DEPARTMENT OF LABOR

Wage and Hour Division

29 CFR Part 541

White Collar Exemption Regulations; Public Listening Sessions

AGENCY: Wage and Hour Division, Department of Labor.

ACTION: Notification of public listening sessions.

SUMMARY: The Department of Labor will conduct public listening sessions to gather views on white collar exemption regulations. The Fair Labor Standards Act (FLSA) generally requires covered employers to pay their employees at least the federal minimum wage (currently $7.25 an hour) for all hours worked, and overtime premium pay of not less than one and one-half times the employee’s regular rate of pay for any hours worked over 40 in a workweek. The FLSA exempts from both minimum wage and overtime protection “any employee employed in a bona fide executive, administrative, or professional capacity” and delegates to the Secretary of Labor the power to define and delimit these terms through regulations. The Department will not attempt to achieve a consensus view in these listening sessions, but rather is interested in hearing the views and ideas of participants.

ADDRESSES: To obtain specific location details and register to attend, please visit this link: https://www.eventbrite.com/e/overtime-rule-outreach-sessions-tickets-49216139799.

FOR FURTHER INFORMATION CONTACT: Stephen Davis, Listening Session Coordinator, Division of Regulations, Legislation, and Interpretation, Wage and Hour Division, U.S. Department of Labor, Room S–3502, 200 Constitution Avenue NW, Washington, DC 20210; telephone: (202) 693–0406 (this is not a toll-free number). Copies of this notice may be obtained in alternative formats (Large Print, Braille, Audio Tape, or Disc), upon request, by calling (202) 693–0023 (not a toll-free number). TTY/TDD callers may dial toll-free (877) 889–5627 to obtain information or request materials in alternative formats.

SUPPLEMENTARY INFORMATION: On July 26, 2017, the Department of Labor published a Request for Information (RFI), Defining and Delimiting the Exemptions for Executive, Administrative, Professional, Outside Sales and Computer Employees. See 82 FR 34616. The RFI was one opportunity for the public to provide information to aid the Department in formulating a proposal to revise the white collar exemption regulations. Public listening sessions will provide further opportunity for the public to provide input on issues related to the salary level test, such as:

1. What is the appropriate salary level (or range of salary levels) above which the overtime exemptions for bona fide executive, administrative, or professional employees may apply? Why?
2. What benefits and costs to employees and employers might accompany an increased salary level? How would an increased salary level affect real wages (e.g., increasing overtime pay for employees whose current salaries are below a new level but above the current threshold)? Could an increased salary level reduce litigation costs by reducing the number of employees whose exemption status is unclear? Could this additional certainty produce other benefits for employees and employers?
3. What is the best methodology to determine an updated salary level? Should the update derive from wage growth, cost-of-living increases, actual wages paid to employees, or some other measure?

4. Should the Department more regularly update the standard salary level and the total-annual-compensation level for highly compensated employees? If so, how should these updates be made? How frequently should updates occur? What benefits, if any, could result from more frequent updates?

Dated: August 20, 2018.

Melvin L. Watt,
Director, Federal Housing Finance Agency.