



The Clock Is Ticking on New Overtime Rules



The U.S. Department of Labor (DOL) has announced its Final Rule that may make millions more employees eligible for overtime pay by December 1, 2016. Miscalculating overtime pay can result in penalties under the Fair Labor Standards Act (FLSA) and/or applicable state law. If these hours aren't paid correctly, you may open yourself up to costly fines and penalties. **Here's a look at some key numbers employers should know:**

Current OVERTIME RULE

\$23,660

Today, employees who meet the criteria for the Executive, Administrative, and Professional (EAP) white collar exemptions, including but not limited to **receiving a salary of at least \$455/week (\$23,660/year)**, are exempt from the overtime protections of the FLSA.

New OVERTIME RULE

\$47,476

On December 1, 2016, workers who meet the criteria for the EAP white collar exemptions, including but not limited to **receiving a salary of at least \$913/week (\$47,476/year)** as prescribed under the Final Rule, would be exempt from the overtime protections of the FLSA.

ELIGIBLE TODAY

8%
WORKERS

Today, just **8 percent** of full-time salaried workers fall below the current salary threshold for the EAP white collar exemptions and are therefore **eligible for overtime pay**.

ELIGIBLE ON DEC. 1, 2016

4.2
MILLION

According to the DOL, **4.2 million workers** may be affected by the Final Rule based on their current salaries.

EVERY 3 YEARS



Under the Final Rule, salary thresholds for the EAP exemptions will be **adjusted every three years** to ensure the threshold is maintained at the **40th percentile of full-time salaried workers** in the lowest income census region.

BACK WAGES



\$801,077,901

The DOL's Wage and Hour Division **collected more than \$800 million in back wages** owed to employees for overtime violations from 2010 to 2015.

Paychex FlexSM Time Can Help

With new regulations on the horizon, it's more important than ever for businesses to be able to accurately track non-exempt employees' hours worked. With payroll integration and real-time visibility to labor data, Paychex Flex Time can help you control costs, comply with employment laws, and verify accurate pay.

To learn more contact me:

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