

Labor and Employment Law Update

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Despite Legal Challenge, Employers Should Plan to Comply with New DOL Overtime Regulations

On September 20, more than 50 business groups and 21 states filed two lawsuits in the Eastern District of Texas challenging the U.S. Department of Labor's (DOL) new overtime regulations. These regulations will, among other things, raise the minimum salary threshold required to qualify for the Fair Labor Standards Act's "white collar" exemption to \$47,476 per year and establish a mechanism to automatically update the salary threshold every three years.

The DOL estimates that the new regulations will impact more than 4 million workers within the first year of implementation. Both lawsuits challenge the DOL's authority to impose automatic increases to the salary threshold and allege that the new regulations violate the U.S. Constitution. The cases were assigned to Judge Amos Mazzant, a 2014 Obama appointee to the federal bench.

This lawsuit will likely not delay the new DOL overtime regulations, which go into effect on December 1. Employers are advised to move forward and implement all necessary changes to comply with the new regulations. Lane Powell will address the new regulations, the status of this lawsuit, and other hot-button labor and employment issues at its "Best Practices for Best Employers" 34th Annual Labor and Employment Seminar on October 11 in Seattle. For more information about the seminar, visit <http://www.lanepowell.com/28693/seminar-34th-annual-labor-and-employment-seminar-seattle/>.

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