

JacksonLewis

Wage & Hour Bootcamp

Prepare for 2023

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2023

Jackson Lewis P.C. • Orange County & San Jose

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What do you think are the hot wage and hour issues right now?



California Agency Trends

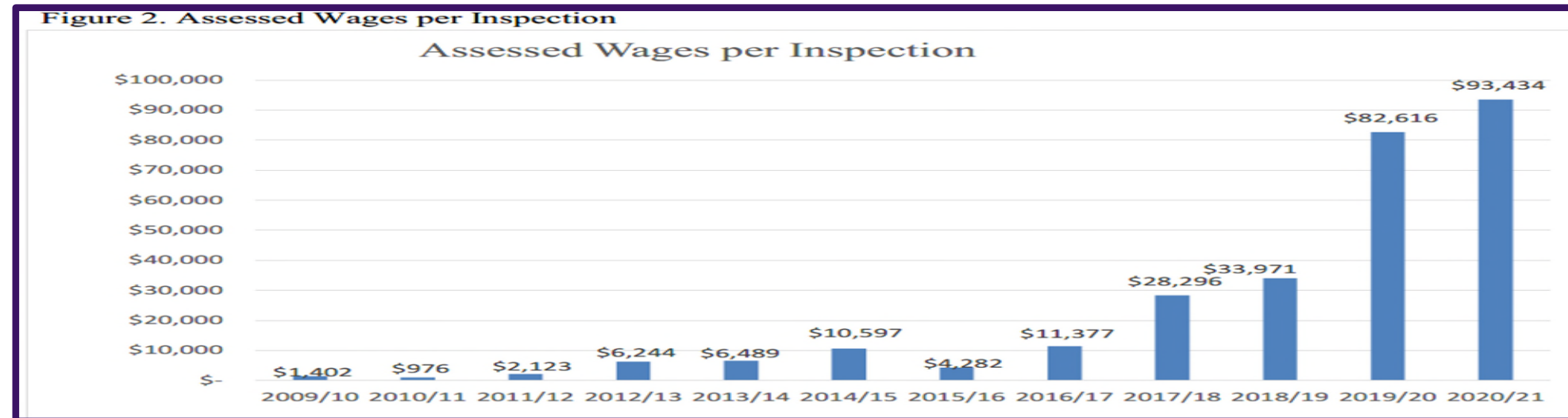
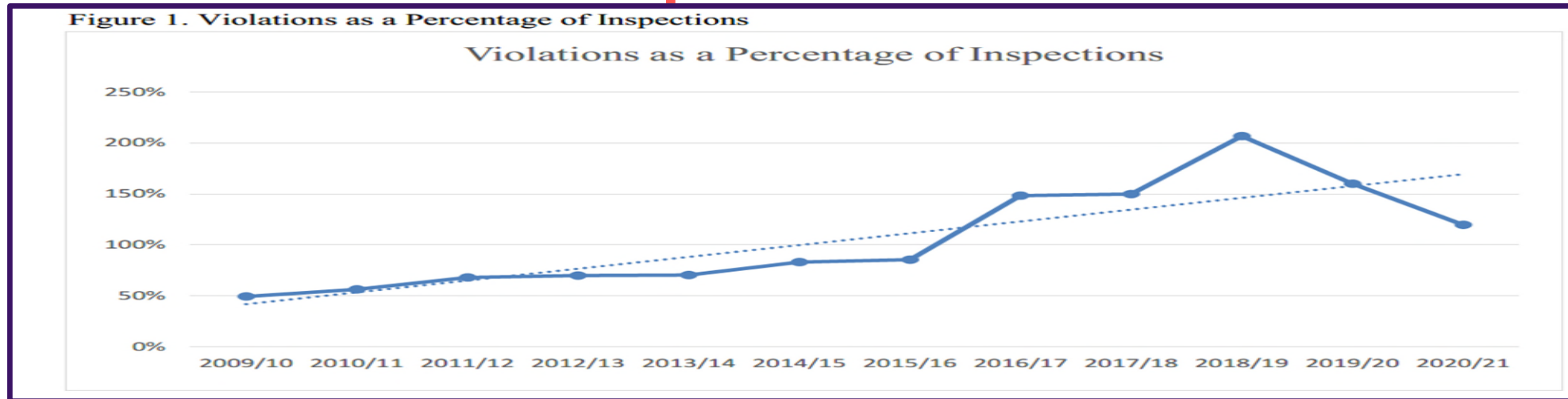


DLSE BOFE UNIT – What Have They Been Doing?

