



## Construction Industry Round Table

## Regulatory News - **UPDATE**

*A force for positive change in the design/ construction industry*

### **8/27/2015 – Department of Labor Proposed Change to “Salaried” Employee Pay Threshold Comment Period Nears Close**

Next week (September 4) will mark the close of the comment period for firms to address the Department of Labor’s decision to change the amount employees must make to be considered “salaried” for purposes of overtime rules, etc. Under current DOL regulations – last updated in 2004 – employers are required to pay all employees time-and-a-half for any hours they work in excess of 40 hours per week if they make less than \$23,660 per year, regardless of the employee’s job responsibilities. The proposed rule would more than double that salary threshold so that any employee earning a salary of less than \$50,440 per year would become eligible for overtime pay. In addition, the minimum salary would automatically increase each year to match the 40th percentile of the average salary earned by full-time employees in the United States. So, even if an individual employee meets all the other “definition requirements” (or test) to be considered salaried, if that individual is not being paid at least \$50,440, he/she cannot be treated as a “salaried” worker. [See CIRT’s earlier story on this matter, dated: [7/07/2015](#) and [7/03/2015](#)].