

Law & Policy Group

Roundup: Employer resources on DOL's overtime exemption rule

By Stephanie Rosseau and Fiona Webster Oct. 19, 2023; updated May 22, 2025



Contents

1.	Introduction	2
2.	Law firm analyses	3
3.	News and viewpoints	. 10

Section 1 Introduction

On April 23, 2024, the Department of Labor (DOL) issued a <u>final rule</u> for determining if certain salaried employees are exempt from minimum wage and overtime requirements under the Fair Labor Standards Act (FLSA). The rule expanded overtime protections beginning July 1, 2024 — guaranteeing overtime pay for most salaried workers earning less than \$844 week or \$43,888/year (up from \$684/week or \$35,568 per year). The amount was scheduled to increase to \$1,128/week or \$58,656/year on Jan. 1, 2025. The rule also increased the minimum annual salary for highly compensated employees from \$107,432 to \$132,964, effective July 1, 2024, and to \$151,164, beginning Jan. 1, 2025.

Since its issuance, the rule has been challenged in multiple lawsuits, and on Nov. 15, 2024, a Texas federal district court judge <u>vacated and set aside</u> the final rule — holding that it exceeded the DOL's statutory authority under the FLSA. As a result, the 2025 increases did not go into effect, and the July 2024 increases were revoked — this ruling applies nationwide. On Nov. 26, 2024, the DOL appealed this decision, and on Feb. 28, 2025, it appealed a December 2024 Texas federal court's decision that also blocked the rule. Both cases were appealed to the Fifth Circuit Court of Appeals.

For now, the <u>2019 rules</u> issued by the Trump administration are in effect at the federal level. Some states do have salary thresholds that exceed the FLSA threshold — such as Alaska, California, Colorado, Maine, New York, and Washington.

To provide employers with some background information and context about the white collar overtime exemption rule and the various aspects and issues to consider, this roundup provides links to government information, third-party analyses, news articles and viewpoints. The aggregated content in each section is organized in reverse chronological order and is by no means comprehensive. The content also does not necessarily reflect Mercer's or the authors' point of view on the subject.

Section 2

Law firm analyses

- Department of Labor to reconsider rule increasing overtime salary thresholds for white collar and highly compensated workers (Ballard Spahr, May 13, 2025)
- Reprieve extended? DOL to halt efforts to restore 2024 minimum salary rule for exempt employees (Jackson Lewis, April 29, 2025)
- The wage & hour landscape: An evolution of law, litigation, and government enforcement in a Trump administration world (Seyfarth, March 18, 2025)
- Blocked DOL overtime rule set for review in the Fifth Circuit (US) (Squire Patton Boggs, March 6, 2025)
- <u>DOL appeal of decision invalidating 2024 overtime rule likely on last legs</u> (The National Law Review, Feb. 21, 2025)
- <u>DOL's power to set salary minimum for overtime exemption ripe for SCOTUS review</u> (Proskauer, Feb. 20, 2025)
- <u>US district court vacates DOL final rule on FLSA overtime exemptions</u> (Sidley, Dec. 12, 2024)
- <u>DOL appeals federal court decision that struck down salary threshold increases for white-collar overtime exemptions</u> (Ogletree Deakins, Nov. 27, 2024)
- Federal court blocks DOL overtime rule nationwide (Hogan Lovells, Nov. 18, 2024)
- <u>Federal court strikes down the U.S. Department of Labor's overtime rule</u> (Mintz, Nov. 18, 2024)
- <u>In nationwide edict, Texas federal court vacates salary threshold final rule</u> (Barnes & Thornburg, Nov. 18, 2024)
- <u>Duties not dollars: Texas Court invalidates DOL's overtime rule before anticipated</u> <u>January 1, 2025 salary level increase</u> (Akerman, Nov. 18, 2024)
- Salary threshold rule overturned (Michael Best, Nov. 18, 2024)
- Court strikes down Department of Labor rule regarding overtime eligibility (Kilpatrick, Nov. 15, 2024)
- Federal court strikes down rule raising salary threshold for white collar exemptions (Littler, Nov. 15, 2024)
- <u>Court vacates DOL rule and returns exempt salary threshold to previous level</u> (Saul Ewing, Nov. 15, 2024)
- <u>Texas court invalidates rule increasing white collar minimum salaries</u> (Hahn Loeser, Nov. 15, 2024)