BOFE (including Public Works) FY 2020-2021, Amounted Collected by Violation Category

Violation Category	Wages Collected	Penalties Collected	Interest Collected	Total Collected
Workers' Compensation		\$2,259,312.36	\$240,838.52	\$2,500,150.88
Child Labor		\$67,500.00	\$710.80	\$68,210.80
Itemized Statement	\$542,008.01	\$1,082,206.89	\$88,578.58	\$1,712,793.48
Contract Rate	\$91,378.83			\$91,378.83
Minimum Wage	\$2,007,624.93	\$131,551.69	\$2,734.28	\$2,141,910.90
Split Shift	\$149,003.18	\$14,750.00	\$232.05	\$163,985.23
Liquidated Damage	\$2,915,633.26	\$0.00	\$0.00	\$2,915,633.26
Overtime	\$2,283,213.77	\$86,300.52	\$19,184.45	\$2,388,698.74
Rest and Meal Period	\$1,829,217.44	\$102,913.26	\$3,266.00	\$1,935,396.70
Misclassification		\$1,100.00		\$1,100.00
Tips				\$5,721.56
Reimbursable Business Expenses	\$3,670.20			\$3,670.20
Farm Labor Contractor Registration				\$14,300.00
Violation of Payment of Wage		\$14,768.16		\$14,768.16
Sick Leave Poster Requirement	\$3,362.16	\$5,500.00		\$8,862.16
Waiting Time Penalties	\$801,300.74			\$801,969.77
BOFE Total	\$10,632,134.08	\$3,955,923.18	\$405,596.66	\$14,993,653.92
Public Works Total	\$9,228,127.24	\$4,792,107.30 ^a		\$14,020,234.54
Grand Total				\$29,013,888.46^b

DLSE BOFE – Rate of Inspections Down v. Assessments Amount Up



DLSE BOFE UNIT – What Have They Been Doing?



. Bureau Assessed Report (Including Public Works) FY 2020-2021, Results by Industry

Industry	# of Inspections	# of Penalty Violations	Penalties Assessed	Wages Assessed
Agriculture	16	33	\$329,700.00	\$639,528.91
Grand Total	492	589	\$12,203,911.81	\$45,969,744.75
Public Works	1,964	516 ^a	\$12,598,321.60 ^b	\$10,979,508.51
TOTALS	2,456	1,105	\$24,802,233.41	\$56,949,253.26

BOFE (Including Public Works) FY 2020-2021 Amounts Collected by Industry

Employer Industry	Wages Collected ^a	Penalties Collected	Interest Collected	Total Collected
Other	\$4,370,780.45	\$1,668,209.90	\$92,608.15	\$6,131,598.50
Agriculture	\$163,168.71	\$81,575.66	\$4,856.49	\$249,600.86
BOFE Total	\$10,632,134.08	\$3,955,923.18	\$405,596.66	\$14,993,653.92 ^b
Public Works Total	\$9,228,127.24	\$4,792,107.30 ^c		\$14,020,234.54
Grand Total Collected				\$29,013,888.46^d

California DLSE Field Enforcement Unit (“BOFE”)



NEWS RELEASE Date: December 19, 2022

California Labor Commissioner Collects Over \$1.3 Million in Wages and Penalties for 27 Workers on a Public Works Project

Sacramento—The Labor Commissioner’s Office collected \$1,331,682 in wages and penalties, resulting from a prevailing wage assessment against Bakersfield-based subcontractor Grant Construction, Inc. The wages collected will compensate 27 workers for unpaid prevailing wages while working on a farmworker housing construction project in the City of Wasco in Kern County. The public works investigation determined that wage theft had occurred in the form of kickbacks and non-reporting of all hours worked. It found that a Grant Construction crew leader would collect the paychecks of the 27 workers, sign and cash them, and then pay the workers significantly less than the amount listed on their checks.



Litigation Trends

Hot Litigation Trends

PAGA Claims and/or Class Actions involving wage and hour issues:

- Meal and rest period premiums
- Regular rate for overtime – what goes into regular rate?
- Rounding
- Non-discretionary bonuses - which formula for regular rate?
- Labor Code 2802 - Business Expense Reimbursement
- Wage statements
- Off-the-Clock work – not paying minimum wage

What is the plan to avoid class actions?

How can you minimize PAGA claims?

