

# Texas Business Today

Joe Esparza  
Commissioner Representing Employers

June 2024

Texas Employers,

Welcome to the June issue of *Texas Business Today*!

The Texas economy is achieving record-breaking growth, including the highest number of Texans working in state history! Thanks to Texas employers – small, medium, and large – millions of Texans have pathways to economic prosperity.

Over the month in April, employers added 12,000 jobs in Private Education & Health; 9,800 jobs in Trade, Transportation, and Utilities; and 7,600 jobs in Professional and Business Services. If your business is in one of these industries, give yourself a round of applause for this accomplishment. TWC has an entire web page dedicated to providing employers resources as they grow: [Employer Resources - Texas Workforce Commission](#).

I had the privilege of meeting with business leaders in San Antonio recently, and I was inspired by their work with education and economic development partners to build the region's workforce and maintain that talent. I ask employers to consider adding their experience and perspective to all levels of the workforce development system. As I travel across the state, I want to know what works best in individual communities and how we can help others adapt those best practices for local success.

Additionally, last month was Military Appreciation Month, and I had the honor of meeting members of the military at the Corpus Christi Army Depot, a major employer and economic hub in South Texas.

I hope to hear from you and meet you in your community soon. Thank you for powering the economic engine of Texas!



**Joe Esparza**  
**Commissioner Representing Employers**  
**Texas Workforce Commission**

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## **Texas Business Minute**



[Click here to watch the video](#)

## Upcoming Events

A promotional banner for the "Pampa | 2024 Governor's Small Business Summit". The banner is split into two main sections. The left section has a blue background with a red star graphic and the text "PAMPA | 2024 GOVERNOR'S SMALL BUSINESS SUMMIT". The right section has a red background with the date "JUNE 13, 2024", the time "8:00AM-1:30PM", and the website "GOV.TEXAS.GOV/EVENTS". Below the banner are three smaller images: a red box with the text "GUEST SPEAKER JOE ESPARZA" and "COMMISSIONER REPRESENTING EMPLOYERS FOR THE TEXAS WORKFORCE COMMISSION"; a portrait of Commissioner Joe Esparza; and a photo of the summit event with a stage and audience, including social media icons and the handle "@TexasEconDev".

[More Info](#)



## Texas Conference for Employers

**June 14:** Big Spring

**June 28:** Temple

**July 11 - 12:** Irving

[More Info](#)



## Important New Rules and Guidelines from the U.S. Department of Labor

**By: Tommy Simmons**

Senior Legal Counsel to Commissioner Joe Esparza

Under a new regulation from the U.S. Department of Labor (DOL) that becomes effective July 1, 2024, the minimum salary for a salaried exempt employee will increase to \$844 per week, which is equivalent to \$43,888 per year, and six months later, on January 1, 2025, that salary threshold will go up to \$1,128 per week, or \$58,656 per year. For employees who are exempt from overtime pay as “highly-compensated employees” (HCEs), the minimum annual compensation as of July 1, 2024, will be \$132,964, with a salary of at least \$844 per week, and on January 1, 2025, the minimum HCE compensation will be set at \$151,164, including at least \$1,128 per week in salary.

The new regulation specifies that the salary levels will be re-determined on July 1, 2027, and every three years thereafter, using factors relating to population surveys conducted by DOL’s Bureau of Labor Statistics.

Employers can access DOL's official information resources on the new minimum salary requirements online at <https://www.dol.gov/agencies/whd/overtime/rulemaking>.

## Other Important Legal Developments



- As *Texas Business Today* reported earlier this year, the U.S. Department of Labor (DOL) published a new rule regarding the “economic realities” test under the Fair Labor Standards Act for whether a worker is an employee or an independent contractor. See DOL’s official information at <https://www.dol.gov/agencies/whd/government-contracts/small-entity-compliance-guide#sixFactors>. As outlined in that guidance, the six main factors are the opportunities for profit or loss based on the worker’s managerial skill, investments by the worker and the potential employer, degree of permanence of the work relationship, nature and degree of control, extent to which the work performed is an integral part of the potential employer’s business, and the skill and initiative required for the work. The new test also provides that “additional factors that answer the question of whether a worker is economically dependent on an employer may be relevant.”
  - Under a new state law passed in 2023, an employer that has received a penalty from TWC’s Wage and Hour Department for a child labor violation, appealed that determination, and then lost its appeal, may appeal an adverse decision from an appeal hearing officer to the three-member Commission. The same basic procedures that apply to unemployment and wage claim appeals apply to child labor violation appeals. Any aspect of a violation determination may be appealed, including the amount, the type of violation, and whether the law was violated at all. Penalty amounts can vary according to the type and severity of the violation, the age of the child involved, and whether prior child labor violations have been determined. For basic information about child labor laws and links to further information, see the online book at [https://efte.twc.texas.gov/child\\_labor.html](https://efte.twc.texas.gov/child_labor.html).
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# TEXAS EMPLOYER HOTLINE

## 1-800-832-9394

Hiring Issues · Medical Leave-Related Laws · Personnel Policies and Handbooks · Independent Contractors and Unemployment Tax Issues · The Unemployment Claims and Appeals Process · Texas and Federal Wage and Hour Laws



**Employer Hotline Hours: M-F, 8am-5pm**

*Information provided by employment law attorneys in the Office of the Commissioner Representing Employers at the Texas Workforce Commission*

## **Texas Business Today is provided to employers free of charge**

Texas Business Today is a monthly update devoted to a variety of topics of interest to Texas employers. The views and analyses presented herein do not necessarily represent the policies or the endorsement of the Texas Workforce Commission. Articles containing legal analyses or opinions are intended only as a discussion and overview of the topics presented. Such articles are not intended to be comprehensive legal analyses of every aspect of the topics discussed. Due to the general nature of the discussions provided, this information may not apply in each and every fact situation and should not be acted upon without specific legal advice based on the facts in a particular case.

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## **Connect with the Office of the Commissioner Representing Employers**

Email: [employerinfo@twc.texas.gov](mailto:employerinfo@twc.texas.gov)

Mail: Commissioner Representing Employers  
101 E. 15th St., Rm 630  
Austin, TX 78778