

# Jim Hammerschmidt Provides Commentary in Law360 Article on DOL's Final Overtime Exemption Rule

Jim Hammerschmidt provides commentary in Law360 article, "Attorneys React to DOL's Final Overtime Exemption Rule" (May 18, 2016). On May 18, the U.S. Labor Department issued the final version of the overtime exemption rule raising the minimum salary threshold to qualify for the Fair Labor Standards Act's white collar exemption. In this article, attorneys across the nation weighed in on the significance of this new rule.

*"The new regulations announced today are going to have a dramatic impact on businesses of all sizes and particularly on many small businesses that currently have many exempt employees whose salaries will need to be significantly increased or who will suddenly become overtime eligible. Employers with newly classified overtime eligible employees will have to decide whether to pay the overtime, not pay the overtime, lower base salaries to offset anticipated overtime, hire more employees to do the work, not do the work, or re-allocate or automate the work — the latter of which may require costly capital investments. Some employers may cut benefits to offset wage increases. If an employer has conducted a wage and hour audit before now to analyze the impact of the regulations and its options, the Department of Labor is giving it until Dec. 1 to do so. No time to waste! If there is a silver lining in all of this, it is that an employer who has misclassified employees in the past can use this opportunity to conduct a wage and hour audit and get things straight."*

Jim is Co-Chair of the firm's Employment Law group. Full coverage of the article, "Attorneys React to DOL's Final Overtime Exemption Rule" can be found on Law360 online (subscription required).