hard to attain.

“WorldatWork welcomes and supports Rep. Schrader bill and continues to support any other legislative efforts that will address the draconian indexing published in the Department of Labor's final overtime rule, including the Protecting Workplace Advancement and Opportunity Act (H.R. 4773), introduced by Rep. Tim Walberg, (R-Mich.) in March. We look forward to working with Congress to find a legislative solution to this harmful provision of the overtime rule.”

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About WorldatWork

The Total Rewards Association

WorldatWork is a nonprofit [human resources association](#) and compensation authority for professionals and organizations focused on compensation, benefits and [total rewards](#). It's our mission to empower professionals to become masters in their fields. We do so by providing thought leadership in total rewards disciplines from the world's most respected experts; ensuring access to timely, relevant content; and fostering an active community of total rewards practitioners and leaders.

WorldatWork has more than 70,000 members and subscribers worldwide; more than 80% of Fortune 500 companies employ a WorldatWork member. Founded in 1955, WorldatWork has offices in Scottsdale, Ariz., and Washington, D.C., and is affiliated with more than 70 human resources associations around the world.