Viking River Cruises v. Moriana: Arbitration Agreements - A Representative Action Waiver in an Arbitration Can Be Enforceable Under the FAA

Question Presented: Whether the FAA preempts California law articulated in *Iskanian v. CLS Transportation Los Angeles LLC* that invalidated provisions in arbitration agreements that waive the right to assert representative claims, including representative claims under PAGA.

Holding: California's rule is preempted by the FAA to the extent California precludes division of PAGA actions into individual arbitrable claims and non-individual, non-arbitrable claims.

The Court held that PAGA's built-in mechanism of claim joinder conflicts with the FAA.

Look at arbitration agreements but understand the pros and cons. There is a session on Thursday morning all about arbitration agreements



Getting The Basics Correct!

The Basics?

Best Broccoli Farms is reviewing compensation for 2023 for their hourly and exempt employees. Budget Bob, the finance manager, states during the compensation meeting that inflation is above 7% but the price of gas has come down and things seem to be getting better.

Bob declares – look! It is even raining a ton so maybe the drought will end soon. Bob proposes the Company go with a 3% wage increase for the managers and the hourly employees.

The managers currently make \$62,400 so if they get a 3% wage increase that would be a \$1,872 raise taking them to \$64,272. The hourly employees earn \$15.00 so they would be earning \$15.45 an hour

HR starts to object that we should go higher but is cut off by the owner who says, “NO – 3% is good for this year! I don’t need to hear from HR – we are going with 3%.”

Any Issues?

When the CA Minimum Wage Increases So Does the CA White Collar Overtime Exemption

Starting on	26 Employees or More	CA State White Collar Overtime Salary Test
January 1, 2021	\$14.00	\$58,240
January 1, 2022	\$15.00	\$62,400
January 1, 2023	\$15.50	\$64,480

How Do We Predict When State Minimum Wage Will Increase?

- California law minimum wage law involves an annual review of the United States Consumer Price Index for Urban Wage Earners and Clerical Workers (U.S. CPI-W) by the CA Department of Finance.
- July 2022, the Department of Finance found that the inflation rate had increased by 7.9%, which required an increase in the minimum wage by 3.5%, resulting in the \$15.50 per hour rate for 2023.
- After 2023, the minimum wage will increase based on the lesser of 3.5 percent and the rate of change in the averages of the two most recent U.S. CPI-W unless those averages are negative. If the averages are negative, there shall be no increase or decrease in the minimum wage for the following year.

When the CA Minimum Wage Increases So Does the CA Collective Bargaining Agreement Exemption

Certain wage and hour requirements have a collective bargaining exemption which requires union employees to make **30% above the state minimum wage**, this means the minimum wage rate must be at least \$20.15 if the employer is relying on the CBA exemption

Some California collective bargaining exemptions:

1. Overtime
2. California paid sick pay
3. 2023 Bereavement leave law
4. Payout vacation pay upon end of employment

Are You Triggering Any Local Minimum Wage Laws? Just Some of the January 2023 Changes (unless noted)

Locale	Rate
Belmont	\$16.75
Burlingame	\$16.47
Cupertino	\$17.20
Daly City	\$16.07
East Palo Alto	\$16.50
El Cerrito	\$17.35
Foster City	\$16.50
Half Moon Bay	\$16.45
Hayward	\$15.50 (small employer) \$16.34 (larger employer)
Los Altos	\$17.20
Menlo Park	\$16.20
Mountain View	\$18.15
Novato	\$16.32 (100+ employees) \$16.07 (26-99 employees) \$15.52 (1-25 employees)
Oakland	\$15.97
Palo Alto	\$17.30
Petaluma	\$17.06
Redwood City	\$17.00
Richmond	\$16.17
San Carlos	\$16.32
San Diego	\$16.25
San Jose	\$17.00
San Mateo	\$16.75
Santa Clara	\$17.20
Santa Rosa	\$17.06
Sonoma	\$16.00 (small employer) \$17.00 (large employer)
South San Francisco	\$16.70
Sunnyvale	\$17.95

Locale	Rate
Long Beach (Hotels)	\$16.73 – July 1, 2022*
Los Angeles (city)	\$16.04 – July 1, 2022*
Los Angeles County (unincorporated areas only)	\$15.96 – July 1, 2022*
Malibu (see municipal code also)	\$15.96 – July 1, 2022*
Los Angeles (Large hotel with more than 150 rooms)	\$18.17 – July 1, 2022*
Pasadena (see municipal code also)	\$16.11 – July 1, 2022*
West Hollywood (>50 employees)	\$17.50
West Hollywood (<50 employees)	\$17.00
West Hollywood (hotels)	\$18.35 – July 1, 2022*
Santa Monica	\$15.96 – July 1, 2022*

* New changes in July 2023 are not available yet!!

