

# COUNTY OFFICIALS E-NEWS

*Promoting better county government through direct assistance to county officials and their associations.*

## Notice of Proposed Rulemaking: Overtime



The U.S. Department of Labor (DOL) is proposing a change to the regulations governing which executive, administrative, and professional employees (white collar workers) are entitled to the Fair Labor Standards Act’s minimum wage and overtime pay protections. The current salary threshold of \$455 per week (\$23,660 per year) was set in 2004. The DOL now seeks to increase the salary level required for exemption.

### Key Provisions of the Proposed Rule

The Notice of Proposed Rulemaking focuses primarily on updating the salary and compensation levels needed for white collar workers to be exempt. Specifically, the DOL proposes to:

- set the standard salary level at the 40th percentile of weekly earnings for full-time salaried workers (\$921 per week, or \$47,892 annually);
- increase the total annual compensation requirement needed to exempt highly compensated employees to the annualized value of the 90th percentile of weekly earnings of full-time salaried workers (\$122,148 annually); and
- establish a mechanism for automatically updating the salary and compensation levels going forward.

In addition, the DOL discusses the current duties test and solicits suggestions for additional occupation examples and requests comments on the current requirements. Similarly, the DOL seeks comments on the possibility of including nondiscretionary bonuses to satisfy a portion of the standard salary requirement. The DOL is not proposing specific regulatory changes on either of these issues.

### Background

Since 1940, the DOL’s regulations have generally required each of three tests to be met for one of the FLSA’s white collar exemptions to apply: (1) the employee must be paid a predetermined and fixed salary that is not subject to reduction because of variations in the quality or quantity of work performed; (2) the amount of salary paid must meet a minimum specified amount; and (3) the employee’s job duties must primarily involve executive, administrative, or professional duties as defined by the regulations.



Certain highly compensated employees are exempt from the overtime pay requirement if they are paid total annual compensation of at least \$100,000 (which must include at least \$455 per week paid on a salary or fee basis) and if they customarily and regularly perform at least one of the exempt duties or responsibilities of an executive, administrative, or professional employee identified in the standard tests for exemption.

### How to Comment

The DOL encourages interested parties to submit comments on the Notice of Proposed Rulemaking. The full text of the Notice, as well as information on the deadline for submitting comments and the procedures for submitting comments, can be found at the Wage and Hour Division’s [Proposed Rule website](#).

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# County Spotlight

## Loudon County



**County Seat: Loudon**  
**Population: 48,556**

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There aren't many structures built in 1834 that are still standing, and only one (to the best of our knowledge) whose ownership became the subject of a pre-Civil War Tennessee Supreme Court case.

The Blair Ferry Storehouse was built by entrepreneur James Blair in 1834 and then claimed (along with the entire town surrounding it) by a Cherokee Indian named Pathkiller. It took 15 years, but in 1850 the court ruled in Blair's favor. He died the next year, and the name of the town was later changed to Loudon, in honor of the French & Indian War fort that used to exist in this part of Tennessee (although the fort's name is spelled LoudoUn).

For more information, visit <http://www.tnhistoryforkids.org>

## Upcoming Training Opportunities

DATE	TIME	TITLE	LOCATION
07/30/2015 - 07/31/2015 12:30p to 12:00p CDT		The Hidden Curriculum: Life Lessons You Won't Learn in a Classroom Workshop	Franklin - Embassy Suites
08/07/2015	8:30a - 12:30p EDT	National Flood Insurance Program Administrative and Legislative Training	Knoxville - UT Conference Center
08/11/2015	8:30a - 12:30p EDT	Courthouse Security	Johnson City - Carnegie Hotel
08/12/2015	8:30a - 12:30p EDT	Courthouse Security	Knoxville - Bridgewater Place
08/18/2015	8:30a - 12:30p CDT	Courthouse Security	Jackson - Madison County Regional Health Dept
08/19/2015	8:30a - 12:30p CDT	Courthouse Security	Murfreesboro - Doubletree Hotel
08/20/2015	8:30a - 12:30p EDT	National Flood Insurance Program Administrative and Legislative Training	Collegedale - City of Collegedale Municipal Building
08/24/2015	8:30a - 12:30p EDT	National Flood Insurance Program Administrative and Legislative Training	Kingsport - Meadow View Conference Resort
08/27/2015	8:30a - 12:30p CDT	National Flood Insurance Program Administrative and Legislative Training	Bartlett - Bartlett Station Municipal Center
08/28/2015	8:30a - 12:30p CDT	National Flood Insurance Program Administrative and Legislative Training	Jackson - Jackson Energy Authority
08/31/2015	8:30a - 12:30p CDT	National Flood Insurance Program Administrative and Legislative Training	Franklin - Franklin Police Department

