



Recent Wage and Hour Developments

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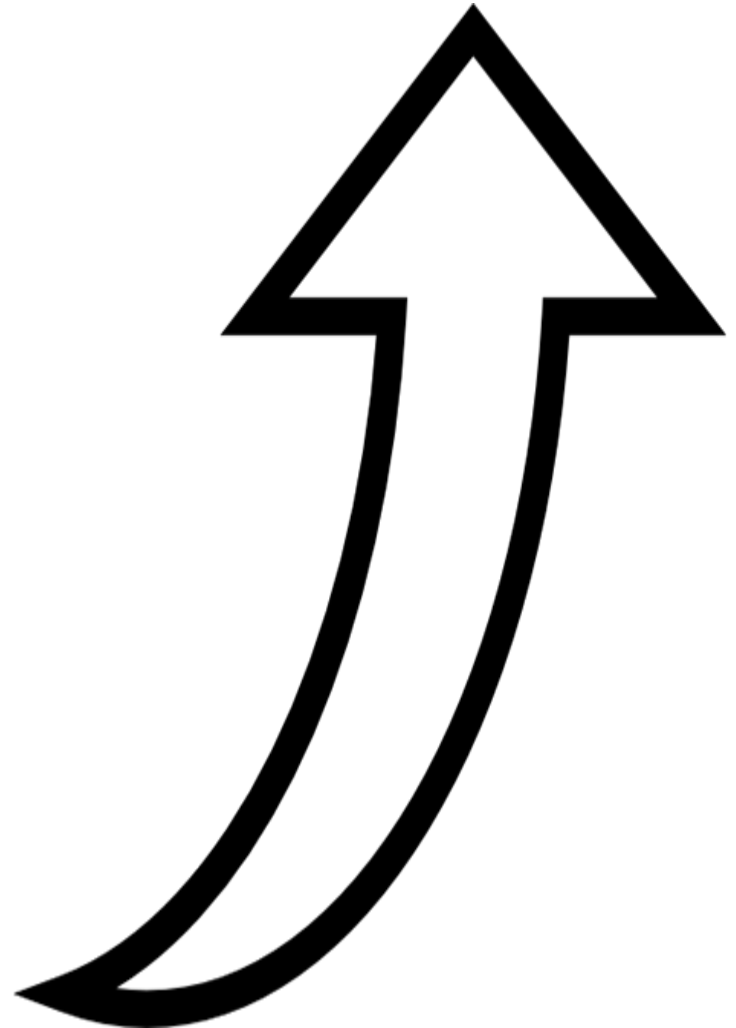
April 11, 2019

Agenda

- 1 New Compensation Level in Proposed Exempt Status Regulations
- 2 New Regular Rate Calculation Proposed Regulations
- 3 Employee Business Expense Reimbursement Requirements
- 4 Tracking Hours Outside of the Office
- 5 Other Issues
- 6 Questions

New Compensation Level in Proposed Exempt Status Regulations

- New federal wage and hour compensation level proposed to increase from **\$455** per week to **\$679** per week.
- Highly compensated employee exemption to rise from **\$100,000** annually to **\$147,414** annually.



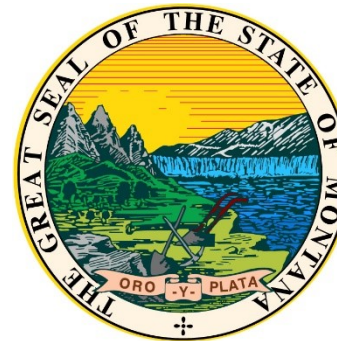
New Regular Rate Calculation Proposed Regulations

- Regular rate regulations proposed to be revised to include a **new administrative inconvenience level of 40% of the minimum wage per week**
 - Business expense reimbursements that exceed federal standards are not necessarily unreasonable
- If an employee chooses to work on a holiday and just receive holiday pay or to work on a vacation day or days and just receive vacation pay promptly, then those payments are **excludable from the regular rate.**
- Selling back sick pay **remains an open issue.**



Employee Business Expense Reimbursement Requirements

- Employee business expense reimbursements are becoming **more of an issue.**
- Required in:
 - California
 - Illinois
 - Montana
 - New Hampshire
- Employees are raising more and more questions.



Tracking Hours Outside of the Office

- Tracking of hours of work by employees outside of the office who use **laptops, smart phones, and other portable communication devices** is becoming more and more of an issue.
- Evidence of such work is often supplied by email/smart phone electronic entries



Other Issues

- Issues continue to come up relative to **reporters as exempt employees** and **district managers**
- Reporters should be **columnists with bylines** and district managers should have **sufficient administrative authority** to avoid DOL enforcement actions





Questions