

Breaking News: Texas Judge Temporarily Blocks New Overtime Rule



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A federal judge in Texas has temporarily blocked the Department of Labor (DOL) overtime rules that were set to take effect next Thursday, December 1. United States District Judge Amos L. Mazzant III of the Eastern District of Texas, an Obama-appointed judge, made the ruling late Tuesday. The ruling grants a nationwide injunction, pushing the December 1 effective date while he weighs a challenge to the requirement.

Mazzant wrote, "The department exceeds its delegated authority and ignores Congress's intent by raising the minimum salary level such that it supplants the duties test." The rule, which has required businesses to prepare over the last six months, had set the salary threshold for exempt professionals to \$47,476 – more than double of the current threshold of \$23,660. The new rules would have increased overtime rights to an estimated 4 million Americans.

Many businesses and retailers are praising the reprieve. As stated in the Washington Times by David French, the National Retail Federation's senior vice president for government relations, "The Labor Department's overtime changes are a reckless and aggressive overreach of executive power, and retailers are pleased with the judge's decision."

The Department of Labor issued the following statement after the injunction:

"We strongly disagree with the decision by the court, which has the effect of delaying a fair day's pay for a long day's work for millions of hardworking Americans. The department's overtime rule is the result of a comprehensive, inclusive rulemaking process, and we remain confident in the legality of all aspects of the rule. We are currently considering all of our legal options."

[Read Judge Mazzant's Ruling](#)

The ruling, which came as a surprise at the 11th hour, still in fact affects employers, regardless of the delay. Many employers had worked over the last few months to comply with the impending law by adjusting pay structures, such as raising salary levels to the threshold, developing processes, such as additional timekeeping requirements, and communicating with employees who would be affected. Many spectators believe that with this delay, the future of the new overtime rules are unknown, especially as the Trump administration takes office in mid-January.

For additional questions on this ruling, please contact your Dean Dorton advisor or Jeff Ricketts at jricketts@deandorton.com.

Sources:

[Washington Times](#)

[NPR](#)