### CTAS Training | Events Calendar

July 2015

#### FUND/ENTITY ACCOUNT NUMBERING SYSTEM

(OPTIONAL FIELDS)

Fund	Account	Expend. Object	Sub Fund/ Project	Location/ Cost Center	Program
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#### FIELD NO. 1 - FUND/ENTITY NO.

- 1 \_\_ Governmental Funds
- 2 \_\_ Proprietary Funds
- 3 \_\_ Fiduciary Funds
- 8 \_\_ Data Group
- 9 \_\_ Other Accounting Entities

#### FIELD NO. 2 - ACCOUNT

- 10000 - 14999 Assets
- 15000 - 19999 Deferred Outflows of Resources
- 20000 - 29919 Liabilities
- 29920 - 29999 Deferred Inflows of Resources
- 30000 - 39999 Equity
- 40000 - 49999 Revenues and Other Sources
- Expenditure/Expense Functions
- 50000 - 59999 General Government
- 60000 - 69999 Highways
- 70000 - 79999 Education
- 80000 - 89999 Debt Service
- 90000 - 99999 Capital Projects

**July 2015 Chart of Accounts**  
**Now Available**

[Click here to view the revisions](#)

## Hospitalized Inmate Healthcare Coverage

Public Chapter No. 926 amended Tennessee Code Annotated, Section 71-5-106 by adding the following as a new subsection:

*(r)(1) An individual who is an inmate of a public institution shall have eligibility for medical assistance suspended but not terminated during period of actual incarceration.*

*(2) An individual who is an inmate of a public institution shall be eligible for temporary reinstatement of medical assistance for care received outside of a jail or correctional facility in a hospital or other health care facility for more than twenty-four (24) hours.*

*(3) A public institution may make efforts to establish eligibility for or renew assistance for such individuals prior to their release from the public institution.*

This act took effect on April 1, 2015.

A recent meeting with TennCare officials indicates that the process for identifying inmates in local jails who are TennCare recipients was started on April 1, 2015. “Specifically, we have established a system through which we obtain census data on inmates from state and local penal facilities, and we now suspend Medicaid eligibility for any such inmates as appropriate. We also report an inmate’s suspension status to health care providers via the ‘TennCare Online Services’ (also known as TN Anytime).”

According to TennCare this information is being captured through the Apriss System. To address the high rate of inmates and the short time that an inmate is booked in and out of local jails, TennCare does not place a TennCare inmate recipient into a suspended status until their 90th day of incarceration.

Counties may recognize cost savings for inmates who were TennCare recipients at the time of incarceration and who are hospitalized for a period over 24 hours during incarceration. Inmates that have been in custody over the 90 day period and become hospitalized (for a period over 24 hours) may be eligible for payment of that inpatient care.

We recommend that you work with your local hospitals when an inmate becomes hospitalized to determine TennCare eligibility.

Please contact your [County Government Consultant](#) or CTAS directly at (615) 532-3555 with any questions.



### County Technical Assistance Service INSTITUTE FOR PUBLIC SERVICE

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County Officials E-News is published every month to bring important information to county officials. For any questions or comments about the newsletter, please send Liz Gossett, CTAS E-Media & Information Specialist, an email at [liz.gossett@tennessee.edu](mailto:liz.gossett@tennessee.edu).