Last-Minute Block of Overtime Rule Means Uncertain Future for Many Businesses



Image by NY Photographic

Many employers received a last-minute reprieve from new federal overtime rules that would have gone into effect Thursday, Dec. 1, entitling thousands of previously "exempt" workers to overtime pay. But the Texas federal judge's temporary injunction creates uncertainty for businesses preparing for the employment compliance playing field going forward, according to a post on the website of **Androvett Legal Media & Marketing**.

In a **client alert**, employment attorney **Audrey Mross** of Dallas' **Munck Wilson Mandala** notes that many employers had already revised workers' pay to comply with the Department of Labor's overtime rule. Businesses that have not yet implemented changes now have breathing room to wait for a final ruling from the courts. However, those that have already altered employee pay should think carefully before reversing already announced pay changes.

"If a pay increase was already announced or implemented, and you are considering putting it on hold, there are further considerations that may not apply such as employee relations, an angry or confused employee seeking legal counsel, state laws requiring written notice prior to reducing pay, and collective bargaining on pay issues," Mross says.

Read the Munck Wilson client alert.