



# Electronic Alert

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## **Breaking News: Judge Blocks New Overtime Rule** **By Paula Barran and Damien Munsinger**

A federal judge has blocked the U.S. Department of Labor from implementing its new overtime rule, just a few days before it was to take effect on December 1, 2016. The rule doubled the minimum salary level for executive, administrative and professional employees to be exempt from federal overtime requirements.

Finding that a group of 21 states who sued the Department of Labor would suffer irreparable harm if the rule took effect as planned, a federal district court judge in Texas today issued an injunction prohibiting the rule's implementation and enforcement. The judge held that the salary level and automatic updating mechanism in the rule exceeded the Department of Labor's authority.

The nationwide injunction means the rule will not take effect anywhere on December 1, 2016. Employers who have been planning for the rule's implementation can delay those plans, but should not yet count on the rule being prohibited indefinitely. The preliminary injunction may be modified or dissolved by a further order from the court.

This and other timely topics will be covered in Barran Liebman LLP's December 6, 2016 breakfast seminar, The Post-Election Picture for Employers. We hope to see you there.

Happy Thanksgiving from your friends at Barran Liebman LLP.