

Overtime Rules Challenge - Business Groups And States Seek Expedited Relief

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As we have covered in a [prior blog post](#), two different lawsuits have been filed in the Eastern District of Texas challenging the new Department of Labor (DOL) overtime regulations that are currently set to take effect Dec. 1. The DOL's rule more than doubles the current salary threshold for the "white-collar" exemptions. In the lawsuit filed by the group of 21 states' attorney generals, they filed an Emergency Motion for Preliminary Injunction on Oct. 12. The states argued that the DOL exceeded its authority by focusing on the amount of the salary of the employee as compared to the types of duties performed to establish overtime eligibility. They also challenge the automatic increases of the salary level every three years without going through the rulemaking process each time. The business groups followed suit by filing their own Motion for Expedited Summary Judgment and oral argument on Oct. 14, which requested that the court expedite its ruling and adjudicate it on the same timetable as the states' Motion for Preliminary Injunction. The business groups argued that the new DOL rules exceed the DOL's statutory authority under the FLSA and the cost of compliance will injure business and force smaller companies to cut jobs or close their doors. While there is possibility that the court will grant the preliminary injunction before the Dec. 1 deadline, employers are well-advised to continue their preparation for the change in the law as scheduled. We will keep you updated as the cases progress.

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