

PUBLICATION

Persuader Rule Determined to Be Unlawful: What to Do Now

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In a win for both employers and their counsel, a Texas federal district court held earlier this week that the Department of Labor's Persuader Advice Exemption Rule was unlawful. The Persuader Rule required employers and their counsel to disclose advice given about the workplace, and those reports would have been posted on the Department of Labor's website. The new rule carried serious civil and criminal penalties for failure to report accurately.

The Texas federal district court entered a permanent injunction with nationwide effect, but noted that the preliminary injunction order was currently on appeal before the United States Court of Appeals for the Fifth Circuit. It is unknown whether the current Department of Labor will appeal the nationwide, permanent injunction, but we expect that if it does, the new Secretary of Labor will withdraw that appeal, as well as the appeal on the preliminary injunction.

With this court's opinion, employers and their lawyers do not have to comply with the burdensome reporting requirements.

For questions about this or any other employment-related issue, please reach out to any of our more than 70 Labor & Employment attorneys located in Birmingham, Alabama; Tallahassee, Florida; Atlanta, Georgia; Baton Rouge and New Orleans, Louisiana; Jackson, Mississippi; Chattanooga, Johnson City, Knoxville, Memphis and Nashville, Tennessee; and Houston, Texas.