- <u>Texas federal judge appears poised to strike down DOL overtime rule</u> (Ogletree Deakins, Nov. 8, 2024)
- From the White House to the workplace: How Trump's 2024 victory could reshape labor and employment laws (Venable, Nov. 7, 2024)
- <u>Fifth Circuit affirms DOL's right to set salary thresholds for exempt employees</u> (OGC, Sept. 17, 2024)
- <u>DOL</u> has authority to include salary threshold when determining exempt status, appeals court says (Constangy, Brooks, Smith & Prophete, Sept. 16, 2024)
- <u>Fifth Circuit holds DOL can set salary floor for white-collar exemptions</u> (Jackson Lewis, Sept. 13, 2024)
- <u>Fifth Circuit ruling: 2019 salary threshold increase did not exceed authority</u> (Seyfarth, Sept. 12, 2024)
- <u>DOL's salary rule for exempt employees in jeopardy after Fifth Circuit oral argument</u> (Jackson Lewis, Aug. 8, 2024)
- The new overtime rule: Steps to take for employers (HBL, Aug. 6, 2024)
- Workplace law after "Loper": Can employers really expect less regulation? (Jackson Lewis, July 24, 2024)
- <u>Court denies injunction in case involving DOL salary regs</u> (Constangy, Brooks, Smith & Prophet, July 12, 2024)
- <u>Practical guidance on labor and employment issues in a post-Chevron world</u> (Morgan Lewis, July 10, 2024)
- <u>Chevron's two-step deference to agency expertise overturned. After 40 years, the U.S. Supreme Court refuses the invitation to dance</u> (Spencer Fane, July 9, 2024)
- The end of *Chevron* (Proskauer, July 9, 2024)
- New DOL overtime rule goes into effect nationwide for private employers (Squire Patton Boggs, July 2, 2024)
- <u>DOL overtime rule blocked for employees of state of Texas</u> (Nelson Mullins, July 2, 2024)
- Unless you are the State of Texas as an employer, salary changes to the Department of Labor's (DOL) overtime rule took effect today (Baker Hostetler, July 1, 2024)
- <u>DOL overtime rule enjoined from taking effect on July 1 but only as to the state of</u> Texas government (Shawe Rosenthal LLP, July 1, 2024)
- <u>District court grants injunction of 2024 overtime rule limited to State of Texas as employer</u> (JD Supra, June 30, 2024)
- <u>Judge issues last-minute order halting overtime rule for Texas state workers only: What employers need to know</u> (Fisher Phillips, June 30, 2024)
- New overtime salary rules demand employer action before July 1 (Phelps, June 25, 2024)

- <u>Legal challenges mount to DOL rule raising salary threshold for exempt employees</u> (Jackson Lewis, June 10, 2024)
- DOL announces rule increasing minimum salary threshold for exempt employees (Nelson Mullins, June 5, 2024)
- Are you ready? FLSA salary thresholds increase July 1, 2024 (HR Blog, June 4, 2024)
- <u>Big pay-level hikes on the way for white-collar overtime exemptions</u> (Mercer, June 3, 2024)
- <u>Department of Labor publishes final rule geared towards increasing the salary threshold for 'white collar' exemptions</u> (Koley Jessen, May 7, 2024)
- <u>DOL raises the threshold salary for exempt status under the FLSA: What the overtime expansion means for the education sector</u> (Duane Morris, May 6, 2024)
- <u>DOL issues final rule increasing salary thresholds for overtime exemptions</u> (Haynes Boone, May 3, 2024)
- DOL raises the federal overtime salary threshold: Next steps for US employers (Baker McKenzie, May 3, 2024)
- <u>DOL final rule significantly increases salary thresholds for overtime exempt employees</u> (Masuda Funai, May 3, 2024)
- DOL issues final rule expanding overtime eligibility (Covington, May 3, 2024)
- <u>DOL raises minimum salary thresholds for overtime exemptions</u> (Latham & Watkins, May 2, 2024)
- Executive compensation and employee benefits fallout from the FTC sweeping ban on noncompetes: Part 1 — The who, what, when and what to do now (Morgan Lewis, May 1, 2024)
- <u>US Department of Labor issues final rule raising salary thresholds for 'white collar'</u> overtime exemptions (Ropes & Gray, May 1, 2024)
- The FTC's game-changing ban on non-competes takes effect September 4 absent court intervention (Vedder Price, May 1, 2024)
- Non-compete ruling: Where does this leave employers? (Burns White, April 30, 2024)
- Analysis of FTC non-compete ban legal challenges: Does the ban pass constitutional muster? (and other issues) (Seyfarth, April 30, 2024)
- Breaking down the FTC rule banning non-competes: What employers need to know (Lane Powell, April 30, 2024)
- <u>Department of Labor substantially increases salary threshold for overtime exemptions</u> (Greenspoon Marder, April 30, 2024)
- <u>'Dollars and sense'</u> <u>Understanding the DOL's new salary requirements for FLSA-exempt employees</u> (Hunton Andrews Kurth, April 30, 2024)

