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FOR IMMEDIATE RELEASE
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REGIONAL CHAMBER OPPOSES NEW L&I OVERTIME RULES

TRI-CITIES, Wash. – On Wednesday, August 21, the Tri-City Regional Chamber of Commerce Board of Directors voted to take action in response to the Washington State Department of Labor and Industries (L&I) new overtime rules.

The proposed rules, which can be found [here](#), will have a big impact on Washington employers, specifically nonprofits and small businesses.

Fully implemented by 2026, the new rule says a salaried Executive, Administrative and Professional (EAP) worker across all industries, will have to be making \$79,872 per year to be exempt from overtime pay after working more than 40 hours in a work week – which is 2.5 times the current salary. The rules will have an immediate impact on flexible work schedules and management opportunities for employees.

If adopted as currently written, these new rules create unnecessary hardship for small business and nonprofits - especially in rural counties where salaries and living costs are lower. The scale and timing of the L&I proposal is simply too much, too soon.

Tri-City Regional Chamber advocacy includes the following recommendations:

- **Apply regionalization.** We have a diverse state, and the cost of living between Seattle and southeastern Washington is extreme. Established threshold amounts should reflect this through a regional adjustment.
- **Delay implementation** of the new rule until January 2021 allowing business and nonprofits to first absorb the significant minimum wage increase and the ensuing wage compression issues that were created by previous legislation prior to addressing EAP impacts.

- **Slow down** the acceleration by extending implementation phase-in over 10-12 years, rather than six years.
- **Set the salary threshold at 1.5 – 1.75** times the state minimum wage (\$42,120 - \$49,140) for a 40-hour workweek (\$945).
- Set ensuing increases relative to the **Consumer Price Index** rather than the minimum wage.
- Align Washington state rule changes with federal rules. **Consistency** between state and federal law greatly assists employers in understanding their obligations and enhances interstate uniformity and the State's economic competitiveness for economic development.

“This is a critical issue,” said the Chamber’s Local Government Affairs Committee Chairman, Jim Arneson. “We urge the Washington State Department of Labor and Industries to take a regional approach and carefully consider the disparate effect the new rules, as currently written, will have on our members here in Southeastern Washington.”

The Chamber encourages its members, along with all Washington business owners, to provide L&I with formal public comments regarding the new rules. Comments can be sent via email at eaprules@lni.wa.gov or by fax at 360-902-5300; or mail your comments to the Employment Standards Program, P.O. Box 44510, Olympia, WA 98504-4510. L&I must receive your comments by 5 p.m. Sept. 6, 2019.

The Tri-City Regional Chamber of Commerce is the catalyst, convener and champion for community and business prosperity. For further details about the Regional Chamber, visit www.tricityregionalchamber.com or call 509.736.0510.

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