Advocacy Alert! DOL Releases Final Overtime Rule

May 18, 2016

Moments ago, the Department of Labor (DOL) issued its final overtime rule. Designed to increase the number of workers who are eligible to receive overtime pay, the final rule raises the white collar exemption threshold from \$23,660 to \$47,476. This is slightly below the \$50,440 level DOL proposed last July. Under the final rule, the exemption threshold will be automatically updated every three years to keep pace with inflation. Originally, the Department sought to update this threshold on an annual basis. The final rule is available here.

The rule has an effective date of December 1, 2016. This means employers will have 180 days to come into compliance. There is one exception, as DOL is <u>implementing</u> a time-limited non-enforcement policy for certain providers of Medicaid-funded services for individuals with intellectual or developmental disabilities. This non-enforcement period will last from December 1, 2016, to March 17, 2019. Learn more about <u>this exception</u> and <u>the final rule</u> from DOL.

What to Expect from LSA

LSA is in the process of analyzing the final rule, and will release additional information as it becomes available. We will make our forthcoming analysis and other materials available via email, <u>social media</u>, and our <u>DOL Resource page</u>.

Save the Date - Overtime Rules and Nonprofits Webinar

Anticipating the announcement of the new regulations, we have been working with Independent Sector and the Department of Labor on a digital learning series about how to comply with federal overtime rules. The first webinar, "Is Your Organization In Compliance with the Fair Labor Standards Act", will take place on Tuesday, May 24, from 1:00 – 2:00 PM Eastern. During the webinar, DOL officials will lead an exclusive training session for the nonprofit community that will clarify current overtime rules, help you determine which employees they may affect, and provide you with information for determining if your organization is in compliance. Learn more and register here.