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Mary Ziegler  
Director  
Division of Regulations, Legislation and Interpretation  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue N.W. Room S-3502  
Washington D.C. 20210


Dear Ms. Ziegler,

On behalf of the Society for Human Resource Management (SHRM), I respectfully request that the Department of Labor (DOL) extend the comment period for RIN 1235-AA11 on overtime exemptions by an additional 60 days, to November 3, 2015.

Founded in 1948, SHRM is the world’s largest HR membership organization devoted to human resource management and the leading provider of resources to serve the needs of HR professionals and advance the professional practice of human resource management. SHRM has more than 575 affiliated chapters within the United States and more than 275,000 members who work in organizations in communities across the country and in every industry.

All workplaces will be affected by the proposed changes to the Fair Labor Standards Act (FLSA) overtime regulations; specifically the potential changes to the salary threshold to determine non-exempt coverage. However, some workplaces feel the impact more significantly because they work in the nonprofit or service sectors or because they work in areas of the country with lower costs of living. It is clear that employers and HR professionals are trying to understand the rule and its potential impact on their organizations. In fact, SHRM’s recent webinar on the proposed rule was the largest webinar in SHRM history garnering nearly 12,000 registrants in just a few days. We are aware that other educational programs on the proposed rule aimed at employers experienced similar results.
In the proposed rule, the Department seeks to set the salary level to encompass the 40th percentile of earnings for full-time salaried workers, a proposal that would more than double the current minimum salary threshold by 2016. To understand the likely consequences that this steep increase will have on the economy and workplaces, it is critical to gather input from a wide range of employers especially in light of the dramatic effect the new salary level will have on certain industries and certain geographic areas.

As many of our members pointed out during DOL’s listening sessions, employers address compensation costs as part of their overall budget. The proposed rule increases the eligibility for and cost of overtime. Understanding what kinds of business decisions employers are likely to make in response to the proposed regulations is critical to evaluating its efficacy. Providing useful information to the Department cannot be accomplished in 60 days, especially over summer months.

Providing feedback on the proposed rule is also challenging due to its incomplete nature. The Department’s decision to address salary level without also making specific proposed changes to the duties test, or foreclosing the possibility that changes may be made at a later date, leaves the public and SHRM members with an incomplete understanding of how the rule will operate in its final form. We will need adequate time to address the multiple questions about the duties test that are posed in the proposed regulation and analyze the various hypothetical changes the Department could made in light of the increased salary level.

For the foregoing reasons, we request that the comment period be extended by 60 days, to November 3, 2015.

Sincerely,

Michael P. Aitken
Vice President of Government Affairs
Society for Human Resource Management