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DOL Proposes Boost of FLSA Exempt Employee Threshold to \$55,000

Today, the Department of Labor issued its long-awaited proposed rule modifying the standards for classifying employees as exempt from the overtime requirements of the Fair Labor Standards Act. To qualify for one of the white-collar exemptions (executive, administrative or professional), an employee must meet one of the primary duty tests, be paid on a salaried basis and earn above a minimum threshold. The DOL's proposed rule would raise that salary threshold from \$35,568 to \$55,000.

DOL will receive public comments on the proposal for 60 days before it can become final. If the proposed rule goes into effect, employers will have to raise the salaries of lower paid exempt employees or convert them to non-exempt and pay overtime.

The proposed rule will inevitably face legal challenges. As you likely recall, the Obama DOL tried to raise the salary threshold to \$47,000, but it was struck down by the federal courts. We have every reason to believe this new rule will suffer the same fate.

If you have any questions or would like to discuss this further, please contact [Al Vreeland](mailto:Al.Vreeland@lehrmiddlebrooks.com) at 205-323-9266 or avreeland@lehrmiddlebrooks.com.