

New Federal Labor Rules & Guidelines to Watch Ahead of the 2024 Election



By [Robert G. Riegel, Jr.](#)

May 9, 2024 | **CLIENT ALERTS**

Election year is here, and it comes as no surprise that federal agencies are rapidly issuing new rules and guidelines ahead of November, although there has been a very unusual number of developments from federal agencies that may catch some employers off guard. Below is an overview of recent labor & employment developments to help your organization stay in compliance with federal laws. Watch for detailed client alerts from us on these topics soon. Election year might be here, but so are we.

Pregnant Workers Fairness Act Final Rule

- On April 19, 2024, the Equal Employment Opportunity Commission (“EEOC”) published a final rule to implement the Pregnant Workers Fairness Act (“PWFA”). The PWFA requires covered employers to provide reasonable accommodations to employees with known limitations related to, affected by, or arising out of pregnancy, childbirth, or related medical conditions unless doing so would cause undue hardship to the employer.
- The EEOC’s final rule, which takes effect June 18, 2024, provides definitions for several key terms, including an

expanded definition of “qualified” persons under the PWFA (beyond how the Americans with Disabilities Act (“ADA”) defines that term); clarifies that a condition need not be considered a “disability” under the ADA to qualify under the PWFA; and provides examples of the types of reasonable accommodations that can be made available to employees under the PWFA.

Federal Trade Commission Final Rule Banning Non-Competes

- On May 7, 2024, the Federal Trade Commission (“FTC”) published its final rule banning almost all non-competes. Specifically, the FTC’s final rule, with limited exceptions, (1) voids existing non-compete agreements and (2) bans employers from entering into new non-compete agreements.
- The FTC’s final rule is currently set to take effect September 4, 2024. The effect of the rule, however, may be delayed or invalidated in its entirety by a series of court challenges filed since it was issued. These include a lawsuit filed by the U.S. Chamber of Commerce and other business groups in the Eastern District of Texas, which challenges the FTC’s authority to adopt sweeping rules prohibiting “unfair methods of competition.”

Department of Labor Overtime Exemption Final Rule

- On April 26, 2024, the U.S. Department of Labor (“DOL”) published its final rule raising the minimum salary thresholds to qualify for the executive, administrative, or professional exemptions from overtime under the Fair Labor Standards Act (“FLSA”). The DOL’s final rule also increases the salary requirements for the highly compensated employee exemption.
- The DOL’s final rule initially takes effect on July 1, 2024, increasing the minimum salary for overtime exemptions to \$844 per week (equivalent to a minimum annual salary of \$43,888). On January 1, 2025, those numbers will increase again to \$1,128 per week (equivalent to a minimum annual salary of \$58,656). The annual compensation for an employee to qualify for the highly compensated employee exemption increases to \$132,964 on July 1, 2024. That threshold is then set to increase again to \$151,164 on January 1, 2025.
- For both of these thresholds, the regulation also provides for a cost-of-living adjustment to boost the threshold every three years, beginning in 2027.
- We may also see an attempt to postpone or invalidate these regulations by way of suit to enjoin the DOL’s enforcement.

Equal Employment Opportunity Commission Workplace Harassment Guidelines

- On April 29, 2024, the EEOC published [updated guidance](#) on prohibited harassment in the workplace—the EEOC’s first update on the subject in over two decades.
- The updated guidance addresses many issues facing both employers and employees today, including the rise of technology and the ever-evolving legal landscape surrounding gender identity and sexual orientation. While the EEOC’s updated guidance does not carry any binding effect, federal courts have utilized the EEOC’s guidance when evaluating harassment matters in the past.

If you have questions pertaining to any of these new developments, contact one of the members of our [Employment Practice Team](#).

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Robert G. Riegel, Jr.
Partner



Amy Habib Rittling
Partner | Chief Legal
Officer | Team
Leader -
Employment



Michael J. Lufkin
Partner