



Exemption Regulations Update: Probable July Release

Insights

2.17.16

Reports are that U.S. Solicitor of Labor M. Patricia Smith said again today that the U.S. Labor Department's revised regulatory definitions of the federal Fair Labor Standards Act's Section 13(a) (1) exemptions will be released in July.

She also reportedly said that the revisions will take effect 60 days after they are published. This stands in stark contrast to the 120-day interval provided in 2004.

As we said last November, if the "Final Rule" were to be published on July 1, 2016 with an effective date of 60 days later, then employers would have until August 30, 2016 to take whatever steps are necessary to maintain compliance with the FLSA. Management should immediately evaluate how it can be prepared to meet a deadline of around that time.

Of course, it is worth remembering that:

- Solicitor Smith's comments in 2014 about the release of *proposed* revisions suggested a timeframe that turned out to be off by a number of months; and
- In December, after Solicitor Smith indicated that a publication before late 2016 was unlikely, Secretary of Labor Tom Perez expressed his view that USDOL would be ready to publish the regulations this Spring.

In any case, it seems increasingly unlikely that the publication will be delayed past the July 2016 timeframe given in USDOL's most-recent semi-annual agenda.