Which Wage Order?

Does it matter?

YES!!

Which Wage Order Matters?

Wage order
Minimum wage order Effective January 1, 2017
Wage order #1 Manufacturing Industry
Wage order #2 Personal Services Industry
Wage order #3 Canning, Freezing, and Preserving Industry
Wage order #4 Professional, Technical, Clerical, Mechanical and Similar Occupations
Wage order #5 Public Housekeeping Industry
Wage order #6 Laundry, Linen Supply, Dry Cleaning and Dyeing Industry
Wage order #7 Mercantile Industry
Wage order #8 Industries Handling Products After Harvest
Wage order #9 Transportation Industry
Wage order #10 Amusement and Recreation Industry
Wage order #11 Broadcasting Industry
Wage order #12 Motion Picture Industry
Wage order #13 Industries Preparing Agricultural Products for Market, on the Farm
Wage order #14 Agricultural Occupations
Wage order #15 Household Occupation
Wage order #16 Certain On-Site Occupations in the Construction, Drilling, Logging and Mining Industries
Wage order #17 Miscellaneous Employees

Wage Order 14 – Overtime Phase

The number of hours worked per day or per week before overtime pay is required at a rate of one and one-half times the agricultural employee's regular rate of pay will phase-in according to the following schedule:

Overtime pay schedule for agricultural workers at large employers (26 or more employees)		
Date	Hours in a day	Hours in a workweek
January 1, 2019	9.5	55
January 1, 2020	9	50
January 1, 2021	8.5	45
January 1, 2022**	8	40

****Double time after 12 hours**

Wage Order 14 – Overtime Phase

The number of hours worked per day or per week before overtime pay is required at a rate of one and one-half times the agricultural employee's regular rate of pay will phase-in according to the following schedule:

Overtime pay schedule for agricultural workers at large employers (25 or less employees)		
Date	Hours in a day	Hours in a workweek
January 1, 2022	9.5	55
January 1, 2023	9	50
January 1, 2024	8.5	45
January 1, 2025**	8	40

****Double time after 12 hours**

Non-Wage Order 14 - California Overtime



1½ time regular hourly rate of pay for hours worked in excess of 8 in a day and/or 40 in a week and during the first 8 hours on the 7th consecutive day of the workweek.

2 times regular hourly rate of pay for hours worked in excess of 12 in a day and/or for hours worked in excess of 8 hours on the 7th consecutive day of the workweek.

Senate Bill 1162 – Pay Transparency & Pay Data Reporting

- **Pay Transparency**
 - Effective January 1, 2023
 - Employers with 15 or more employees: include pay scale for posting in any job posting
 - All employers: Provide current employees with pay scale for current position upon request
 - Recordkeeping requirements: maintain records of a job title and wage rate history for each employee throughout employment + 3 years after employment ends. **But we recommend 4 years**



Rounding – Beginning and End of Shift

- Rounding may be permitted if:
 - Rounds to the nearest five minutes, one-tenth or quarter hour for purposes of calculating the number of hours worked
 - Does not result over a period of time in a failure to compensate employees properly for all time worked.
 - Neutral, both facially and as applied.
 - **Employers must verify statical impact of rounding**



Rounding – Beginning and End of Shift

- But there is more . . .
- There are rounding cases still being heard in courts across California so employers in California must be careful . . .



Attorney Demand Letter – One Mistake Domino Effect

The Company receives an attorney demand letter alleging the Company does not pay employees correctly when it pays overtime, sick pay and meal and rest period premiums.

Betty, the payroll manager, says we have nothing to worry about. We pay employees overtime based on their hourly rate. We pay sick and meal and rest period premiums at their hourly rate. Betty states, “If they are owed overtime or a meal period penalty – we pay it.”

The Company also pays a quarterly production bonus based on all hours worked and an attendance bonus to non-exempt employees if they don’t miss any workdays in the quarter.

Any concerns about this attorney demand letter?

