

Update: FLSA Overtime Rule Suspended

Amundsen Davis Labor and Employment Alert
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Update: Court Enjoins DOL Overtime Rule

On November 22, 2016, a Texas federal district court granted a nationwide preliminary injunction against the U.S. Department of Labor's overtime rule. *State of Nevada v. U.S. Dept. of Labor*, No. 4:16-cv-00731-ALM (E.D. Tex. 11/22/2016).

This injunction halted the rule's December 1, 2016 implementation that would have more-than-doubled the salary level to \$913 per week for overtime-exempt executive, administrative, and professional white collar workers.

DOL FLSA Overtime Rule May Be Suspended

The Honorable Judge Amos L. Mazzant III in the pending DOL overtime preliminary injunction lawsuit, *State of Nevada et al v. United States Department of Labor et al.* (Case No. 4:16-cv-00731-ALM, Eastern District of Texas), heard arguments yesterday as to whether the DOL should be enjoined at this time from implementing the new overtime and salary increase rule. The court – questioning the nationwide implications at stake here – was not interested in what the next administration will do come 2017 and wanted to focus on the law now.

After hearing arguments, the judge took them under advisement and stated he “hopes” to have a ruling by November 22, 2016. If he denies the preliminary injunction motion, he will have an additional hearing on November 28, 2016 before the December 1 implementation deadline.

What does this mean for employers who have been preparing for the new rule come December 1? Keep preparing, however, it is perfectly permissible (and probably a good idea) to wait and see how Judge Mazzant rules next week before actually implementing any salary increases. Stay tuned as we will keep you updated come the judge's ruling on November 22nd.

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