



5th Circuit Ruling Paves The Way For Private FLSA Deals

News

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John Thompson, a partner in the Atlanta office and editor of the firm's Wage & Hour Laws Blog, was quoted in the August 9 *Law360* article "5th Circ. Ruling Paves The Way For Private FLSA Deals." The article reviewed a recent 5th Circuit ruling that allowed a private Fair Labor Standards Act settlement, rather than having the claim supervised by either a court or the U.S. Department of Labor. The ruling indicates that there are circumstances in which the approvals called for in a wage-and-hour decision are unnecessary, which could make private settlements a newly attractive option for resolving FLSA disputes. John cautioned that the 5th Circuit ruling does not mean that all private FLSA deals will be approved by the courts. The decision makes room for agreements between employers and employees on facts to which the principles of the FLSA would then apply, but not for compromises or settlements involving the FLSA principles themselves. "These kinds of agreements or resolutions are certainly only a subset of the range of FLSA claim settlements that people deal with every day."

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