**Hourly Rate? Regular Rate?
What's the Difference?**

The Headache - Regular Rate

- Key issue for employers continues to be the “regular rate of pay.”
- Key issues that **must be paid at the regular rate**. If the regular rate isn’t calculated properly, you may be underpaying your employees:
 - **Overtime,**
 - **Meal and rest break premium pay,**
 - **CA paid sick leave (unless use alternate formula),**
 - **2022 Supplemental sick leave**
 - **Reporting time pay**
- Regular rate must include all compensation earned. This includes non-discretionary bonuses, shift differentials, piece rates, etc.
- Review your **payroll codes** to see what is being included in the regular rate and what is not being included in the regular rate
 - Certain exclusions are allowed under the FLSA and California law.

How Bonuses, Commissions, Premium Pay And Incentive Pay Impact Overtime Pay Rates

- Bonuses: if discretionary it is NOT included in the regular rate of pay.
- A bonus is “discretionary” if both the fact that the bonus was paid and the amount of the payment were determined at the sole discretion of the employer at or near the end of the bonus period and not made pursuant to any prior contract, agreement or promise which would cause the employee to expect the bonus on a regular basis.
- **Very rare**

Non-Discretionary Bonus Paid To Non-exempt Employees

- FLSA/CA Non-Discretionary Traditional Bonuses: When an employer pays a non-discretionary bonus to non-exempt employees based on performance, attendance, safety, efficiency **during all hours worked** that is pre-announced, the employer must calculate the amount of overtime on a bonus paid, if overtime is worked in the measuring period. If no overtime worked, no calculation is required.
- The bonus rate for non-discretionary bonuses when paid to hourly employees is **found by dividing the bonus amount by the total hours worked during the period to which the bonus applies, multiplying that amount by .5 and then multiplying the total by the number of overtime hours worked in the measuring period.**
- FLSA/CA Traditional Bonuses: Bonus formula:

Total compensation divided by total hours worked X .5 (if any double time then this would be “1”) X overtime hours worked in the measuring period.

Getting Your Bonus Calculations Right and Much More!!

- Dart Container v. Alvarado case: Flat sum bonus and it **is not** measuring production, efficient, or safety during all hours worked, employers must divide the total compensation earned in a pay period by only the non-overtime hours worked by an employee and multiple by 1.5, not .5, the overtime hours in the measuring period.
- Dart Bonuses: Bonus divided by straight time hours X 1.5 (if any double time then this would be “2”) X the number of overtime hours worked in the year.
- Example: An attendance bonus for \$250 if an employee doesn’t miss work for a quarter or a flat sum payment of \$100 for working weekends or flat sum referral bonus that requires employees to be employed for a period of time, etc.
- You get the correct formula to calculate the regular rate on the bonus but **now you must go back and properly calculate** any meal and rest periods premiums and CA paid sick pay paid in the measuring period of the bonus.

What Is The Problem Now?

Gavin Nesomm, a field foreman, doesn't like technology. He likes the old ways – pen and pencil, write stuff down. He gets frustrated with all the new electronic stuff. Nesomm has employees report for work in the field this morning but most of the equipment they need was delayed. He asked the crew to wait since work can't start until the equipment shows up. About 45 minutes later, the equipment arrives, and he has the employees clock-in on the clock in his truck. He tells employees you don't get paid for sitting around – just when you work.

For tomorrow, Nesomm tells employees to call in 45 minutes before their shift to see if the equipment is going to arrive on-time. If it is, they need to be at work. He just doesn't want to pay employees for not working.

At lunch time, employees are told they have 30 minutes from when they leave the field for lunch but they also must clock out on the clock in Nesomm's truck. The problem - his truck is two fields away. The employees clock out, return to where their food is and then walk back to clock in.

Any issues?

Hours Worked



Under California law, hours worked include all time the employee is “subject to the control” of the employer even if not suffered or permitted to work.



on-call time



Employers may discipline employees who perform off-the-clock work or unauthorized OT but still must pay them for the time.

Calling In and Reporting Time Pay

- In 2019, a court found that employers must pay “reporting time pay” to employees who are required to call in 2 hours in advance of their shift to see if they had to come into work.



Calling and Reporting Time Pay

- How far does the new law go?
 - Less than 2 hours? Reporting time pay owed.
 - More than 2 hours? Open question.
- What constitutes “reporting to work?”
 - “Report to work” is undefined.
 - New Law: Does not require physical presence. It requires “presenting oneself as ordered” through, for example, calling in, logging on to a computer remotely, appearing at a client’s job site, setting out on a trucking route etc.

