

# EXPERTS: BUSINESSES SHOULD PREPARE A PLAN FOR NEW OVERTIME RULES

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The article, "Experts: Businesses Should Prepare A Plan For New Overtime Rules," featured in *The Daily News*, discussed why companies affected by the new U.S. Department of Labor overtime wage regulations, set to go into effect December 1st, should begin preparing for the changes immediately.

"With very few exceptions, almost all industries that employ non-exempt employees (i.e., employees who are entitled to overtime) will be affected by the rules changes," said Gabe McGaha, who litigates and provides advice and counsel to employers on discrimination, harassment and retaliation claims as well as wage-and-hour disputes. "The changes will not affect, however, individuals who work in outside sales or highly skilled computer employees."

Gabe believes affected companies should start dealing with it now by first identifying employees who need to be reclassified and determining whether new compensation plans should be developed for them. Generally, these will be previously exempt employees who make between \$23,600 and \$47,476 annually.

"Employers should be sure to communicate these rules changes to their employees and train reclassified employees and their managers/supervisors on time-

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keeping methods," said Gabe. "This is also a good time to review the wage and hour policies for all of your employees and to make sure that the job descriptions for each of your organization's positions are consistent with the work that the employees in these positions are actually performing."

Gabe believes the most anticipated legal issue that employers will face will be accurate time-keeping. Unlike typical cases where the plaintiff has the burden of proof, under the Fair Labor Standards Act, the employer has the burden to show that it did not violate the rules.

"For an organization to protect itself from potential liability, it must keep accurate time records for each of its non-exempt employees," said Gabe. "This will be a difficult transition in that many of the exempt employees who will become non-exempt after Dec. 1, 2016, are not accustomed to keeping up with their time and because many of them perform 'after-hours work,' such as checking emails, which will become compensable time."

To read the full article, please visit [The Daily News](#).