

3-Step Checklist to Complying with the New Overtime Law

This is a free resource from Aspire HR Consulting LLC, to go along with Bill Gottlin's original article:

[*New Overtime Rules and the Salaried Employee*](#)

Follow this checklist to determine if a worker is entitled to overtime (OT) pay.

Test #1: Worker is paid at least \$47,476 per year (or \$913 per week)*

*Effective December 1, 2016

YES (go to Test #2) NO (You are entitled to OT)

Test#2: Worker is paid on a salary basis

YES (go to Test #3) NO (You are entitled to OT)

Test #3: Worker does one of the following types of work:

Executive YES NO

- Supervises two or more other employees
- Primary duty of the position is management
- Has genuine input into other employees' job status (hiring, firing, assignments, etc.)

Administrative YES NO

- Office or non-manual work that is directly related to management or general business operations and has a primary component of exercising independent judgment and discretion about matters of significance.

NOTE: typically, support staff such as HR, public relations, payroll and accounting will be considered exempt.

Professional YES NO

- Job requires advanced education or training
- Job requires discretion and judgment
- Job requires imagination, talent and some unique contribution to the employer.

NOTE: typically, exempt professional employees include lawyers, doctors, teachers, architects, registered nurses, writers, journalists, actors and musicians. This group does not include skilled tradespeople.

If you answered YES to Test #1, Test #2 *and* one of the categories in Test #3, the worker is exempt from overtime. Otherwise, the worker is “non-exempt” and eligible for overtime pay.