

Employment

July 1, 2024

REMINDER: New York City 'Workers' Bill of Rights' Notice Requirement and DOL Overtime Final Rule Both Effective July 1, 2024

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Employers should take note of two important developments at the federal and local levels, both taking effect July 1, 2024.

NYC 'Workers' Bill of Rights' Notice

As we previously mentioned [here](#), starting July 1, 2024, New York City employers must begin distributing the "Workers' Bill of Rights" notice, created by the New York City Department of Consumer and Worker Protection (DCWP), available [here](#). Specifically, employers are required to provide the multilingual notice, which includes a quick-response (QR) code directing employees to information regarding employment rights on the DCWP website, in all the following ways:

1. Distribute to each current employee;
2. Distribute to new hires on or before the first day of work;
3. Conspicuously post at the employer's place of business in an area accessible and visible to workers; and
4. Post online or on the employer's mobile application if such means are regularly used to communicate with employees.

Employers should distribute the notice to current employees promptly given the July 1, 2024 effective date and can do so via email or physical copy. One way to distribute to new hires is via offer letter.

The law provides that an employer that violates the law will be liable for a civil penalty of \$500, except there is a 30-day cure window for a first violation.

Exempt Employee Salary Threshold Increase

As we previously detailed [here](#), the first phase of the U.S. Department of Labor's (DOL) final rule raising the salary threshold for "white collar" minimum wage and overtime pay exemptions (the Overtime Final Rule) is set to take effect July 1, 2024.

Specifically, the Overtime Final Rule increases the minimum annual salary threshold from \$684 per week to (i) \$844 per week, or \$43,888 if annualized, as of July 1, 2024, and (ii) \$1,128 per week, or \$58,656 if annualized, as of January 1, 2025, to qualify executive, administrative, and professional positions as exempt from the Fair Labor Standards Act's (FLSA) minimum wage and overtime requirements. To be exempt from overtime, an employee must meet both a salary test and a duties test.

The Overtime Final Rule also increases the new total annual compensation to meet the highly compensated employee exemption, with an increase from \$107,432 to \$132,964 as of July 1, 2024, and to \$151,164 as of January 1, 2025. On Friday, a Texas court enjoined the Overtime Final Rule but only against the state of Texas in its capacity as an

employer. The court declined to extend this relief to any other employers, including private employers in the state of Texas. As of this writing, a request for nationwide injunctive relief is still pending before another Texas federal court. However, employers should not count on any such relief being entered, and therefore should move forward to comply with the Overtime Final Rule at this time.

As a reminder, to be exempt, employees must meet not only the federal exemption requirements under the FLSA but also any state-specific requirements, which may include higher salary thresholds for exemption.

Lowenstein Sandler's Executive Compensation, Employment & Benefits Group regularly counsels employers on employment and wage and hour compliance. Please contact the authors or any other Lowenstein Sandler attorney with whom you regularly work if you have any questions.

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