



SUPREME IMPACT: SCOTUS DECISIONS TO AFFECT PEOS THIS YEAR

BY JOHN POLSON, ESQ. AND RICH MENEGHELLO, ESQ.

The U.S. Supreme Court's (SCOTUS) current term is already well underway, and there are several cases on the docket that will have important implications for PEOs. SCOTUS has already decided one workplace law case this term, and there are several remaining cases that will surely shape labor and employment law in 2023 and beyond. What do PEOs need to know about these recent and pending decisions and their impact on your clients?

HIGHLY PAID EMPLOYEE ENTITLED TO OVERTIME PAY

High-earning workers making more than \$200,000 a year might be eligible for overtime pay thanks to a ruling on

February 22. To be exempt from overtime pay under the Fair Labor Standards Act's "white-collar" exemptions, employees must earn at least \$684 a week on a salary basis, among other requirements. In *Helix Energy Solutions Group v. Hewitt*, an oil rig worker was paid a guaranteed daily rate of at least \$963, which is significantly higher than the weekly salary threshold. In a 6-3 ruling, however, SCOTUS said the worker was eligible for overtime pay because he was not paid on a salary basis. This surprising decision is a wake-up call for all employers to review their overtime exemptions to ensure they are compliant with applicable federal and state requirements. See reference 1 to read more.

COURT AGREES TO REVIEW RELIGIOUS ACCOMMODATIONS TEST

The Court agreed to hear a religious accommodation case brought by a mail carrier who was disciplined for refusing to work on Sundays. The United States Postal Service said a blanket Sundays-off accommodation would place too heavy a burden on his coworkers — who would need to cover more weekend delivery demands — and the appellate court agreed. The mail carrier in *Groff v. DeJoy*, however, asked SCOTUS to overturn the ruling — which may reverse a decades-old standard. See reference 2 to read more.



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WILL THE COURT MAKE IT EASIER TO HOLD UNIONS LIABLE FOR STRIKE MISCONDUCT?

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JUSTICES WILL REVIEW CRITICAL ARBITRATION CASE

Employers that face lawsuits from employees often seek to move such claims from the courthouse to arbitration. But what happens if the trial court refuses to compel arbitration and the employer appeals the decision? Should the litigation continue at the trial court level while the employer asks the appeals court to weigh in? Or should the trial court pause the proceedings until the appellate court makes a decision? *Coinbase v. Bielski* asks these questions – and the Court's decision could reshape your approach to workplace litigation. See reference 4 to read more.

WILL SCOTUS SHAKE UP REGULATORY AGENCIES?

Many employers are already well aware of how scary it can seem to be on the receiving end of a federal agency's investigation or action – be it the NLRB, the DOL, OSHA, the EEOC, or some other regulatory body. But the Supreme Court is now faced with the question of whether it should give employers more tools to challenge the powers of the federal agencies when administrative proceedings are pending. Depending on how SCOTUS rules in a pair of cases (*Axon Enterprise v. Federal Trade Commission* and *Securities and Exchange Commission v. Cochran*), employers may get the chance to fight federal agencies from the outset instead of waiting for the administrative process to play out to get their day in court. See reference 5 to read more.

COURT SET TO SCRAP AFFIRMATIVE ACTION ADMISSIONS IN EDUCATION

SCOTUS is poised to decide the future of race-conscious admissions in higher education – and potentially alter the landscape of affirmative action in education across the country. At issue in two pending companion cases are the admissions processes at Harvard College and the University of North Carolina that both consider race as one

factor among many in their holistic evaluation of undergraduate applicants. These cases will have wide-ranging implications on admissions processes across the country. See reference 6 to read more. ■

1 <https://www.fisherphillips.com/news-insights/highly-paid-employee-entitled-overtime-pay-scotus-decision.html>

2 <https://www.fisherphillips.com/news-insights/scotus-agrees-review-religious-accommodations-test.html>

3 <https://www.fisherphillips.com/news-insights/fp-scotus-predictions-supreme-court-hold-unions-liable-for-strike-misconduct.html>

4 <https://www.fisherphillips.com/news-insights/scotus-review-critical-arbitration-case.html>

5 <https://www.fisherphillips.com/news-insights/fp-scotus-predictions-supreme-court-shake-up-regulatory-agencies.html>

6 <https://www.fisherphillips.com/news-insights/fp-scotus-predictions-supreme-court-set-to-scrap-affirmative-action-admissions-in-education.html>



This article is designed to give general and timely information about the subjects covered. It is not intended as legal advice or assistance with individual problems. Readers should consult competent counsel of their own choosing about how the matters relate to their own affairs.



JOHN POLSON, ESQ.

Chairman & Managing Partner
Fisher Phillips
Irvine, CA



RICH MENEGHELLO, ESQ.

Chief Content Officer
Fisher Phillips
Portland, OR