

Employment Law Update: March Madness—Yesterday the US Department of Labor Updated the Overtime Rules!

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The DOL estimated that the rule will take effect in January 2020. The new salary level an employee must earn to be exempt from overtime will be \$35,308 or \$679 per week. Thursday's rule, which was nearly 220 pages, will allow employers to count certain non-discretionary bonuses and incentive payments like commissions that workers receive for up to 10 percent of a worker's salary level. The DOL did not make any changes to the duties tests. In the new rule, the DOL proposed updating the salary levels every four years but doing so only after notice-and-comment periods that precede those increases. Always stay tuned because there may be legal challenges to the new rule.

Please contact a member of our Employment Law Department at 732-352-9858 if you have any questions regarding the implication of the new rules.

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