**NEWS UPDATE** 

# DOL Releases Final Rule Updating Standard Salary Level

Wednesday, April 24, 2024

By: Amy Campbell













On April 23, the U.S. Department of Labor (DOL) posted final regulations on the DOL website updating the salary threshold for exemption status under the Fair Labor Standards Act (FLSA).

The new rules take effect July 1, 2024. HR Services is working quickly to prepare guidance for our members and clients. Changes in the final rule include:

- An increase to the salary level effective July 1, 2024, from \$684 to \$844 per week, or \$43,888 annually for a full-year worker.
- An increase to the salary level effective January 1, 2025, from \$844 to \$1,128 per week, or \$58,656 annually for a full-year worker.
- An increase to the total annual compensation requirement for highly compensated employees (HCE) effective July 1 to \$132,964 and January 1 to \$151,164 (Note: this rarely, if ever, is applied to school employees).
- An automatic update to the salary levels July 1, 2027, and every three years thereafter.

Employers must comply with the revised rules beginning July 1, 2024. HR Services is working on guidance to be posted on our website and shared on social media within the next few days. To get social media updates when new information is posted, follow us on X (Twitter), Facebook, and LinkedIn.

We're continuing to develop pay plans and pay recommendations for 2024-2025 implementation for our compensation clients, and we'll be building in salary threshold reviews as part of the project scope. If you're a current compensation client, your HR Services project contact will provide you with an update on next steps for any impacted employees before the implementation deadline.

Finally, we've scheduled a webinar for Friday, May 10, where we'll provide detailed guidance on implementing the rule change, including instructions for measuring employee pay against the increased salary levels and ensuring compliance. Members will receive an email later this week with more information and a link to register.





#### **Amy Campbell**

**Director of HR Services** 

Amy Campbell joined HR Services in 2012. She has more than 20 years of experience in human resources, including 19 years as an HR consultant for school districts and other public sector organizations.

Campbell has a bachelor's degree from Florida State University. She is a Society for Human Resource Management certified professional (SHRM-CP) and has received the professional human capital leader in education certification (pHCLE).

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