No De Minimus Work Time

OTC – Off The Clock Work

- Donning and doffing personal protective equipment or protective clothing
- Attending meetings (e.g. safety meetings) – informal meetings
- Attending job trainings
- Doing warm-up calisthenics
- Waiting for the arrival of bins, boxes, or other containers in which crops are placed
- Waiting for the repair or replacement of equipment necessary to harvest or work
- Waiting for your foreman or manager to arrive
- Waiting for weather or other environmental conditions to change so that production work can start or resume
- Company vans – optional transportation but supervisor talks about work as drive
- Time keeping systems – placement of clocks/boot up time/walk time

Travel Time

- Normal commute is non-compensable to a REGULAR, DESIGNATED LOCATION
- Travel time during working hours is compensable, e.g., after arriving at work, driving between locations, customers, or work sites
- Overnight travel during working hours is compensable
- Travel time outside employee's normal working hours is compensable in California, which is different from the FLSA.
- Out of town travel likely compensable from door to door until employee reaches a place where they are free of all duty (less the employee's normal commute time to their designated work location).
- There are unique rules for employees who do not have a regularly designated work location.

Check the Pay Stub: Itemized Statement – Labor Code 226

- Accurate itemized wage statements must have:
 - (1) gross wages earned,
 - (2) total hours worked by the employee
 - (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis,
 - (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item,
 - (5) net wages earned, and
 - (6) the inclusive dates of the period for which the employee is paid,

Check the Pay Stub: Itemized Statement – Labor Code 226

- Accurate itemized wage statement must have:
 - (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number,
 - (8) the name and address of the legal entity that is the employer and, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal entity that secured the services of the employer, and
 - (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee

Check the Pay Stub: Itemized Statement – Labor Code 226

- Accurate itemized wage statement must have:
 - (10) if the employer is a temporary services employer as defined in Section 201.3, the rate of pay and the total hours worked for each temporary services assignment.

Note: The deductions made from payment of wages shall be recorded in ink or other indelible form, properly dated, showing the month, day, and year, and a copy of the statement and the record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California. For purposes of this subdivision, “copy” includes a duplicate of the itemized statement provided to an employee or a computer-generated record that accurately shows all of the information required by this subdivision.

Itemized Statement – Other Issues

- An employer shall provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, for use on either the employee's itemized wage statement described in Section 226 or in a separate writing provided on the designated pay date with the employee's payment of wages.
- If an employer provides unlimited paid sick leave or unlimited paid time off to an employee, the employer may satisfy this section by indicating on the notice or the employee's itemized wage statement "unlimited."

Waiting Time Penalties

An employer that willfully fails to pay any wages at end of employment within the statutory time may be assessed waiting time penalties equal to the employee's daily wages for each day the wages were not paid, up to 30 days.

Labor Code 2802 - Payment for Business Expenses

What are the general reimbursement rules?

- The general rule in California is that an employer is required to indemnify an employee for necessary expenditures incurred on the employer's behalf.
- The guiding principle in reviewing expense issues is that the employer has flexibility in how it reimburses for business expenses if the employer can clearly establish the actual cost of the business expense is covered by the employer's method.
- WIFI, cell phones and incidental expenses are always hot lawsuits!
- Cell Phone – even if employee has **unlimited plan** – employer must reimburse for reasonable business use!

Payment for Business Expenses



- If an employee uses their personal vehicle for business use, an employer must reimburse employees for the cost of the operation of their vehicle.
- Employers may do this in several different ways, e.g. mileage reimbursement, monthly allowance and increased compensation by written agreement.

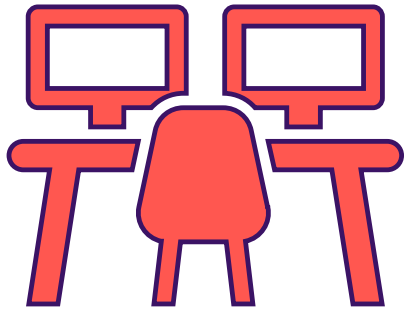
Payment for Business Expenses

- While the DLSE only requires a “reasonable rate” for mileage reimbursement, the DLSE has opined that the IRS rate is an example of a reasonable rate.
- New IRS Rate is **65.5 cents per mile!**
- Whatever your system, it must result in covering the business expenses and you need to be able to defend your system.
- Requiring increased levels of car insurance on an employee’s personal vehicle beyond the California legal minimum was found to be a reimbursable business expense by the DLSE.

