



## U.S. DEPARTMENT OF LABOR ISSUES GUIDANCE ON FURLOUGHS, AND REDUCING EMPLOYEE PAY AND HOURS

AUGUST 2009

Responding to the difficult economic climate, the U.S. Department of Labor recently published on its [website](#) a response to a series of frequently asked questions concerning employee furloughs and pay and hour reductions. This new guidance covers topics including:

- Whether hourly employees must receive their paycheck on their regularly scheduled payday.
- Reducing workers' salaries, wages, or hours.
- The amount of pay required for partial days worked.
- Reducing accrued leave during furloughs.
- Whether employees are on-call during furloughs.
- The special rules for public employee furloughs.

The Department has [vowed](#) to step up its wage and hour enforcement efforts after [reports](#) questioned the adequacy of its efforts under the Bush administration. The

Department recently pledged to add “150 new investigators to its field offices to refocus the agency on . . . enforcement responsibilities.” It also planned to hire “100 investigators to ensure that contractors on stimulus projects are in compliance with the applicable laws.” According to the Department, these additional investigators “will reinvigorate the work of this important agency, which has suffered a loss of experienced personnel over the last several years.”

While it will take time for the Department to hire, train, and deploy its new investigators, employers should understand that wage and hour enforcement is a priority for the new administration. Accordingly, employers should take proactive steps to review their compensation practices and ensure compliance prior to an investigation.

For questions about the Department's new guidance, please contact [Mark S. Wilkinson](#) or any other [Franczek Radelet attorney](#).