



New Overtime Exemption Rule to Take Effect on December 1, 2016

[As we have reported](#) over the last few months, the United States Department of Labor's new overtime exemption rule will take effect on December 1, 2016. That gives employers less than 30 days to ensure they will be in compliance with the new rule.

The Fair Labor Standards Act ("FLSA") requires overtime pay for hours worked over 40 each work week, unless the position qualifies for a recognized exemption. To qualify for certain exemptions, an employee must perform defined duties, be paid on a salary basis and satisfy a minimum salary level requirement. Currently, employees must receive at least \$455 per week (\$23,660/year) in order to satisfy the salary level requirement. Starting December 1, 2016, the FLSA's salary level requirement will be increased to \$913 per week (\$47,476/year).

Although business groups and states have filed lawsuits attempting to block this new rule, no court has issued a ruling. With no judicial reprieve in sight, employers should prepare to comply with the new rule before it takes effect on December 1, 2016.

For more information on the changes, [view Reinhart's complementary presentation](#) on the new overtime exemption rule: *Are You Ready? Updates to FLSA Will Take Effect on December 1, 2016* or view a copy of the [presentation handout](#). Key topics include new rules governing exempt employees, how changes will affect employers, and actions necessary to prepare for rule changes.

If you have any questions about overtime exemptions under the FLSA, please contact [Katie Triska](#), [Rob Driscoll](#) or your Reinhart [Labor and Employment](#) attorney.

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