

INFORMATION MEMO LABOR AND EMPLOYMENT LAW

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Public Comment Period on DOL's Proposed "White-Collar" Exemption Regulations Closes

As the public comment period closed on the U.S. Department of Labor's proposed revisions to the "white collar" exemptions under the Fair Labor Standards Act (FLSA), the Wage & Hour Defense Institute (WHDI), a national organization comprised of wage and hour attorneys from across the United States, submitted comments pointing out the seriously flawed aspects of the proposed changes and warning of the unintended hidden costs and burdens that will likely result. Bond's John Ho, a member in Bond's New York City office, is a member of the WHDI and contributed to the preparation of the formal comments submitted. The door slammed shut on the comment period on September 4, 2015, but apparently not before more than 50,000 additional comments streamed in during the final days before the midnight deadline.

The WHDI's comments take the position that the newly proposed rules do not simplify the interpretation of the FLSA, and will lead to more (not less) litigation. In its analysis, the WHDI asserts that the proposed rules will create significant hidden administrative and employee morale costs and, contrary to the impression created in the press, do not obligate employers to increase an employee's total compensation under the FLSA when converting from exempt to non-exempt status.

With the closing of the 60-day public comment period on the proposed regulations, DOL still has a great deal of work ahead. It must now review the nearly 250,000 comments received, which gives credence to the fact that a sharp divide exists as to the pros and cons of the proposal. A copy of the WHDI's comments can be found here.

If you would like further information on how employers should prepare for the implementation of the proposed regulations, you can listen to <u>Bond's webinar</u> on the subject or contact your Bond attorney.

To learn more, contact John S. Ho at 646.253.2320 or jho@bsk.com.