Tools

- Employer must provide tools for employees to do their job.
- However, employees whose wages are at least two (2) times the state minimum wage may be required to provide and maintain hand tools and equipment customarily required by the trade or craft.
- **Limited to hand tools only.** Employers sometimes exceed hand tool definition – anything with a motor would do it.
- If employees are allowed to use **personal tools for work**, the employer should reimburse the employee **for the business usage of the tools** since the employers gains the benefit of the work.

Rules for “Remote” Work (better than from home)



- Non-exempt employees must be paid for all hours worked
- Must provide meal and rest periods
- Hours must be recorded
- All reasonable business expenses reimbursed by employer
- Telecommuting agreement recommended
 - Define the relationship
- Employer must closely monitor to avoid abuse and wage-hour violations

Meal and Rest Periods Issues & Heat Illness Rest and Recovery Periods

Additional Penalties May Be Recoverable for Meal & Rest Period Violations

- California Supreme Court – Naranjo v. Spectrum Security Services
- Meal and Rest Period Premiums for missed meal and rest periods equal wages
- May entitle employees to additional penalties for violations for accurate **wage statements** (Labor Code section 226)
- May entitle former employees to **waiting time penalties** (Labor Code section 203) if all premium pay not paid at the time of separation of employment.



Rounding Meal Periods

- Employers **cannot** engage in the practice of **rounding time punches for employee meal periods**.
- California Supreme Court ruled that the meal period provisions are designed to prevent even minor infringement on the meal period requirements.

Recovery Periods for Outside Employees And Heat Illness

- Labor Code 226.7 provides that an employee should receive one hour of pay as a penalty for not receiving rest or meal periods in accordance with California law.
- California expanded the one hour of pay penalty to missed “recovery periods.” “Recovery Period” is “a cool down period afforded an employee to prevent heat illness.”
- The law applies to any meal, rest or recovery period mandated by applicable statute, regulation, standard, or order of the California IWC, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.

Cool-Down Rest Periods

- **High Heat Procedures for Agriculture:**

When are preventative cool-down rest periods required in agriculture?

When temperatures reach or exceed 95 F, employers must provide one ten-minute "preventative cool-down rest period" every 2 hours.

During the first 8 hours of a shift, the cool-down periods may be provided at the same time as the rest periods already required by Industrial Welfare Commission Order No. 14 (8 CCR §11140). Such rest periods must be counted as hours worked.

If employees work longer than 8 hours, the employer must provide an additional 10-minute cool-down rest period every 2 hours. For example, if the shift extends beyond 8 hours, an additional rest period is required at the end of the eighth hour of work. If the shift extends beyond 10 hours, another is required at the end of the tenth hour.

Cool-Down Rest Periods

Employers must ensure that employees actually take the cool-down rest periods required. Merely offering the opportunity for a break is not enough.

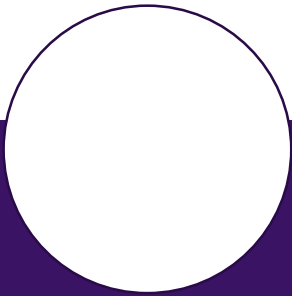
Employers are required to provide additional breaks as soon as the temperature equals or exceeds 95 F. For example, even if the temperature does not reach 95 F until the last half of an eight-hour shift, the employer must ensure that employees take cool-down rest periods starting at the end of the eighth hour of work if the shift will last longer than eight hours.

Classic Issues – How to Troubleshoot

Areas to Review – What Is Your Plan ?

- Independent Contractor Misclassification/Exempt Status - proper classification
- “OTC” – Off-the-Clock Work
 - No De Minimis rule in California
 - Walk time, Boot-up, Security screening
 - Position of time clocks (by the door and at breakroom)
- Meal and rest period policies and procedures
- Regular Rate, regular rate, regular rate – audit your payroll codes!
- Timekeeping policies and procedures – accurate records are the employer’s responsibility
- Wage statement compliance
- Labor Code 2802 – Business Expense Reimbursement

Contact us:



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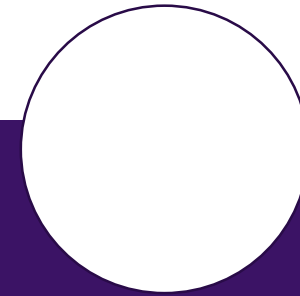
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