

Comment Period For Controversial Overtime Rule Closes Soon

September 1, 2015 | Fair Labor Standards Act, Labor And Employment

The U.S. Department of Labor (DOL) will not extend the comment period for its controversial proposed Overtime Rule, which was formally published on July 6, 2015. As a result, the comment period will close *Friday*, *Sept. 4*, **2015**. Comments can be submitted on the proposed Overtime Rule at www.regulations.gov. The proposed Overtime Rule sparked controversy as it would extend overtime protections to persons currently falling within the exempt status definition under the Fair Labor Standards Act (FLSA). Currently, to qualify as exempt from the minimum wage and overtime requirements under the FLSA, the employee must meet both a salary test and job duties test. The salary test currently requires the exempt employee to be paid at least \$455 per week (or \$23,660 annually). The proposed Overtime Rule would increase the salary test to \$950 per week (or \$50,440 annually). Additionally, the DOL stated it was examining possible changes to the job duties test for certain white collar exemptions (e.g., executive, administrative, professional, computer, outside sales and highly compensated employees). The DOL indicated it may consider modifying the job duties test to fall the model current model utilized by California, namely the employee must spend at least 50 percent of his or her time on those exempt duties to qualify for the exemption. The proposed Overtime Rule has received mixed support from the different political parties as well as by labor unions, which strongly favor it, and trade organizations, such as the National Retail Federation, opposing it.

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