



Labor & Employment @lert

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Texas Issues Injunction Against DOL's New Overtime Rule

On June 28, the U.S. District Court for the Eastern District of Texas granted Texas's motion for preliminary injunctive relief in consolidated cases *State of Texas v. Dep't of Labor, et al.*, USDC EDTX, 4:24-CV-499, and *Plano Chamber, et al. v. Su, et al.*, USDC EDTX, 4:24-c-v-468. The court issued a **Texas-only** injunction that is applicable only to employees of the state of Texas, staying implementation of the new Department of Labor (DOL) rule we described in a [prior alert](#), which changes the salary thresholds for employees to qualify for the executive, administrative, and professional exemption from overtime requirements. Importantly, this injunction does not apply to private employers in Texas.

What This Means for Employers

Employers must implement any salary adjustments or employee reclassification plans previously made in preparation for the new rule, which took effect on July 1, 2024, subject to any future court action, which is expected in the coming days and weeks.

Litigation regarding these issues is pending in multiple jurisdictions. More rulings will be forthcoming, in this and other pending suits, and may not be consistent. On July 1, for example, a judge in *Flint Avenue, LLC v. U.S. Department of Labor* denied injunctive relief regarding the new rule, stating that the plaintiff had failed to show irreparable harm.

We will continue to monitor developments on these issues.

FOR MORE INFORMATION

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