

Legal Connections



POWERED BY THE COLUMBUS BAR ASSOCIATION

APRIL 26, 2019

WHAT EMPLOYERS SHOULD KNOW ABOUT PROPOSED OVERTIME REGULATIONS

Employers take note: the salary thresholds for exempt status under the Fair Labor Standard Act are going up, although not as substantially as they were scheduled to increase back in December of 2016. Exempt employees under the FLSA are those who satisfy both the job duties and salary requirements of their applicable exemption, and are not entitled to overtime wages. As a refresher, in 2016 all the attorneys and HR specialists who represent and counsel management on employment matters were prepping our clients for an increased annual salary threshold from \$23,660 to \$47,476 per year for most exemptions, and from \$100,000 to \$134,000 per year for workers exempt as highly compensated employees.

Needless to say, that increase would have affected employers of all sizes and careful planning and evaluation needed to be made to assess whether an exempt employee who made less



ALICIA NESLINE SHAW,
Carlie Patchen & Murphy LLP

than \$47,476 per year should receive a salary increase or be converted to nonexempt and paid overtime. It was a real dilemma for some employers. As a practical matter, it pushed most employers to come up with a plan of action that would result in compensation changes to segments of their workforce. Roughly a week prior to the 2016 regulations taking effect, however, a Federal District Court in Texas issued an injunction against their enforcement. Since then, the Department of Labor has enforced only the previous salary thresholds.

On March 7, however, the DOL announced its proposed and revised rules regarding exempt salary thresholds, which are expected to take effect Jan. 1, 2020. The revised regulations increase the salary threshold from \$455 to \$679 per week, which equates to an increase from \$23,660 to \$35,308 annually. The salary threshold would increase from \$100,000 to \$147,414 per year

for highly compensated employees. In addition, the proposed rules would allow employers to use non-discretionary bonuses and incentive payments (including commissions) that are paid at least annually to satisfy up to 10 percent of the required salary level. There are currently no proposed changes to the job duties required for any exemption, and of course, an exempt employee must continue to satisfy both the applicable job duties and salary threshold for their particular exemption.

The DOL anticipates this change to affect approximately one million employees. The proposed rules are currently in a public comment period, which lasts through the beginning of May. After which, the DOL is expected to approve the rules for implementation on Jan. 1, 2020. Unless something unexpected transpires, employers should expect to once again review their exempt employees' compensation to make certain it will continue to qualify them as exempt, and be prepared to make adjustments if it will not. ■

"Consult a Columbus Bar attorney to learn more about how proposed employment regulations may affect your business."

Jill Snitcher
McQuain, Esq.
Executive Director
jill@cbalaw.org



EDUCATION & EVENTS

Office Management/HR PREP, Session 6: Conflict/Communication
Tuesday, April 30 • 3 – 5 p.m.
2.0 CLE/NLT Hours

2019 Bankruptcy Law Institute: Back to the Future Series
Thursday, May 2 • Friday, May 3
9.5 CLE Hours (1.0 Prof. Conduct)

Webinar: The Evolution of Speech Recognition Software
Thursday, May 2 • 2 – 3 p.m.
This event is free and exclusively for Columbus Bar members

Preparing a Case for Trial Series: Class 1
Thursday, May 9 • 12 – 1:30 p.m.
1.5 CLE/NLT Hours

2019 Probate Law Institute
Wednesday, May 15 • 9 a.m. – 4:15 p.m.
6.5 CLE Hours (1.5 Prof. Conduct)

Committees and Cocktails
Wednesday, May 15 • 5 – 7 p.m.
Free for members; register online

All classes listed are offered at the Columbus Bar Associations offices, 175 S. Third St. Ste. 1100. To register, call 614-221-4112 or enroll online at www.cbalaw.org.

Join us on May 30 for a CLE on Leadership & Professional Excellence! Register now at cbalaw.org

STAY INFORMED: KNOW YOUR JUDICIARY

Judicial elections are normally overlooked in favor of the more popular political elections going on in November. However, it's important for the public to know who is currently sitting on the bench, to get unbiased information on the judicial candidates and make informed choices when heading to the polls on Election Day. Our judiciary has a significant impact on individuals, corporations and society as a whole.

November is still pretty far away, but the Columbus Bar Association starts the

process of evaluating current judges on the bench early. Toward the end of April, attorneys throughout Franklin County will answer a short poll evaluating the performance of sitting judges. To keep it balanced, attorneys will only answer questions about judges who they have appeared before in the last two years. This helps keep the poll fair and honest.

Each judge is rated on a scale from one to five on a number of different categories, including: objectivity, legal knowledge, opinion quality, timeliness and more. Once the poll closes, all of the results are

tallied in each category to give average ratings for each individual judge by category.

All judges who have been on the bench for at least a year are included in this poll. It's an informative way for the public to learn more about their judiciary.

These results also come in handy as we get closer to the election in November and the CBA's Judicial Screening Committee steps in to evaluate each of the judicial candidates in the race. The CBA endeavors to ensure that this

Committee is balanced with Democrats, Republicans and Independents. The Committee will hold interviews with each candidate and use that interview, as well as the results from the Performance Poll, to provide unbiased and nonpartisan information on all candidates who are sitting judges in a contested race that election year.

All of these results will be released to the public on the CBA's website (cbalaw.org) and on our special judicial candidates page, www.JudgetheCandidates.org. ■

Columbus Bar
Annual
Meeting

June 13, 2019 12:00pm Sheraton Capitol Square

You are cordially invited to attend the 2019 Columbus Bar Annual Meeting, featuring the installation of new officers and the following award recipients:



Bar Service Medal
Carl D. Smallwood
Vorys, Sater, Seymour
and Pease LLP



Professionalism Award
Pamela N. Maggied
Pamela N. Maggied Co. LPA

RSVP:

Tickets are \$45 per person or \$450 per table of 10. To reserve your seats, please contact Donna Sweet at (614) 221-4112 or donna@cbalaw.org.