

SHRM Turns to Fisher Phillips' Wage and Hour Practice for Intel on DOL's Regular Rate

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Employers now have more clarity and flexibility about which perks they can include in workers' "regular rate" of pay, which is used to calculate overtime premiums under the Fair Labor Standards Act (FLSA). The Department of Labor announced its final rule that will take effect January 15, 2020. SHRM spoke with Kathleen Caminiti, co-chair of Fisher Phillips' Wage and Hour practice, and Josh Nadreau, attorney in Boston, on what this means for employers. Kathleen says, "The new rule is intended to reduce the risk of litigation and enable employers to provide benefits without fearing that 'no good deed goes unpunished.' And it updated and modernized the items that can be excluded from overtime calculation."

The rule clarifies that employers may exclude perks like parking, wellness programs, discretionary bonuses and others from the regular-rate calculation. Josh explains: "Unlike the upcoming changes to the FLSA white-collar regulations, which will have the force of law, this final rule is predominately interpretative in nature. Nevertheless, you should review these changes carefully to determine whether any of the clarifications are applicable to your workforce."

To read the full article, visit *SHRM*.

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