



# How Overtime Pay Changes Could Affect Texas Employers

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In the article, “How Overtime Pay Changes Could Affect Texas Employers,” featured in *TribTalk*, Partner Mike Abcarian provides Texas employers advice on how to comply with the minimum salary changes.

1. **Increase salaries.** If currently exempt employee salaries are near the new minimum, a solution is to simply meet the new salary minimum. If those employees are currently earning \$900 a week, it may be easier for the employer to bump them up to \$970 a week rather than make other, more drastic changes.
2. **Convert employees to hourly pay rates.** Employers may choose to convert lower-paid salaried employees to a non-exempt (usually hourly) status and pay them for overtime hours worked. In this scenario, employers may require employees to obtain management approval before working overtime hours in order to keep costs down. But remember, if an employer does this, it still has to pay for all time worked, even if the employee has violated the rules. Employers cannot refuse to pay for time actually worked.
3. **Hire additional employees.** Companies may decide to hire additional employees or reduce hours for other employees to avoid overtime pay costs. This can be a complicated balancing act.
4. **Change the workweek measuring period.** This option might work for employers whose employees work a number of consecutive days and then are off for several days. For example, if employees work 12 hours for seven days, then are off for seven, the employer might save money by establishing a Thursday-through-Wednesday workweek rather than a Monday-through-Sunday workweek. However, changes in the workweek should not happen more than once in response to the new DOL pay rules.

To read the full article, please visit [\*TribTalk\*](#).

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