

Not So Fast: Texas Judge Stops Department of Labor From Implementing New Overtime Rules on December 1st

Written By **Grant B. Osborne** (gbo@wardandsmith.com)

November 22, 2016



The United States District Court for the Eastern District of Texas has granted a preliminary injunction stopping the U.S. Department of Labor ("DOL") from implementing new overtime regulations. The court concluded that the DOL lacks the authority to "utilize a salary-level test or an automatic updating mechanism," and enjoined the DOL from implementing and enforcing the new overtime regulations.

As we wrote earlier, the DOL, in May, issued revised regulations dramatically increasing the salary threshold for the so-called "white collar" exemptions under the Fair Labor Standards Act. The DOL set December 1st as the effective date for employers to comply with the new requirements. The District Court believes that it has the authority to forestall, on a nationwide basis, the date on which employers must comply with the new requirements. Ward and Smith is analyzing the order and will post further analysis and updates regarding any additional developments, especially any challenges to the delay in implementation of the regulations.

--

© 2024 Ward and Smith, P.A. For further information regarding the issues described above, please contact Grant B. Osborne.

This article is not intended to give, and should not be relied upon for, legal advice in any particular circumstance or fact situation. No action should be taken in reliance upon the information contained in this article without obtaining the advice of an attorney.

We are your established legal network with offices in Asheville, Greenville, New Bern, Raleigh, and Wilmington, NC.