

New Federal Regulations Affect Overtime Coverage for Some Workers

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On August 23, 2004 the Employment Standards Administration (ESA) issued new overtime regulations which affect the exempt status of some workers covered by the Fair Labor Standards Act (FLSA). The change in regulations may cause the exemption status of some jobs to be reclassified, thereby affecting the eligibility of those jobs for overtime pay.

In response to these new regulations, the [National Compensation Survey \(NCS\)](#) is reviewing all jobs currently being sampled to ensure that any changes in company overtime practices are properly recorded for the survey. In cases where a job moves from exempt to nonexempt status, it may not be possible to measure the impact of the change immediately. Employers may not be able to predict accurately how much overtime will be worked and compensated at premium rates until they have operated under the new rules for a representative period of time.

For details about the new Federal regulations on overtime pay, see *Federal Register*, Friday, April 23, 2004, pp. 22121-74; available on the Internet at <http://a257.g.akamaitech.net/7/257/2422/14mar20010800/edocket.access.gpo.gov/2004/pdf/04-9016.pdf>. In addition, ESA designed the following website to help answer questions about the new regulations: <http://www.dol.gov/esa/regs/compliance/whd/fairpay/main.htm>.

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