

New Overtime Rules

Q: I have read about the new minimum salary for overtime going up from \$23,660 to \$35,568 starting 1/1/20. So, if we have exempt, salaried employees earning less than \$35,568, do we need to increase their pay?

A: Yes, the new minimum is \$35,568. So anyone earning less than that amount will need to be reclassified as non-exempt and paid overtime for any hours worked in excess of 40 hours in a workweek. (Note, some states have a higher threshold.) But remember, the employee's duties also have to satisfy the duties test, not just the minimum salary threshold, so they could still be misclassified even though they're earning more than \$35,568. This is often the case with customer service representatives and inside sales positions. To make sure your employees satisfy both the *salary* threshold and the *duties* test, review the [U.S. Department of Labor's Fact Sheet #17a](#), or give us a call at 877-660-6400 or email us at contact@affinityhrgroup.com!