

5, 4, 3, 2, 1... HAPPY NEW YEAR! A LOOK AHEAD TO 2016 AND EMPLOYMENT LAWS

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Everyone rings in the New Year differently—some with a party with friends and family, some with sparkling grape juice with their kids, some with traveling to a new destination and some with watching the ball drop in Times Square. Whatever tradition you choose to ring in the New Year, the one thing we can all count on is—there will be new employment laws waiting for you on your desk come January 2nd (if not already). This article highlights a few of the laws you can expect and how you can adapt.

Paid sick leave laws are new but coming fast. Many states are requiring that you pay your employees to take time off to be ill, care for a family member when ill, or to go to the doctor. The U.S. Department of Labor is even helping states fund such initiatives, so you know they are important. The good news is many of your paid sick time policies or vacation accruals already cover the sick time now required by these new laws, unless you are not already doing so. If you are, you just need to ensure you are giving enough. The main issue we see here is that the paid sick leave law accrues at a faster rate than what the employer is accruing the paid time off. If that happens, you will need to allow the employee to take the paid leave sooner and “borrow” the sick time off before it’s actually earned under your existing policy. If you don’t already have such a policy in place, you may need to implement one in your area.

Gender equal pay is highlighting many agendas these days, including the federal and state Departments of Labor, since women continue to get paid less than their male counterparts. This includes hefty fines and penalties if you are part of this problem. Equal Pay Day was instituted on a Tuesday in April to signify that women have to work into the following week in order to make the same as a male for his previous week’s work. We recommend you look at your compensation rates annually to ensure there are no gender gaps in pay for doing the same job. As President Obama said in his 2014 State of the Union speech, “A woman deserves equal pay for equal work... It’s time to do away with workplace policies that belong in a

Mad Men episode.” Now is the time to ensure you are not part of an episode.

DOL white collar exemption salary increase should not be news to you. If it is, please listen up. If you have salaried employees categorized in the white collar exemptions from overtime (executive, administrative or professional), the \$455 salary requirement is going to increase greatly sometime during 2016. The DOL proposed an increase to a minimum level of 40% of the national weekly earnings for full-time salaried employees at \$921 per week and \$47,892 annually and expected to increase to \$970 a week and \$50,440 annually. You should be deciding now if you are going to meet these salary requirements or are you going to make these employees now hourly with overtime when this new law takes effect. The good news is, this law will not apply to your route drivers who may be covered under the Motor Carrier Exemption from overtime.

As a reminder, don’t forget to check your city and state regulations for increased minimum wage hikes. Many go into effect the beginning of each year with many cities increasing their minimum wages much higher than the federal minimum.

New Year’s Resolutions: Information and knowledge are key here. Sticking your head in the sand and “dealing with this later” type of attitude will only cause you headaches—and more importantly, money—down the line. Meet with your employment counsel and find out what the new laws are that affect your business. Then, you can modify and adopt new policies and practices with your eyes wide open to ensure you ring in the new year right. ■

*About the author: Heather A. Bailey, Esq., a partner with SmithAmundsen LLC and a NAMA Knowledge Source Partner for over 13 years, focuses her practice on labor and employment law issues for employers. **Did you know that all NAMA members receive 15-minutes of complimentary human resource consultations each quarter?** Heather may be contacted directly at: 150 North Michigan Avenue, Suite #3300, Chicago, IL 60601; Direct Dial: 312.894.3266, Email: hbailey@salawus.com. Join her firm’s FREE labor and employment blog at www.laborandemploymentlawupdate.com for the latest updates on issues affecting your business.*