

## Compliance Alert

March 11<sup>th</sup>, 2019

### Compliance Alert: New DOL Rules on Wage & Overtime in the Works

The U.S. Department of Labor (Department) announced on March 7, 2019 a **Notice of Proposed Rulemaking (NPRM)** that would raise the minimum salary threshold for exempt employees while making more American workers eligible for overtime. Currently, those earning salaries below \$455 p/wk. (\$23,660 annually) must be paid overtime after 40 hours a week.

Workers earning at the current level (set back in 2004) may be eligible for overtime based up on job duties. The new rule, if passed, updates the standard salary level from \$455 to \$679 p/wk. (\$35,308 per year). The DOL is currently seeking public comment regarding the proposal to satisfy notice-and-comment rulemaking.

The NPRM maintains overtime protections for the following:

- Police officers
- Fire fighters
- Paramedics
- Nurses
- Laborers, including:
  - Non-management production-line employees
  - Non-management employees in:
    - Maintenance
    - Construction
    - Carpenters
    - Electricians
    - Mechanics
    - Plumbers
    - Iron workers
    - Craftsmen
    - Operating engineers
    - Longshoremen
    - Construction

The proposal does not call for automatic adjustments to the salary threshold. Further, there is no expected change to the incumbent duties test, so any reclassification would be solely salary based. A final version is expected in fall, 2020.

Should you wish to submit comments, use identifying Regulatory Information Number: (RIN) 1235-AA20, and deliver by either of the following methods:

1. Electronic Comments: Submit comments through the Federal eRule making Portal <http://www.regulations.gov>. Follow the instructions for submitting comments.
2. Mail: Address written submissions to Melissa Smith, Director of the Division of Regulations, Legislation, and Interpretation, Wage and Hour Division, U.S. Department of Labor, Room S-3502, 200 Constitution Avenue, N.W., Washington, D.C. 20210.