

Fair Labor Standards Act

The Fair Labor Standards Act of 1938 (FLSA) was passed after the hard years of the Great Depression to protect the rights of workers regarding wages and hours. It has been amended and clarified over the decades, and today it establishes the minimum wage and rules for overtime pay, child labor, and even provisions for nursing mothers. [Employers must understand and comply with its provisions](#), and they must provide the appropriate information to their employees.

Provisions For Employees

Certain employees are exempt from wage protections under FLSA. Typically, these are administrative or professional employees who make more than a certain amount—increasing to \$47,476 per year as of December 1, 2016. There are a few other types of exempt employees, including those who work in seasonal recreation, at small newspapers, on small farms, or as casual babysitters. Some exempt employees do not require overtime pay while others are also exempt from the minimum wage.

Employees who are not exempt must be paid at least the current Federal minimum wage, which is \$7.25 per hour. State or local laws may set higher minimum wage standards. FLSA overtime provisions require that employers pay one and a half times the regular rate for every hour a nonexempt employee works over 40 hours in a single week.

Other provisions in FLSA cover child labor and minimum wages for employees under 20 years of age. The act also requires that employers provide break time for nursing mothers to express milk and a space—not a bathroom—for this purpose that is shielded from view and free from intrusion.

Employer Compliance

Employers must keep records on wages, hours worked each day and each week, and personal information including the employee's name, address, and more. If an employee files a complaint, the Department of Labor's Wage and Hour Division (WHD) investigates the employer to determine compliance with FLSA provisions. If violations are discovered, the Department of Labor can sue for back wages, affected employees could sue for damages, and any employer found to have willingly violated FLSA may face fines or imprisonment.

Employers with nonexempt employees are required to publicly display a notice of FLSA protections for all employees and to update this notice when the law is amended. [WHD](#)

[provides a standard poster](#) that lists the minimum wage and other provisions of the law, and will even provide printed versions free of charge.

With the increase in the salary threshold for overtime pay, many businesses will find themselves with additional employees now covered by these provisions. If you are among them, [Cowden Associates](#) can help you determine your new costs and best strategies going forward.