

**TO:** State of Tennessee employees

**FROM:** Department of Human Resources

**DATE:** December 19, 2020

**SUBJECT:** Changes to FLSA Overtime Rule - Effective January 1, 2020

The U.S. Department of Labor (DOL) has issued overtime rule changes to the Fair Labor Standards Act (FLSA) that raise the minimum salary requirement to be considered exempt from overtime pay. As a result, employees who earn less than \$35,568 (\$684 per week) may be eligible for overtime compensation if they work more than 40 hours in a workweek of the FLSA time period. The changes take effect January 1, 2020. Please review the following information to understand how you may be affected:

### **What is Overtime?**

Overtime is approved time worked in excess of the employee's normal workweek schedule. Depending on the number of hours worked in the workweek, overtime may be compensated in the form of cash at the employee's regular rate of pay, cash at the employee's premium rate of pay (one and one-half (1.5) times the regular rate), or in equivalent time off (compensatory time).

### **How will I be Affected by the Overtime Rule Change?**

- In preparation for the implementation of the FLSA overtime rule changes, effective January 1, 2020, the Department of Human Resources is working with agencies to identify state employees who may become newly eligible for overtime compensation.
- Agencies may choose to compensate eligible employees for overtime in the form of cash or compensatory time for any hours worked over 40 hours a week.
- Please reference the State of Tennessee Attendance and Leave Manual and FAQs on the Department of Human Resource's website ([www.teamtn.gov/hr](http://www.teamtn.gov/hr)) to obtain information on how overtime is calculated and paid.

Please keep in mind that employees must receive supervisory approval *before* working any overtime hours. Although time will be compensated, employees who work overtime without prior supervisory approval may be subject to disciplinary action.

Should you have questions, please visit [www.teamtn.gov/hr](http://www.teamtn.gov/hr) or contact your agency Human Resources Officer.