



ALERT: New Rules Expand Overtime Pay Eligibility

The U.S. Department of Labor recently issued new rules raising the salary threshold required to qualify for the “white collar” exemption under the Fair Labor Standards Act to \$47,476 per year or \$913 per week. The new salary level is more than double the current \$23,660 annual or \$455 weekly cutoff to qualify for exemptions for executive, administrative, and professional employees.

Employers are now faced with the challenge, before December 1 of this year, of analyzing the status of all employees who earn less than the new salary threshold, but who were previously exempt from overtime, to determine how they will be paid going forward. Employers will have to consider whether to increase the salaries of those employees to meet the new salary threshold or to reclassify them as non-exempt and thus eligible for overtime.

ALERT: Employee Handbooks

Based on several recent changes in employment law, Minnesota employers should take care to update their existing employee handbooks to reflect such changes. For example, the Women’s Economic Security Act of 2014 contained various provisions that must be incorporated into existing employee handbooks. Minnesota employers’ handbooks must include a provision informing employees of their right to share information with their co-workers about their wages and the remedies available under the law if adverse action is taken because of such a disclosure. Employers also must ensure that their sick leave policy is consistent with the expansion of the Sick Leave Benefits statute that allows sick leave to be used for safety leave or for the care of various family members. Finally, Minnesota parenting leave policies must be revised to include the increased time off (from six weeks to twelve weeks) and the allowed uses of the leave (absences relating to pregnancy).

ALERT: New Minneapolis Paid Sick Leave Ordinance

On May 27, 2016, the City of Minneapolis passed an ordinance to require most private employers to offer paid sick leave to workers. Starting July 1, 2017, workers at Minneapolis businesses with six or more employees will be able to earn up to 48 hours of paid sick leave per year, at a rate of one hour of leave per 30 hours of work. Employers with five or fewer employees will be required to offer the same amount of unpaid leave. Workers will be able to roll over unused sick leave from one year to the next until they accumulate 80 hours.

The new ordinance applies to employers based in Minneapolis and to workers who have a regular workplace in the city. However, it also applies to workers such as delivery drivers and repair persons who move into and out of the city during a work day, who would be able to accumulate paid leave for each hour worked within the city, provided that they spend at least 80 hours working within the boundaries of Minneapolis in any given year.

ALERT: Pet Trusts

In May 2016, Minnesota became the final state to allow an individual to create a trust for the benefit of a pet. H.F. 1372 added section 501C.0408 to the Minnesota Trust Code, providing for the creation of a “trust for the care of animal alive during the settlor’s lifetime.” The statute further provides that the trust may designate a person who is responsible for administering the trust for the benefit of the pet during its lifetime and that the trust must terminate upon the death of the pet. The settlor can contribute any dollar amount to the trust and the statute directs that upon the termination of the trust, the assets in the trust shall pass to the beneficiaries designated in the trust instrument, or in the event the instrument is silent, to the settlor’s heirs-at-law as determined under the intestacy statutes in the state in which the settlor was domiciled.

If you would like assistance in assuring best practices in any of these areas, please contact your attorney at Moss & Barnett.