

Overtime Rule Officially Released

The rule was officially announced by the White House on Tuesday night and was publicized at an event on Wednesday in Columbus, Ohio with Vice President Joe Biden, Labor Secretary Perez and Senator Sherrod Brown all speaking in favor of the rule. After heavy speculation, the Department of Labor (DOL) settled on \$47,456-down from the \$50,440 included in the proposed rule. This represents a 100% increase over the current threshold which stands at \$23,660. The final rule will not make any changes to the duties test. This is welcome news, as changes to the duties test had the potential to force employers to track employees' activities down to the minute. The Department of Labor moved away from automatic annual increases to the salary threshold, instead opting for automatic updates to take effect every three years. The automatic updates will be tied to the 40th percentile in salaried wages for full-time salaried workers in the lowest-income region (currently the Southeast).