

DOL RESCINDS BIDEN-ERA OVERTIME RULE: CEMENTING \$35K SALARY THRESHOLD

Insights
May 15, 2026

DOL Rescinds Biden-Era Overtime Rule: Cementing \$35k Salary Threshold

The Biden-era Labor Department rule that aimed to dramatically expand overtime pay eligibility is officially wiped off the books. Yesterday, the agency issued a technical amendment to remove the rule, which had already been struck down in court, from its regulations. The defunct 2024 rule would have raised the earnings threshold under which certain salaried executive, administrative, and professional employees are owed overtime pay to nearly \$60K. Yesterday's move by the DOL, while largely procedural, affirms the \$35K salary threshold that had been implemented by the first Trump administration in 2019. Here's everything you need to know about the amendment and what it means for your business.

Quick Refresher

In 2024, the Biden DOL implemented a rule would have extended overtime coverage to about 4 million additional workers by raising the salary threshold that makes workers eligible for the so-called "white-collar" exemptions under the Fair Labor Standards Act.

Workers who are salaried, have certain professional, executive, or administrative job duties, and make more than a certain amount of money annually, are exempt from the overtime provisions of the Fair Labor Standards Act. The Biden rule would have raised the earnings threshold to

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nearly \$59K. After a legal challenge, a federal court vacated the rule in late 2024. ([More on that decision here.](#))

What Did The DOL Do?

The technical amendment issued by the DOL on May 14 formally removes the Biden rule's regulatory language from the Code of Federal Regulations and restores the language establishing the \$35K threshold. The agency emphasized when announcing the change that it doesn't affect "any enforcement stance currently in place."

What Does This Mean For My Business?

While this amendment doesn't make any changes to the DOL's current enforcement playbook, it does officially scrub the Biden-era rule from the agency's regulations.

- Businesses should continue to abide by the \$684 per week, or \$35,568 per year, level [finalized in 2019](#).
- The highly compensated employee exemption's additional total annual compensation requirement is set at \$107,432 per year.
- This also only applies to the federal DOL's enforcement of the FLSA's overtime provisions. Some states may have more expansive overtime requirements, so it's important to be familiar with what jurisdiction you're operating in.
- Consult with your FP legal counsel if you have any questions about the white collar exemptions and your company's compliance with DOL or state regulations.

Conclusion

Fisher Phillips will continue to monitor developments from the courts and the DOL's Wage and Hour Division, so make sure you are subscribed to [our Insight System](#) to get the most up-to-date information. For further information, contact your Fisher Phillips attorney, the authors of this Insight, or any attorney in our [Wage and Hour Practice Group](#).