

Jim Hammerschmidt Provides Commentary in Law360 Article on Challenges to the DOL's New Overtime Rule

Jim Hammerschmidt provides commentary in Law360 article, "DOL OT Rule Hard To Nix, But Automatic Increases May Fall" by Matthew Bultman (September 21, 2016). While it is unlikely that state and business groups will be able to block the Department of Labor's regulation that raises the minimum salary threshold for workers to qualify for overtime pay, they may have success in stopping the automatic increases every few years that would continue to raise the threshold.

"There's no doubt that it's a game-changer," said James Hammerschmidt, co-chair of the employment law group at Paley Rothman. "There's going to be changes."

Effective December 1, 2016, the rule raises the minimum salary threshold required to qualify for the Fair Labor Standards Act's white collar exemption to \$47,476 per year, more than double the current threshold of \$23,660. Meaning, a lot of companies are going to need to pay close attention to how they classify employees, and make sure they are paying eligible employees overtime pay.

Jim is Co-Chair of the firm's Employment Law practice group and Co-President of the firm. The employment law group recently wrote a blog giving a detailed overview of the changes and how they will affect employers: "DOL Finalizes Changes to Overtime Exemptions."

Full coverage of the article, "DOL OT Rule Hard To Nix, But Automatic Increases May Fall" can be found on *Law360* online (subscription required).