



September 4, 2015

Mary Ziegler, Director  
Division of Regulations, Legislation, and Interpretation  
Wage and Hour Division  
U.S. Department of Labor, Room S-3510  
200 Constitution Avenue NW  
Washington, DC 20210  
*Submitted via [www.regulations.gov](http://www.regulations.gov)*

**Re: AAUW comments on proposed revisions to the Fair Labor Standards Act regulations pertaining to the exemption for Exemptions for Executive, Administrative, Professional, Outside Sales and Computer Employees (RIN 1235-AA11)**

Dear Ms. Ziegler:

On behalf of the more than 170,000 members and supporters of the American Association of University Women (AAUW), I am pleased to share AAUW's comments on the rule proposed by the Department of Labor (DOL) which updates the regulations defining which workers are protected by the Fair Labor Standards Act (FLSA) minimum wage and overtime standards.<sup>1</sup> AAUW's member-adopted public policy principles call for a "livable wage" and "reduction of poverty."<sup>2</sup> AAUW strongly supports this proposed rule because it strengthens overtime protections for as many as 13.5 million salaried workers, 6.9 million of whom are women.<sup>3</sup> This proposed rule is needed to reflect today's economy and the needs of families across the country.

FLSA's Section 13(a)(1) excludes certain white collar employees from overtime pay protections for a number of reasons, including a presumption that these workers earn higher salaries and benefits as opposed to other workers who are entitled to overtime pay. Overtime protections and the right to a limited work week are important underpinnings to FLSA. However, studies show Americans are working longer hours while wages remain stagnant.<sup>4</sup> Additionally, research shows that employers routinely "promote" previously nonexempt workers, who were eligible to earn overtime pay, to salaried low-level managerial positions which demand hours over the 40 hour a week threshold without overtime pay.<sup>5</sup> This practice essentially cheats millions of workers who are working these longer overtime hours out of pay and DOL's proposed rule would help fix the problem.

While it is generally true that salaries increase over the years to keep up with the rising cost of living, the overtime threshold for white collar employees has not been adjusted keep up with inflation or the cost of living. Unfortunately, many workers are now at the mercy of these outdated regulations which state that they are only automatically eligible for overtime pay if they are paid less than \$23,660 annually (\$455 a week), an amount less than the 2015 poverty level for a family of 4.

AAUW supports the proposed rule to raise the salary threshold in 2016 to an estimated \$50,440 (40th percentile of weekly earnings for full-time salaried workers). Research shows this increase would disproportionately help women, especially young and minority women, because these workers are more likely than other subgroups to have lower salaries and are currently paid below the proposed new threshold.<sup>6</sup> Furthermore, AAUW supports automatic updates to the salary level to prevent the level from becoming outdated.

Thank you for the opportunity to submit comments on this important issue. I look forward to working with you to improving women's economic security. If you have any questions, please feel free to contact me at 202-785-7720, or Erin Prangle, Associate Director of Government Relations at 202-728-7617.

Sincerely,



Lisa M. Maatz  
Vice President of Government Relations

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<sup>1</sup> *The Federal Register*. (March 13, 2015). RIN 1235-AA11 *Defining and Delimiting the Exemptions for Executive, Administrative, Professional, Outside Sales and Computer Employees: Wage and Hour Division, Department of Labor; Proposed Rule*. [www.dol.gov/whd/overtime/NPRM2015/OT-NPRM.pdf](http://www.dol.gov/whd/overtime/NPRM2015/OT-NPRM.pdf)

<sup>2</sup> AAUW. (2015). *AAUW Public Policy Program, 2015-2017*. [www.aauw.org/resource/principles-and-priorities/](http://www.aauw.org/resource/principles-and-priorities/)

<sup>3</sup> Institute for Women's Policy Research. (2015). *How the New Overtime Rule Will Help Women & Families*. [www.iwpr.org/publications#sthash.OMNib9Uy.dpuf](http://www.iwpr.org/publications#sthash.OMNib9Uy.dpuf)

<sup>4</sup> Economic Policy Institute. (2015). *Why It's Time to Update Overtime Pay Rules*. [www.epi.org/publication/time-update-overtime-pay-rules-answers-frequently/](http://www.epi.org/publication/time-update-overtime-pay-rules-answers-frequently/)

<sup>5</sup> See National Employment Law Center

<sup>6</sup> See Economic Policy Institute. (2014). *Increasing the Overtime Salary Threshold Is Family-Friendly Policy: Women, Minorities, and Younger and Less-Educated Workers Would Be Most Helped*. [www.epi.org/publication/increasing-overtime-salary-threshold-family/](http://www.epi.org/publication/increasing-overtime-salary-threshold-family/). See also Institute for Women's Policy Research. (2015). *How the New Overtime Rule Will Help Women & Families*. [www.iwpr.org/publications#sthash.OMNib9Uy.dpuf](http://www.iwpr.org/publications#sthash.OMNib9Uy.dpuf)