- <u>Guidance for employers ahead of looming Department of Labor increases in exempt employee thresholds</u> (Greenbaum Rowe Smith & Davis, April 30, 2024)
- New DOL exemption rule requires two-step salary increases under FLSA for exempt employees (Sheppard Mullin, April 30, 2024)
- DOL increases salary basis required for exemption (Hall Render, April 30, 2024)
- <u>US DOL finalizes rule to significantly increase compensation thresholds for exempt status</u> (Hogan Lovells, April 29, 2024)
- The DOL issued a new overtime rule: What does this mean for employers? (Akerman, April 26, 2024)
- <u>US Department of Labor announces final rule increasing salary thresholds for overtime exemptions</u> (K&L Gates, April 26, 2024)
- FTC bans employment noncompetes (Fenwick, April 26, 2024)
- <u>Department of Labor issues final rule expanding overtime eligibility by increasing salary thresholds</u> (Kilpatrick, April 26, 2024)
- <u>US Department of Labor substantially expands eligibility for overtime pay</u> (Mayer Brown, April 26, 2024)
- Department of Labor raises salary thresholds for overtime exemptions (Vorys, April 25, 2024)
- DOL final rule significantly increases salary threshold for overtime exemption (Pierce Atwood, April 25, 2024)
- Not all exempt employees are affected by the new minimum salary rule (Worklaw Network, April 25, 2024)
- Department of Labor issues final rule raising salary level for FLSA 'white collar' exemptions (Morgan Lewis, April 25, 2024)
- <u>DOL releases final rule to increase salary thresholds for FLSA white-collar exemptions</u> (Duane Morris, April 25, 2024)
- <u>Labor & Employment Alert: Salary amounts for overtime exemptions have been formally increased (Brouse McDowell, April 25, 2024)</u>
- The DOL announces new overtime exemption rule increasing the salary threshold for exempt employees (Buchalter, April 25, 2024)
- <u>DOL increases minimum salary required for overtime exemptions</u> (Fredrikson, April 25, 2024)
- <u>DOL releases final rule substantially increasing minimum salary thresholds for most exempt employees</u> (Mintz, April 25, 2024)
- DOL significantly increases salary threshold for overtime eligibility (Shawe Rosenthal, April 24, 2024)

- The DOL announces final overtime rule increasing FLSA salary basis (Husch Blackwell, April 24, 2024)
- <u>Client Alert: Mark your calendars: Overtime exemption salary thresholds increasing on July 1, 2024 and again on January 1, 2025</u> (Shumaker, April 24, 2024)
- <u>Certain salary thresholds for overtime exemptions to increase July 1</u> (Phelps, April 23, 2024)
- DOL releases final white-collar exemption rule, sets minimum salary to increase in phases beginning July 1, 2024 (Jackson Lewis, April 23, 2024)
- The cost of exemption: Dep't of Labor final rule jettisons salary thresholds for exemption under the Fair Labor Standards Act (Benesch, April 23, 2024)
- <u>US DOL releases final overtime rule effective July 2024</u> (Seyfarth, April 23, 2024)
- DOL releases updated overtime rule (Proskauer, April 23, 2024)
- Raising the threshold: DOL issues final rule on overtime exemption salary requirements (Bradley, April 23, 2024)
- <u>US Department of Labor raises exempt employee salary thresholds</u> (Brownstein, April 23, 2024
- <u>DOL finalizes substantial increase to salary threshold for FLSA white collar exemption</u> (Ogletree Deakins, April 23, 2024)
- New overtime rules in 2024? Employers eagerly await final rule from DOL (Sandberg Phoenix, Dec. 27, 2023)
- DOL aims for April 2024 release of white-collar exemption final rule (Jackson Lewis, Dec. 12, 2023)
- Biden's DOL overtime proposal draws business gripes (Littler, Nov. 13, 2023)
- <u>DOL's proposal to expand overtime eligibility offers unique opportunity to employers</u> (Brownstein, Sept. 28, 2023)
- <u>Millions more may be eligible for overtime under DOL's proposed rule</u> (Buchanan, Sept. 25, 2023)
- New proposed DOL rule may mean more workers receive overtime pay (Venable, Sept. 19, 2023)
- <u>Significant changes to US overtime pay requirements on the horizon</u> (Baker McKenzie, Sept. 18, 2023)
- Proposed overtime rule: What employers need to know (Brown Winick, Sept. 18, 2023)
- New proposed overtime regulation is wrong rulemaking at wrong time (US Chamber of Commerce, Sept. 14, 2023)
- Changes may be coming to white-collar exemption salary thresholds (Mintz, Sept. 11, 2023)

