

New Overtime Rules

The Department of Labor has issued a final ruling that will put more money in the hands of middle class workers and affect many employers.

This final ruling of the Fair Labor Standards Act, effective on December 1, 2016, will:

- Raise the salary threshold indicating eligibility from \$455/week to \$913 (**\$47,476 per year**)
- Automatically update the salary threshold every three years, based on wage growth over time, increasing predictability.
- Strengthen overtime protections for salaried workers already entitled to overtime.
- Provide greater clarity for workers and employers regarding exempt versus non-exempt employees.

OPTIONS FOR EMPLOYERS:
1) Pay time and a half for overtime work
2) Raise workers' salaries above the new \$913 per week threshold
3) Limit workers' hours to 40 per week
4) Some combination of the above

Please do not hesitate to contact us should you have any questions regarding this new overtime rule (804) 897-4700.