

What you need to know about DOL's Overtime Rule:

****CACI supported our national business partners, as well as 21 states, in suing the federal government over the DOL's Overtime Rule. A federal judge has issued a temporary injunction on the rule, nullifying the compliance deadline for now; the injunction will remain in place until the full case is heard and a decision is published by the courts. ****

Based on the proposed final rule:

- **NEW overtime salary threshold was set to be \$47,476** (\$913/week) – original DOL proposal was \$50,440; previous threshold was \$26,660 (\$455/week).
- **NO changes to the “duties test”**: Duties test provision originally created an employee exemption category for Executive, Administrative and Professional employees from overtime pay requirements; courts have so far disagreed with this assertion.
- **Salary threshold would be updated every three years and tied to the 40th percentile of full-time salaried employees for the lowest wage region** (currently the south); the court case hinges partly on whether DOL overstepped authority to create threshold changes without Congressional consent.
- **Employers were to be compliant by December 1, 2016**; temporary injunction lifts this deadline until the case is decided.
 - CACI supported comments offered by the U.S. Chamber of Commerce requesting the DOL consider any implementation period be significantly longer than the proposed 60 days. DOL responded with a timeline of roughly 200 days but the [Obama Administration expedited the rule's approval](#) process by several months.
- **Bonuses, commissions and incentive pay** are *expected* to be considered up to 10 percent of pay;
- And, for **“highly compensated employees,”** generally the higher paid executive assistants and other administrators, had salary test thresholds adjusted from \$100,000 annually to \$134,000.

