DOL Proposes New Overtime Regulations

This week, the Department of Labor (DOL) announced a <u>Notice of Proposed Rulemaking</u> altering the overtime pay regulations under the Fair Labor Standards Act (FLSA). The proposed rule would increase the FLSA regulations' standard salary level from \$35,568 per year to \$55,068 per year. The proposal would also implement automatic increases to the threshold every three years. The DOL is not proposing any changes to the duties test. A summary of the proposed rule can be found below:

- Increases the FLSA regulations' standard salary level from \$684 per week (\$35,568 per year) to \$1,059 per week (\$55,068 per year).
- Increases the total annual compensation requirement for highly compensated employees from \$107,432 per year to \$143,988 per year.
- Implements automatic increases to the threshold which would be updated every 3 years and tied to the 35th percentile of weekly earnings of full-time non hourly workers in the lowest-wage Census Region.
- Applies the overtime standard salary level to Puerto Rico, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands.
- No proposed changes to the standard duties test.

The DOL has set a 60-day comment period for stakeholders to submit feedback on the proposed rule. NDA is thoroughly reviewing the proposal and will be filing substantive comments to DOL on behalf of the demolition industry. NDA will also be working with its coalition partners to express concerns to the Biden administration regarding the impact these proposed changes could have on employers and employees.

OSHA Proposes Worker Walkaround Rule

This week, the Occupational Safety and Health Administration (OSHA) issued a Notice of Proposed Rulemaking on its worker walkaround representative designation process. The proposed rule would allow union representatives to accompany OSHA inspectors on walk around inspections at non-union workplaces.

The proposal focuses on allowing third party representatives to participate in OSHA inspections, if requested by an employee, on the basis that they have "relevant knowledge, skills, or experience with hazards or conditions in the workplace or similar workplaces, or language skills of third-party representative(s) authorized by employees who may be reasonably necessary to the conduct of a CSHO's physical inspection of the workplace."

NDA is currently reviewing the proposed rule to determine its impact on the demolition industry. The proposed rule has a comment period of 60 days.