

Important information regarding recent overtime litigation in the U.S. District Court of Eastern District of Texas

According to the US Department of Labor website (<https://www.dol.gov/>) on November 22, 2016, a U.S. District Court Judge Amos Mazzant granted an Emergency Motion for Preliminary Injunction and thereby enjoined the Department of Labor from implementing and enforcing the Overtime Final Rule on December 1, 2016. The case was heard in the United States District Court, Eastern District of Texas, Sherman Division (State of Nevada ET AL v. United States Department of Labor ET AL No: 4:16-CV-00731). The rule updated the standard salary level and provided a method to keep the salary level current to better effectuate Congress's intent to exempt bona fide white collar workers from overtime protections.

On December 1, 2016, the Department of Justice on behalf of the Department of Labor filed a notice to appeal the preliminary injunction to the U.S. Circuit Court of Appeals for the Fifth Circuit. The Department has moved to expedite the appeal, which was approved by the Court.

The final rule will:

- Raise the salary threshold indicating eligibility from \$455/week to \$913 (\$47,476 per year), ensuring protections to 4.2 million workers.
- Automatically update the salary threshold every three years, based on wage growth over time, increasing predictability.

We will update this post when more information becomes available from the US Department of Labor.