- <u>DOL proposes significantly raising minimum salary for white-collar overtime exemptions</u> (Maynard Nexsen, Sept. 11, 2023)
- DOL seeks to change exempt salary threshold (Foley, Sept. 11, 2023)
- <u>Labor Department proposes increasing salary threshold for overtime pay</u> (Greenberg Traurig, Sept. 6, 2023)
- <u>Labor Department proposes raising white collar overtime salary threshold to \$55,000</u> (Holland & Knight, Sept. 5, 2023)
- <u>Client Alert: Not again! DOL proposes to increase salary threshold levels for overtime</u> exemptions for the third time in eight years (Shumaker, Sept. 5, 2023)
- <u>DOL proposes major expansion of workers' overtime eligibility</u> (Pierce Atwood, Sept. 5, 2023)
- <u>DOL proposed white-collar exemption rule sets minimum salary over \$55K</u> (Jackson Lewis, Sept. 4, 2023)
- DOL proposes substantial increase to salary threshold for FLSA's white collar exemptions (Ogletree Deakins, Sept. 1, 2023)
- <u>DOL's new proposed overtime rule would drastically increase the salary threshold for the white collar exemption</u> (Ford Harrison, Sept. 1, 2023)
- <u>Department of Labor proposes raising salary level for FLSA 'white collar' exemptions to</u> \$55,068 (Morgan Lewis, Sept. 1, 2023)
- Department of Labor puts forth new rule to expand overtime eligibility to millions of US workers (Kilpatrick Townsend, Sept. 1, 2023)
- <u>Department of Labor introduces new proposal to revise salary threshold</u> (Troutman Pepper, Sept. 1, 2023)
- <u>US Department of Labor announces proposed rule to extend overtime protections</u> (Spencer Fane, Aug. 31, 2023)
- DOL working overtime to increase salary exemption threshold (Snell & Wilmer, Aug. 31, 2023)
- <u>DOL delivers a proposed salary bump to FLSA overtime thresholds for Labor Day</u> (Seyfarth, Aug. 31, 2023)
- <u>US Department of Labor proposes nearly 55 percent increase in the salary threshold for</u> white collar exemptions with automatic increases (Reed Smith, Aug. 31, 2023)
- Will the FLSA regulations for exempt employees apply to Puerto Rico operations (Littler, Aug. 31, 2023)
- 5 things employers should know about the DOL's proposed new overtime rules (Clark Hill, Aug. 31, 2023)
- <u>Time OT! DOL proposes significant updates to overtime rules...again</u> (Squire Patton Boggs, Aug. 30, 2023)

• DOL proposes to significantly increase the minimum salary to qualify for the 'white collar' overtime exemptions (Littler, Aug. 30, 2023)

Section 4

News and viewpoints

- DOL signals abandonment of salary threshold hike (Worklaw network, May 14, 2025)
- <u>Trump's DOL did what? The overtime rule saga takes another turn</u> (WorldatWork, March 4, 2025)
- <u>DOL files fresh appeal of a Texas decision vacating its new overtime rule</u> (HR Dive, March 3, 2025)
- <u>Trump Labor Department appeals ruling that blocked Biden overtime pay rule</u> (Reuters, Feb. 28, 2025)
- Federal court struck down overtime threshold increase (Mercer, Nov. 22, 2024)
- <u>DOL appeals overtime ruling to Fifth Circuit ahead of Trump term</u> (subscription required)
 (Bloomberg Law, Nov. 27, 2024)
- Overtime rule's demise has employers mulling pay raise reversals (subscription required) (Bloomberg Law, Nov. 20, 2024)
- Texas judge sets overtime rule back to 2019 Trump-era level (MSN, Nov. 17, 2024)
- <u>Judge blocks Biden administration's rule to expand overtime pay for millions</u> (NPR, Nov. 15, 2024)
- <u>Judge rejects Biden's overtime rule benefitting 4 million US workers</u> (Forbes, Nov. 15, 2024)
- <u>Texas judge tosses Biden overtime expansion for millions</u> (subscription required)
 (Bloomberg Law, Nov. 15, 2024)
- <u>Texas judge questions data underlying DOL overtime extension</u> (subscription required)
 (Bloomberg Law. Nov. 8, 2024)
- <u>Texas court to weigh overtime rule with Trump rescission looming</u> (subscription required)
 (Bloomberg Law, Nov. 8, 2024)
- Biden's overtime rule faces trouble despite Fifth Circuit nod (subscription required)
 (Bloomberg Law, Sept. 13, 2024)
- Senate GOP prepares assault on regulations after Chevron ruling (subscription required)
 (Bloomberg Law, Aug. 13, 2024)
- Fifth Cir. considers overtime dispute redo in *Chevron's* wake (subscription required) (Bloomberg Law, Aug. 7, 2024)
- Punching in: DOL's overtime update impact varies state by state (subscription required)
 (Bloomberg Law, July 22, 2024)
- Biden-era worker protections are on shakier ground in wake of Supreme Court ruling (MSN, July 9, 2024)

