

CLIENT ALERT



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New Overtime Rule on Hold!

The new minimum salary threshold scheduled to go into effect on December 1, 2016 has been put on hold. The new rule would make millions more Americans eligible for overtime pay. Yesterday a federal judge in Texas issued a preliminary injunction, putting the rule on hold while he considers whether the rule should be thrown out permanently. The nationwide injunction means that the DOL rule, which doubled the minimum salary threshold requirement for exempt status under the FLSA's white collar exemptions, will not go into effect on December 1, 2016.

Twenty-one states challenged the overtime extension, arguing that the increase and an automatic increase system included in the rule exceeded the DOL's authority. It is unclear when the Court will issue a final decision. Stay tuned for further updates.

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