



OFFICE OF THE PRESIDENT
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Oakland, California 94607-5200

November 23, 2016

EXECUTIVE VICE CHANCELLORS/PROVOSTS
VICE CHANCELLORS OF RESEARCH
VICE CHANCELLORS OF ADMINISTRATION
CONTROLLERS

Dear Colleagues:

We write to update you on the status of the Department of Labor's (DOL) new overtime rule. On November 22, 2016, a federal district judge issued a nationwide preliminary injunction blocking implementation of the U.S. Department of Labor's rule that nearly doubles the minimum salary level required for the executive, administrative and professional overtime exemptions under the Fair Labor Standards Act. This means that employers are no longer required to meet the December 1, 2016 implementation deadline.

Last month, the State of Nevada and 21 other states filed the emergency motion for a preliminary injunction to halt the implementation of the new minimum salary regulations, arguing that the DOL exceeded the authority delegated by Congress in adopting the new salary level. The lawsuit was filed in U.S. District Court in Texas, and was consolidated with another lawsuit challenging the rule brought by over 50 businesses and the U.S. Chamber of Commerce. Following the ruling, the DOL issued a statement expressing that it disagreed with the decision and was considering all options. The DOL will likely appeal the court's order, but it is uncertain how long an appeal may take. If the preliminary injunction pushes the implementation date past January 20, 2017, the new administration may reopen and revise the overtime rule.

At this point you should proceed with whatever implementation plans you already have in place. In the coming months, we will be following further developments on the status of the DOL's overtime rule, potentially revisiting some of the classification decisions made in the last few months, and engaging in consultation and communication with you throughout.

November 23, 2016

Page 2

In the meantime, if you have questions, you may contact Director Terry Weinstein in Human Resources at Terry.Weinstein@ucop.edu or Interim Executive Director Amy Lee in Academic Personnel and Programs at Amyk.Lee@ucop.edu or Senior Counsel Shondella Reed in the Office of General Counsel at Shondella.Reed@ucop.edu.

Have a Happy Thanksgiving.

Sincerely,



Dwaine B. Duckett
Vice President for Human Resources

Susan L. Carlson
Vice Provost for Academic Personnel and Programs

cc: President Napolitano
Chancellors
Laboratory Director Witherell
Provost and Executive Vice President for Academic Affairs Dorr
Chair Chalfant
Executive Vice President and Chief Operating Officer Nava
Executive Vice President Stobo
Vice Chair White
Vice President Ellis
Vice President Humiston
Chief of Staff Grossman
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Associate Vice President Nation
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Council of Graduate Deans
Graduate Medical Education Deans
Council of University Librarians
Psychology Training Directors
Deputy General Counsel Woodall
Senior Counsel Reed
Executive Director Baxter
Executive Director Larsen
Interim Executive Director Lee
Director Chester
Director Lockwood
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