- Overtime rule survives tech firm's bid for nationwide block (subscription required) (Bloomberg Law, July 1, 2024)
- State employees in Texas not subject to overtime rule, judge holds (HR Dive, July 1, 2024)
- Overtime rule blocked for State of Texas ahead of July 1 launch (subscription required) (Bloomberg Law, June 28, 2024)
- <u>Punching in: Business groups aim to stall looming overtime rule</u> (subscription required) (Bloomberg Law, June 17, 2024)
- <u>Attacks on overtime rule's salary levels carry business downside</u> (subscription required) (Bloomberg Law, June 11, 2024)
- Republicans launch effort to block new DOL overtime pay (subscription required) (Bloomberg Law, June 5, 2024)
- Overtime expansion challenged multiply in Texas Federal courts (subscription required)
 (Bloomberg law, June 4, 2024)
- New overtime exemption rule: How to communicate changes to employees (Spark, May 2024)
- Business groups first to sue over Biden DOL overtime expansion (subscription required)
 (Bloomberg Law, May 22, 2024)
- <u>Businesses demand more time to comply with new overtime rule</u> (subscription required) (Bloomberg Law, May 9, 2024)
- <u>Biden's DOL bets on two-step overtime plan to survive lawsuits</u> (Bloomberg Law, April 29, 2024)
- Explaining the Department of Labor's new overtime rule that will benefit 4.3 million workers (Economic Policy Institute, April 23, 2024)
- <u>Biden administration finalizes rule granting overtime to millions more salaried workers</u> (Market Watch, April 24, 2024)
- <u>Millions more salaried workers will be eligible for overtime pay under final Biden administration rule</u> (CNN, April 23, 2024)
- More than 4 million more workers will start getting paid overtime under controversial new rule (Forbes, April 23, 2024)
- <u>DOL will raise overtime salary threshold to \$44K in July, \$59K next year</u> (HR Dive, April 23, 2024)
- <u>DOL overtime rule under White House review, nears release</u> (subscription required) (Bloomberg Law, March 4, 2024)
- <u>Playbook for 2024: New overtime pay rule would expand access to millions</u> (The Business Journals, Jan. 29, 2024)
- Punching in: Biden's DOL overtime proposal draws business gripes (subscription required) (Bloomberg law, Nov. 13, 2023)

- Colleges predict tuition increases, layoffs under proposed overtime rule (Inside Higher Ed, Nov. 13, 2023)
- New proposed overtime regulation is wrong rulemaking at wrong time (US Chamber of Commerce, Sept. 14, 2023)
- Department of Labor oversteps authority with salary rule (subscription required)
 (Bloomberg Law, Sept. 13, 2023)
- <u>Punching in: Overtime proposal provisions you may have missed</u> (subscription required)
 (Bloomberg Tax, Sept. 11, 2023)
- The Biden administration wants anyone who makes under \$55,000 to get paid overtime (Fortune, Aug. 30, 2023)
- Overtime would become available to millions more employees under proposed rule (subscription required) (SHRM, Aug. 30, 2023)
- <u>3 million more US workers could qualify for overtime under Biden proposal</u> (Forbes, Aug. 30, 2023)
- <u>DOL proposes \$55K overtime rule threshold, automatic 3-year updates</u> (HR Dive, Aug. 30, 2023)
- <u>Labor Dept. proposes vast expansion of overtime eligibility</u> (subscription required) (The New York Times, Aug. 30, 2023)



Mercer LLC 1166 Avenue of the Americas New York, NY 10036 www.mercer.com

© 2025 Mercer (US) LLC. All rights reserved.

Note: Mercer is not engaged in the practice of law, accounting or medicine. Any commentary in this article does not constitute and is not a substitute for legal, tax or medical advice. Readers of this article should consult a legal, tax or medical expert for advice on those matters.