

VICENCIA & BUCKLEY

EMPLOYMENT PRACTICES NEWSLETTER

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WAGE & HOUR SUITS RISE

Wage and hour claims allege violations of federal, state and local laws regarding payment of wages. The major issues involve overtime calculation and the classification of employees as “exempt” from overtime payments.

The Department of Labor reports a 21 percent increase in back wages collected and other settlements and judgments can be in the millions of dollars. Moreover, insurance coverage usually does not cover wage and hour violations.

Employers can reduce their risk by utilizing the following employment practices.

- Know which employees can be classified as “exempt” from overtime.
- Keep Accurate records of hours worked.
- Know State wage and hour laws. For example, California requires overtime payment after eight hours of work in any one day.

For more information on wage and hour laws, please contact us and we will be happy to refer you to a labor law attorney for a free consultation.

RECENT SETTLEMENTS AND JUDGEMENTS

A female freelance copy writer sued for sexual harassment, alleging that two employees of the company had made inappropriate comments about her physical appearance. The suit was settled for \$110,000.

An agricultural company sued by an employee who claim he was harassed by co-workers who made disparaging remarks relating to his ethnic background. The employee complained to his supervisors and was later terminated. The employee was awarded \$250,000 for wrongful termination.

After reporting multiply incidents of repeated sexual harassment by a supervisor, an employee alleged the supervisor began systematic campaign to force the employee to resign. The court awarded the employee for wrongful termination and retaliation \$2,440,600 (\$210,000 for mental anguish, \$330,600 in lost wages and \$1.9 million in attorney’s fees).

A company settled a class action suit brought by job applicants who charged that certain questions asked in a pre-employment psychological exam violated their constitutional rights to privacy and other state laws. The case was settled for \$2,000,000.

A federal jury awarded \$850,000 to an employee who alleged that he was denied promotions because he is Mexican-American.

SEXUAL HARASSMENT TRAINING FOR SUPERVISORS-AB 1825

If you employ 50 or more people (including independent contractors), you are required to train all employees in a supervisory capacity on sexual harassment every two years. Initial training should have been completed by January 1, 2006 for employees that are supervisors as of July 1, 2005, and for all new supervisors within six months. If you need help in complying with this law, please contact us.

IS YOUR EMPLOYEE HANDBOOK UP TO DATE?

Employee handbooks are an important tool in employment practices management, and it is important that your handbook contains the latest requirements recommended by labor law attorneys. If you haven't had your handbook reviewed by a labor law attorney, we strongly recommend you do so. We can refer you to a labor law attorney for a free consultation. A fee (approximately \$850) will apply if your handbook has to be rewritten.

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