

A Look Ahead At Wage And Paid Leave Issues In 2017

Antonio Caldarone
01.30.2017

Passage of new sick leave laws, increases in the minimum wage, and even an attempt to increase the salary basis for exempt employees made 2016 an active year for wage issues. Despite the anticipation of a more employer-friendly administration, 2017 is likely to outpace 2016 with respect to wage-related headlines. Still looming is a decision regarding whether the U.S. Department of Labor's (DOL) salary basis increase for overtime exempt employees will go into effect. The increase was temporarily halted in late November, but the lawsuit and appeals will continue into 2017. A final decision will likely be made in the first half of 2017. Additionally, although a Republican-controlled Congress and a Republican President will make increasing the federal minimum wage and enacting other employee-friendly federal wage laws unlikely, employers will see states and municipalities fill in some of the gaps. There are already laws that go into effect in 2017, such as paid sick leave laws in: Chicago and Cook County, Illinois; Minneapolis, Minnesota; and Spokane, Washington. Minimum wage increases are scheduled in states like California, Ohio, Maryland, New York, and Washington. Cities, such as Chicago, Los Angeles, Oakland, and San Francisco, are also increasing the minimum wage locally in 2017. Furthermore, the Washington, D.C. Council recently approved its own Universal Paid Leave Act that gives employees up to a total of sixteen paid weeks of leave: eight weeks to care for a new child; six weeks to care for certain relatives with serious medical conditions; and two weeks for an employee's own serious medical conditions. (The Universal Paid Leave Act is still subject to veto by the Mayor, veto override by the Council, and/or ultimately Congressional review.) This piecemeal approach to passing

Attorneys

Antonio Caldarone

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wage and paid leave legislation makes it more difficult for employers with operations in multiple states, counties, and cities to comply. Moreover, wage/hour class action lawsuits have increased year-over-year for a number of years, and there is no reason to believe that trend will end in 2017. Employers need to be proactive by regularly auditing their wage and paid leave policies and practices to ensure compliance with the ever-changing laws and regulations on these topics.