

# HR BRIEF

October 2023

## DOL Proposes FLSA Overtime Rule With Higher Salary Levels for White-collar Employees

Recently, the U.S. Department of Labor (DOL) announced a proposed rule to amend current requirements employees in white-collar occupations must satisfy to qualify for an overtime exemption under the Fair Labor Standards Act (FLSA).

### Increased Salary Level

The FLSA white-collar exemptions apply to individuals in executive, administrative, professional, and some outside sales and computer-related occupations. Some highly compensated employees may also qualify for the FLSA white-collar overtime exemption.

To qualify for this exemption, white-collar employees must satisfy the standard salary level test, among other criteria. This salary level is a wage threshold that white-collar employees must receive to qualify for the exemption.

The DOL is proposing to increase the standard salary level from:

- \$684 to \$1,059 per week (\$55,068 per year)
- \$107,432 to \$143,988 per year for highly compensated employees

### Automatic Updates

The DOL proposal also includes mechanisms that would allow the agency to update the white-collar salary level thresholds automatically every three years without having to rely on the rulemaking process.

### Comment Period

The federal rulemaking process requires the DOL to allow the public to comment on proposed regulations before the agency adopts and implements final regulations. For this rule, the DOL has established a 60-day comment period. The proposed rule was published in the Federal Register on Sept. 8, 2023. The general public must submit comments on the proposal by Nov. 7, 2023.

### Impact on Employers

The proposal does not impose any new requirements on employers at this time. This rule is likely to be challenged, and as such, employers should be cautious before proceeding with any changes. However, employers should become familiar with the proposed rule.

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## 4 Ways to Capture Employees' Attention at Open Enrollment and Keep It

When it comes to employee benefits, proper communication helps employees recognize the true value of their benefits, which can lead to an appreciation of the company's investment in their health and well-being. Here are four strategies for grabbing employees' attention during the open enrollment period and keeping them engaged throughout the process.

1. **Determine key messaging.** After solidifying benefits options, employers should plan their communication strategies. The first step is figuring out key messaging, focusing on new or updated benefits offerings, and developing FAQs to address common concerns quickly.

2. **Create a communication calendar.** Having goal-oriented, relevant, punchy and multichanneled communications is great, but attention must also be given to when to send them. A communication calendar could include important dates and scheduled messaging for those efforts.
3. **Tailor messaging for employees.** Ultimately, employers want to engage employees with open enrollment information, and a personalized approach can help. Depending on the workforce and their working environments, employers will likely need to segment their employee audience and tweak messaging so it resonates.
4. **Leverage available resources.** Partners, vendors and carriers may offer resources such as educational content or online portals or tools to help enrich the employee experience and boost communication efforts. Leveraging available resources could help employees make health care decisions year-round.

## Summary

Educating and informing employees about their benefits options is an important part of open enrollment. However, education can continue well past the open enrollment period. Reach out to us for additional employee benefits resources.

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