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Federal Judge Blocks New Department of Labor Overtime Rule

November 23, 2016

On November 22, 2016, a federal judge in Texas issued a nationwide preliminary injunction prohibiting the Department of Labor from enforcing its new overtime rule doubling the salary threshold to qualify for the Fair Labor Standards Act's "white collar" exemptions to $47,476 per year, and providing a mechanism for future automatic increases. Thus, the new rule will *not* go into effect on December 1, as previously scheduled.

The preliminary injunction was issued in a lawsuit brought by 21 states and a coalition of business groups, *State of Nevada, et al. v. U.S. Dept. of Labor*. The preliminary injunction will remain in force, unless modified or overturned, as the case proceeds. We will continue to monitor the case and advise of any significant developments.

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