AACS Overtime Rules Legal Report

We have had some questions in our office regarding the application of the new overtime rules to school administrators. Steve Cummings, attorney for the AACS, completed further review of the new overtime rules that go into effect December 1, and an addendum explains the application of the overtime rule to administrators.

To review his guidance on this topic, <u>click here</u> or access the legal reports section on the AACS website here: School Log-In>Legal Reports.

Earlier this year, the U.S. Department of Labor announced the highly anticipated updates to the federal overtime regulations. The AACS Legislative Director, Jamison Coppola, worked with conservative groups in Washington for a number of months to mitigate the impact of the proposed rule on Christian schools and other nonprofits. While some of those efforts were not successful, some adjustments were made, and the overall effect on most Christian school ministries will not be significant. The main focus of the new regulations is to insure that certain workers earning less than \$47,476 per year (\$913/week) will now be eligible for overtime pay if they work more than 40 hours per week—or, if an employee earns at least \$47,476 per year—then the new guidelines do not apply.

The good news for Christian schools is that the "duties" test did not change under the new regulations. That means that teachers and school administrators are exempt from the new requirements, as they were exempt from the old requirements.