

EMPLOYMENT LAW BRIEFING

HOLIDAY 2009

Special Holiday Issue: In answer to the many inquires we have received during recent months; the hiatus has come to an end. We are resuming publication of **EMPLOYMENT LAW BRIEFING** with our traditional issue addressing workplace questions arising at this time of year. Your suggestions for topics of general interest to employers are always welcome. All of us at Whitford Law Offices LLC appreciate your support and extend our best wishes for the holiday season.

IRS Mileage Rate: The Internal Revenue Service has announced a change in the standard mileage rate used to calculate the deductible costs of operating an automobile for business purposes. Many employers use this rate to reimburse employees for work-related travel in personal vehicles. The current rate of 55 cents per mile will be decreased, to **50 cents per mile**, as of January 1, 2010.

No Minimum Wage Increases: On January 1, 2010, minimum wage rates for Washington and Oregon will *not* increase. For the first time since the states implemented inflation indexing, the cost of living went down. As a result, both minimum wage rates will remain the same. Washington's rate, still the highest in the nation, will remain at \$8.55 per hour. Oregon will continue to have an \$8.40 minimum hourly wage. The federal minimum of \$7.25 per hour will also remain unchanged.

Holiday Closures & Exempt Employee Pay: In order to be exempt from overtime, employees must have both qualifying duties and be paid on a "bona fide" salary basis. An exempt employee, who works any part of the work day, must be paid for the entire day. Similarly, if an exempt employee works only part of a designated workweek due to an employer action, such as an emergency or weather-related closure or a shutdown between year-end holidays, the employee must be paid a full week's salary. Employers with an established a 12:01 a.m. Sunday to midnight Saturday workweek, closing between Christmas and New Year's Day this season, will not be *required* to pay salaried employees for the final week of December unless work is performed between December 27 and January 2.

Holiday Parties: At this time of year, we often get questions about the use of alcohol at employer-sponsored parties. Our recommendations: **1.** Avoid providing or paying for alcohol - use a no-host bar. **2.** Make party attendance *voluntary*. **3.** Provide food and non-alcoholic beverage options. **4.** Prohibit excessive alcohol consumption. **5.** Discourage drinking and driving; **6.** Observe behavior and arrange alternative transportation, as appropriate. **7.** Check alcohol policy language to ensure that party activities are not contrary to established work rules.

Overtime Adjustments for Bonus Payments: Employers paying scheduled year-end bonuses to *non-exempt* employees must recalculate overtime paid during the bonus period; adding bonus pay proportionately to the regular hourly rate and paying the resulting additional overtime.

Please contact our office if you have questions about the material in this newsletter, or other employment law compliance concerns.

If you prefer to receive future copies of **Employment Law Briefing** by FAX or e-mail, or if you have additions to, or deletions from our contact list, please let us know. Thank you. © 2009 Whitford Law Offices LLC



Whitford Law Offices LLC

1819 D Street NE Salem, Oregon 97301 Phone 503-365-8700 FAX 503-365-8701
www.TheEmployerAdvocate.com