

The Year Ahead 2025: Wage and Hour Considerations

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While many anticipate a more business-friendly administration, the appointment of a seemingly pro-labor Republican as Labor Secretary and President Trump's populist instincts could make it hard to predict what the year ahead will bring for wage and hour law.

Start-of-the-Year Status

Minimum salary for EAP exemptions

- Vacated.
- DOL has filed an appeal.

Independent contractor rule

- Several lawsuits pending.
- Trump Administration may restore regulations his DOL previously issued.

80-20 regulation for tipped employees

- Vacated.
- Employees will still seek to impose it, or some version of it, as a valid interpretation of the statutory language permitting a tip credit.

Federal contractors

- Minimum wage mandate for federal contractors valid, for now, in most jurisdictions.
- Trump executive order likely imminent.



What to Watch

- Congressional weigh-in on Trump's campaign promises:
 - No tax on tips or overtime?
 - Comp time for private employees?
 - Overtime determined based on an 80-hour cycle?
- Labor Secretary nominee Lori Chavez-DeRemer: The degree to which she will be a wild card.
 - Will DOL shift focus from enforcement actions to education and job creation?
- Wage and hour collective actions: Procedural shifting sands.
 - Erosion of "conditional" certification.
 - *Bristol-Myers* reins in nationwide collectives.
- Enforcement + litigation: The extent to which the locus shifts to the states.

Podcast



The Year Ahead 2025: Back to the Future for Core Wage and Hour Concerns

Hosts: **Justin R. Barnes**, Principal and Wage and Hour Co-Leader, and **Eric R. Magnus**, Principal

and Class Actions and Complex Litigation Co-Leader

“A corollary to the populist instincts of president-to-be Trump [i.e., his possible support for some increase to the federal minimum wage] is this issue about removing taxes on tips. This is something that could certainly happen in 2025 — and it would be the most important effect on the wage and hour practice in the entire time I have been practicing in this area.”

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Related resources



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Supreme Court Won't Consider Federal Contractor Minimum Wage Mandate



A Reprieve for Employers: Texas Court Vacates DOL Rule Increasing Salary Level for Exempt Employees



Fifth Circuit Strikes Down DOL Tip Credit Rule: What It Means for Employers



DOL Returns to Pre-2021 Dual Jobs Regulation for Tipped Employee



Labor Department Releases Independent Contractor Final Rule, Revising Standard



Federal Contractors in Flux: Ninth Circuit Finds President Biden Can't Mandate Minimum Wage Under EO 14026



Proposed Rule Would End Subminimum Wage for Employees with Disabilities

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