

While you were sleeping: DOL releases new overtime proposal

The White House is finally addressing the Obama administration's 2016 proposal to mandate overtime pay. Late yesterday, Secretary of Labor Alex Acosta released a press statement through the Department of Labor outlining a new proposal.

Using current wage data and extensive public input from six listening sessions, the Department is proposing an update to the salary threshold for overtime to go up from \$455 to \$679 per week (equaling \$35, 308 annually).

What does this mean for you? Get all the details on how these new rules will effect your workforce during our timely new webinar: [Navigating the New Overtime Rules](#) on March 25th.

The current salary level was set in 2004. Under this new proposed rule, more than a million American workers would become eligible for overtime. Details of the proposal are outlined on the DOL's press release:

- The proposal increases the total annual compensation requirement for “highly compensated employees” (HCE) from the currently-enforced level of \$100,000 to \$147,414 per year.

A commitment to periodic review to update the salary threshold. An update would continue to require notice-and-comment rulemaking.

- Allowing employers to use nondiscretionary bonuses and incentive payments (including commissions) that are paid annually or more frequently to satisfy up to 10 percent of the standard salary level.
- No changes overtime protections for:
 - Police Officers
 - Fire Fighters
 - Paramedics
 - Nurses
 - Laborers including: non-management production-line employees
 - Non-management employees in maintenance, construction and similar occupations such as carpenters, electricians, mechanics, plumbers, iron workers, craftsmen, operating engineers, longshoremen, and construction workers
- No changes to the job duties test.
- No automatic adjustments to the salary threshold.

In the press release, Alex Acosta states: “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.”

These changes could be the most complicated and far-ranging yet. Up until now, the DOL has changed some of its enforcement priorities, and wage-and-hour violations have actually INCREASED. In 2018, the DOL

collected a record \$304 million in wages owed to workers and the agency increased the employer penalties for individual FLSA violations. State labor agencies are also stepping up their enforcement.

More information about the proposed rule is available at www.dol.gov/whd/overtime2019. The public is encouraged to submit comments electronically at [regulations.gov](https://www.regulations.gov) over the next 60 days.

Join employment lawyer Anniken Davenport on March 25th for a timely webinar on the new regulations: **[Navigating the New Overtime Rules](#)**.