

EMPLOYMENT NEWS ALERT

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Wage and Hour Laws

New Report Finds "Regular and Systematic" Violations

As the U.S. Department of Labor charts a new course to find even more wage-and-hour violators, by hiring up to an additional 250 investigators to focus solely on low-wage industries in urban areas and particularly inner cities, employers in corporate America need to step up their game, so to speak, to ensure that they accurately monitor their pay practices, their workers' hours, and their company policies on break time, compensatory time, and overtime.

A new report, released on September 1, shows that wage-and-hours violations are rampant. The study, titled "Broken Laws, Unprotected Workers: Violations of Employment and Labor Laws in America's Cities," found that employment laws are regularly and systematically violated. It further found that weekly losses, particularly to low-wage workers, exceed \$56,000,000.00 in just New York, Chicago, and Los Angeles alone, because of these violations. The fact that it was published by the Center for Urban Economic Development at the University of Illinois at Chicago, in conjunction with researchers from the National Employment Law Project and the UCLA Institute for Research on Labor and Employment, should give any employer pause as these organizations are well known as prominent supporters of employee rights throughout the nation. Though no review of the statistical information has yet been published, it appears from preliminary analysis that the data may be skewed in favor of wage earners and against employers.

The U.S. Secretary of Labor, Hilda Solis, found the report troubling. Solis said in a statement, "I am especially troubled by the report's findings that 'employment and labor laws are regularly and systematically violated.' Our workers deserve and need far better than that. In fact, it's precisely why stronger enforcement remains at the top of my agenda."

WHAT CAN YOUR MANAGERS DO RIGHT NOW?

Employers need to be on alert and need to examine these issues and their internal policies now, before the DOL comes knocking on your door seeking your wage and hour records. Your HR, Compliance, and Legal departments must all be proactive and seamless in their approach. It is especially important now to get a look at your records first, since it appears likely the DOL may begin relying on the findings in this report to justify enforcement actions.

THERE HAS ALSO BEEN EXPLOSIVE GROWTH IN CLASS-ACTION LITIGATION IN THIS AREA OF LAW!!

It is crucial to review these issues as part of your Company litigation avoidance policies. We know what needs to be done to update your records and ensure you are in compliance with DOL requirements before your Company winds up on the receiving end of a DOL review and enforcement notice – or worse yet, as a Defendant in a class-action lawsuit. The fines, penalties, and damages can be prohibitive! **CALL US NOW! WE CAN HELP!**

If you would like additional information on the topics detailed in this issue, or any prior issues, of [Employment News Alert](#), or otherwise need assistance and advice on any employment matter, please call or email as follows:

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