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It has been said that the worst problems are the ones you don't see coming, and there is a significant problem brewing in D.C. that too few people seem to be paying attention to. At President's Obama's urging, the Department of Labor is amending regulations governing the "white collar" exemption from overtime pay. Just this week, the Department of Labor submitted the new overtime rule to the White House's Office of Management and Budget for a final review.

What do these changes to overtime mean? Here's a summary: under the current law,

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entrepreneurial companies can hire and by reducing incentives to work hard. All this, at a time when the U.S. needs more innovation than ever.

The entrepreneurs who fuel our entire economy are busy making payroll rather than reading the Federal Register, and too little attention is paid to protecting this class of people whom we all rely on.

Raising the minimum overtime-eligible salary to \$47,476 (with increases each year) will kill startups, and it will hurt young people who will not be able to be hired in those start-ups. Obama de facto is classifying all people who make less than \$47,476 as per-hour employees. It indirectly coaches a group of people that they should be paid based on the time they put into their work rather than based on the value they create in that business. This is old school – 19th century, child-labor law stuff that is antiquated in the new economy.

This is particularly limiting and dangerous for young people because it takes away the whole idea that an investment in work is an investment in yourself to get better so that you can get out of that pay range. Early in your career, it is only right that the value of what you're learning on the job far exceeds the value of what you're getting paid. As I've advised my own sons, the main thing is to go get a job, even if the money isn't ideal. You're there to learn, to grow your economic capital base, not to punch a time card like my grandfather did when he came over from Ireland.

Employers understand this. Remember, it's hard enough for kids fresh out of college to get employed, because the truth is this: They don't know a lot and they don't add a lot of value because they're inexperienced. Employers are already proving that they'd rather go with unfilled positions than to hire people who don't yet have the skills needed to perform the job on day one. This proposal provides even less incentive to fill jobs with under-qualified workers. What was originally designed as a way to protect workers will, in reality, make it harder for them to find jobs in the first place.

Private companies will do what is logical- be less inclined to hire at the higher cost

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times they are working at all hours of the day for 7 days a week because they seek a larger future payoff and are gaining experience that can pay off for years to come. There needs to at least be an exception to these requirements for startup companies.

Maybe a pizza-shop manager in D.C. or Manhattan needs to earn \$47,476 to make sure they're not forced to work 60 or 80 hours a week, but how about a guy in Tulsa or Bushy Fork? The legislation makes no mention of incorporating geography, despite the fact that the cost of living varies drastically across the country.

This is simply the most ill-conceived legislation I have seen (possibly excepting the ban of the Big Gulp in NYC). Is anyone listening? I hope so. More burden for the job creators — just what we need as the economy begins to slow down.

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