



Highly-Anticipated Changes in Overtime Pay Exemptions Will Affect The Hotel Industry: Are You Ready?

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Joe Gagnon's article "Highly-Anticipated Changes in Overtime Pay Exemptions Will Affect The Hotel Industry: Are You Ready?" was featured in *The Texas Hotel & Association (THLA)* August 2015 Newsletter.

The Department of Labor (DOL) has proposed game-changing rules regarding which employees qualify for the executive, administrative, and professional exemptions (i.e., "white collar" exemptions) from the overtime pay requirements of the Fair Labor Standards Act (FLSA). Once finalized, these rule changes will affect most employers in the United States, and the hotel and lodging industry is certainly no exception.

In the article, Joe provides hotel and lodging industry businesses with steps that their legal counsel should consider to aid in managing recent rule changes.

- Identify all positions in which an administrative, executive, or professional exemption is claimed.
- Review the current salary level for each such position.
- In order to assess the economic impact these changes will bring, to ensure continued FLSA compliance and identify what will work best for your business model, consider alternative forms of compensation for employees affected by the rule change. Alternatives include, but are not limited to, an increased salary and continuation of exempt status, transition to hourly non-exempt status, reduction of hours and implementation of policies designed to reduce the incidence of overtime hours worked, and the implementation of a fluctuating workweek.
- Use this opportunity to scrutinize each affected employee's job description and core job duties to ensure that the duties test portion of the exemption is met.

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

Related People





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