



Finalized Exemption Changes By Spring 2016?

Insights

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According to a report by Bloomberg BNA, Secretary of Labor Perez has said that the U.S. Labor Department is looking to a Spring 2016 date for publishing the "Final Rule" revising the regulations defining the federal Fair Labor Standards Act's Section 13(a)(1) exemptions. It thus appears that USDOL is again revising its targeted timeframe in a way that is more in line with what we had previously anticipated.

Some speculate that an earlier date could help to ensure that any Congressional Review Act challenge to the changes is resolved under President Obama.

If the "Final Rule" were to be published on April 1, 2016, and if its effective date was set for 60 days later, then employers would have until May 31, 2016 to comply with the new regulations. Of course, USDOL could finalize the revisions even sooner than this.

We continue to recommend that management engage in the necessary analysis to the extent that it can now so as to be prepared to move forward when the time comes.