



U.S. Department of Labor Releases Overtime Update Proposal

WASHINGTON, DC - Today, the U.S. Department of Labor announced a Notice of Proposed Rulemaking (NPRM) that would make more than a million more American workers eligible for overtime.

Under currently enforced law, employees with a salary below \$455 per week (\$23,660 annually) must be paid overtime if they work more than 40 hours per week. Workers making at least this salary level may be eligible for overtime based on their job duties. This salary level was set in 2004.



This new proposal would update the salary threshold using current wage data, projected to January 1, 2020. The result would boost the standard salary level from \$455 to \$679 per week (equivalent to \$35,308 per year).

The Department is also asking for public comment on the NPRM's language for periodic review to update the salary threshold. An update would continue to require notice-and-comment rulemaking.

In developing the proposal, the Department received extensive public input from six in-person listening sessions held around the nation and more than 200,000 comments as part of a 2017 Request for Information (RFI).

"Our economy has more job openings than job seekers and more Americans are joining the labor force," said Secretary Alexander Acosta. "At my confirmation hearings, I committed to an update of the 2004 overtime threshold, and today's proposal would bring common sense, consistency, and higher wages to working Americans."

"Commenters on the RFI and in-person sessions overwhelmingly agreed that the 2004 levels need to be updated," said Keith Sonderling, Acting Administrator for the Department's Wage and Hour Division.

The NPRM maintains overtime protections for police officers, fire fighters, paramedics, nurses, and laborers including: non-management production-line employees and non-management employees in maintenance, construction and similar occupations such as carpenters, electricians, mechanics, plumbers, iron workers, craftsmen, operating engineers, longshoremen, and construction workers. The proposal does not call for automatic adjustments to the salary threshold.

A 2016 final rule to change the overtime thresholds was enjoined by the U.S. District Court for the Eastern District of Texas on November 22, 2016. As of November 6, 2017, the U.S. Court of Appeals for the Fifth Circuit has held an appeal in abeyance pending further rulemaking regarding a revised salary threshold. As the 2016 final rule was enjoined, the Department has consistently enforced the 2004 level throughout the last 15 years.





U.S. Department of Labor Releases Overtime Update Proposal (Cont'd)

More information about the proposed rule is available at www.dol.gov/whd/overtime2019. The Department encourages any interested members of the public to submit comments about the proposed rule electronically at www.regulations.gov, in the rule making docket RIN 1235-AA20. Once the rule is published in the Federal Register, the public will have 60 days to submit comments for those comments to be considered.

Hoping the Levee Holds. NFIP in Danger



Hurricane Katrina still haunts New Orleans, forcing residents to think back to the summer of 2005 every time storm clouds gather. When the waters finally receded, more than 1,800 Americans would become casualties to Katrina and 25,000 more would still remain living at the Superdome. Fully 70 percent of New Orleans' occupied housing (134,000 units) would be damaged. It would go down in history as America's most costly disaster.

In the aftermath, the National Flood Insurance Program (NFIP) would pay out over \$16 billion dollars to help the Gulf Coast rebuild. That money helped bring homes back where there was only destruction, to clear away thousands of tons of debris, to return New Orleans and other affected areas to some semblance of pre-flood life.

The National Apartment Association (NAA) is working to educate and partner with policymakers to protect NFIP, help it serve more people and enact needed and overdue reforms. Those reforms take many shapes, like promoting a more robust private market, investing in more accurate flood mapping technology and allowing apartment owners to obtain umbrella coverage for multiple buildings on a property. The NFIP is an essential risk management tool for the apartment industry, and NAA is committed to working with policymakers to ensure its long-term health and viability.

NFIP performed admirably in the crisis for which it had been established all the way back in 1968. At that time, local communities and the federal government were working out an agreement, wherein communities enforce floodplain management at their level to reduce the risk of future flooding in special designated areas, dubbed Special Flood Hazard Areas, and the federal government would make available insurance to serve as a financial protection against flood losses where that coverage didn't exist.

It remains NAA's goal to ensure NFIP works more effectively for apartment owners, and the organization is here as a resource for our members, for the public and for policymakers to help achieve that goal. Find out more about NAA and the NFIP by visiting our NFIP policy issue page, or reach out to Manager of Public Policy Alex Rossello, NAA's subject matter expert on flood insurance.





HUD Toughens Housing Inspections

By Suzy Khimm, NBC News

The U.S. Department of Housing and Urban Development has taken a step toward tougher health and safety inspections of taxpayersubsidized housing, amid recent reports of substandard living conditions at the properties.

The agency said it would provide landlords only 14 days' advance notice that it would be conducting an inspection, rather than a heads-up of up to three or four months. The agency described its decision as a "dramatic" change that would discourage cosmetic,



last-minute repairs to housing for low-income Americans, according to a press release issued Wednesday.

The department first floated the idea of tightening the inspection notification window in a meeting with industry stakeholders in late November, two weeks after NBC News published an investigation into the broken inspection process.

"It's become painfully clear to us that too many public housing authorities and private landlords whom we contract with were using the weeks before their inspection to make quick fixes, essentially gaming the system," Housing and Urban Development Secretary Ben Carson said in the press statement Wednesday.

If a property owner or agent refuses a scheduled inspection, the property will automatically get a score of zero, according to the notice detailing the change. A failed inspection is supposed to prompt swift enforcement action by the department, which can conduct follow-up assessments, impose fines or cancel contracts with delinquent landlords, among other steps.

The department's move is part of its broader overhaul of the inspection system that federal officials acknowledge is "broken." The agency said it will hold a series of "listening sessions" in Philadelphia; Fort Worth, Texas; Atlanta; Detroit and Seattle to assist that reform effort, and additional changes may follow.

NBC's investigation uncovered HUD properties that passed inspection despite decrepit living conditions. It found that in some cases, the department had failed to take prompt action against negligent landlords.

In the agency's November meeting with stakeholders, the agency proposed a seven-day notification window for landlords, but industry groups pushed back strongly against the idea.

The Public Housing Authorities Directors Association, which represents housing officials, said the newly announced 14-day window still went too far. "It is unworkable," said Tim Kaiser, the group's executive director, arguing that the change would unfairly burden property managers.





HUD Toughens Housing Inspections (Cont'd)

Kaiser said the department's move failed to address the bigger problems that were driving poor living conditions in its housing: a chronic lack of funding, which makes it difficult to conduct basic repairs and maintenance, as well as what he described as a flawed, "very subjective" inspection tool that does not accurately assess housing conditions.

Diane Yentel, president and CEO of the National Low Income Housing Coalition, which advocates for affordable housing, said she welcomed the department's effort to overhaul its inspection system, but she said that bigger reforms and more funding were sorely needed.

"After eight months of hints, buildup and tough talk from HUD on the big changes coming to REAC, an announcement of a series of listening sessions is disappointing," Yentel said, referring to the department's Real Estate Assessment Center, which conducts the inspections. "What have they been doing all this time?"

AAGW CORNHOLE TOURNAMENT FOR NAAPAC

Thank you to everyone who joined us at Chicken N Pickle for our cornhole tournament last month. We had a beautiful day and raised nearly \$550.00 in PAC contributions. With the great turnout we will heavily consider making this a repeat event in 2020!







THANK YOU TO OUR NEWSLETTER SPONSORS:









