



## Employer Lobbying on Overtime Rule Led to Changes

News

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The article, “Employer Lobbying on Overtime Rule Led to Changes,” featured in *SHRM*, discussed how strong employer lobbying efforts yielded substantial changes to the proposed overtime rule.

John Thompson provided commentary on the DOL’s decision to not change the job duties portion of the white-collar exemptions.

John said, “Rather than ‘victory,’ I’d characterize things as, ‘It could have been worse.’ ” He added that it was “highly significant that no change was made in the duties tests. I suspect that, had any been made, this would have substantially increased the political and litigation exposure for DOL, in the sense that there might have been more challenges entailing an appreciable risk of an adverse outcome for DOL.”

John added, “Again from the ‘it could have been worse’ perspective, the three-year update with a 150-day lead time is better than what was proposed, [and] being able to count nondiscretionary bonuses and other incentives toward the salary other than for the highly compensated group will help some.” The 150-day lead time refers to the DOL giving employers 150 days of notice of how much the exempt salary level will increase on a triennial basis before the nonexempt salary threshold level rises.

Employers should keep an eye on the figures that will drive the updated exempt salary level. “There is no need to wait until the last minute,” John said. “Employers can get a feel for what the likely figure will be ahead of time by looking at the periodic [Bureau of Labor Statistics] releases of the weekly earnings of full-time nonhourly workers in the lowest-wage census region.”

To read the full article, please visit [SHRM](#).

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