Office of State Uniform Payroll

State of Louisiana

Division of Administration

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COMMISSIONER OF ADMINISTRATION

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OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2025-17

TO: LaGov HCM Paid Agency Human Resources

And Employee Administration Staff

FROM: Andrea P. Hubbard

Director

SUBJECT: 2025 Fair Labor Standards Act (FLSA) Changes – Final Rule on Overtime

As advised in OSUP Memorandum #2024-41, the U.S. Department of Labor published the <u>Final Rule</u> updating the overtime regulations.

Effective Jan. 1, 2025, the salary threshold will increase to \$1,128.00/week (\$58,656 per year). The next salary change will be effective July 1, 2027 and every three years thereafter. There are no changes to the duties test.

Agencies are required to start identifying and researching impacted employees and change them, as applicable, from exempt to non-exempt status effective Jan. 1, 2025. Affected employees can be identified by using the variant /FLSA 2025 on ZP50 – Basic Pay Informational/Statistical Report. This variant will pull all exempt employees for the selected personnel area(s) whose annual salary is less than \$58,656.

To identify work schedules that may need to be changed, agencies should run ZT02 – Time Entry Audit Report for the employee(s) in the ZP50 report output and filter for work schedules that do not have forty hours in each week of the pay period. These particular work schedules will likely need to be changed to work schedules with forty regular hours in each week. In addition, most non-exempt employees should be on a forty hour per week evaluation schedule. Therefore, after researching work schedules agencies will then want to filter for working weeks that are not seven-day and review for accuracy.

For LaGov report questions and assistance with system changes, please contact the <u>LaGov HCM Help Desk</u>. For any additional questions, contact a member of the OSUP Garnishment Administration Unit at <u>DOA-OSUP-GARN@la.gov</u> or (225) 342.5332. For FLSA specific overtime information, refer to the U.S. Department of Labor's <u>website</u>.

APH/KEH/kme