

People Ops Pulse

Bringing you the most up-to-date and helpful People Operations (HR) information for small business owners, entrepreneurs and partners

Meme & Quote of the Month:



Time for a Compliance Tune-Up!

Where in the world did the first few months of 2024 go?! Something else that also seems to fly faster than we can track it – the amount of HR legislative and compliance updates at the local, state and federal level that happen every year. You may remember in January, we focused on a 2024 Compliance Kickoff - now that we are almost halfway through the year and legislation that has been passed so far, now would be a good time for a compliance check-in – are you aware of what some of the most important updates are to make sure you are in compliance? That is absolutely where I can step in to help – as a consultant, I take pride in staying up to speed for you to help make sure your business is in the best position possible. So – let's do that tune-up to help make sure your business stays out of the shop!



WOLF-ROSE
People Solutions Consulting

IN THIS ISSUE

The Updated Overtime Rules – Raise the Rate or Change the Role?

As the federal overtime rules have now been updated effective July 1, we'll discuss how this impacts your business, and what decisions you can make to ensure compliance.

Culture Safety at Work – Protecting Against Harassment

In April, the EEOC published updated guidance for employers as to what may constitute harassment under the law. We'll visit some of the current trends, and what you can do to protect your workplace culture.

Opening the Doors – The Elimination of Non-Competes

In April, the FTC voted to ban noncompete agreements starting in August 2024. To prep for this new rule, we'll provide some key considerations and how you can respond.

The Updated Overtime Rules – Raise the Rate or Change the Role?

Starting on July 1st, under the FLSA, workers who do not earn at least \$43,888 (\$844 a week) as of July 1, 2024, will have to be paid overtime, **even if** they're classified as a manager or professional. If the current salary does not meet this threshold, Nondiscretionary bonuses and incentive payments (including commissions) may be used to satisfy up to 10 percent of the standard salary level. If this requirement is not met, these employees would need to be converted to a non-exempt status and be overtime eligible.

Businesses will be in the position to decide – will you look to increase the salary (with a potential additional increase in 2025) or re-classify? This is not only a financial decision, but a decision that will also need to be compliant. The DOL has published guidelines on the Exemption Tests that are required to ensure an employee who is exempt from overtime is classified correctly. You can find the guidance on the DOL website: <http://www.dol.gov/agencies/whd/compliance-assistance/handy-reference-guide-flsa#8>

Also, the question may again arise – can I reclassify employees as 1099 contractors? I've given a reminder below on the Six-Factor test for 1099 contractors. Whatever decision(s) you make – I can help make sure they are compliant ones!

The Independent Contractor "Six Factor" Test:

- The degree to which the employer controls how the work is done.
- The worker's opportunity for profit or loss.
- The amount of skill and initiative required for the work.
- The degree of permanence of the working relationship.
- The worker's investment in equipment or materials required for the task.
- The extent to which the service rendered is an integral part of the employer's business.

Culture Safety at Work – Protecting Against Harassment

In April, the EEOC published additional guidance for employers on examples of what can (and is) considered to fall under workplace harassment guidelines. In order to both remain compliant and protect your workplace culture, it's important for business owners and leaders to look out for the warning signs so they can be appropriately addressed. In addition to **sexual harassment**, additional examples include **racial harassment** (actions taken towards an employee based on their race), **religious harassment** (comments or actions made based on religious beliefs), **pregnancy-related harassment** (example: changing an employee's duties or taking actions towards them based on their pregnancy), and **gender identity harassment** (actions taken based on a person's gender identity, including pronoun use and use of restrooms). The guidance, as well as requirements to address, can be found on the EEOC website: <https://www.eeoc.gov/laws/guidance/enforcement-guidance-harassment-workplace>

For assistance with compliance as well as strategies to mitigate your risk (including training), let's connect!

Opening the Doors – The Elimination of Non-Competes

While legal challenges are expected – in August 2024, the FTC will ban non-compete agreements. You can find the press release here: <https://www.ftc.gov/news-events/news/press-releases/2024/04/ftc-announces-rule-banning-noncompetes>. At a minimum, it is advised that employers should a) conduct an audit of their existing agreements, b) analyze the potential impact of the new rule on the agreements, and c) weigh the costs and benefits of not revising the agreements versus revising them. The action that a business should take will heavily depend on their business, industry, and workforce makeup (front-line employees, executives, etc.). Since these decisions will also have legal implications, it's encouraged to retain legal counsel for assistance. As a consultant, I specialize in highly tailored solutions based on the factors above. Please don't hesitate to reach out to me so we can discuss this upcoming rule. Myself, as well as my legal partner network, can help you prepare your business strategy in response.



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Bonnie Anderson
Wolf-Rose People Solutions ...
Human Resources
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24 votes received
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"Happy to vote for you Bonnie. And good luck!" - Holly Gray from Holly Gray, Berkshire Hathaway Home Services AZ Properties

"Awesome people and a great company." - Rob Ham from Academy Disc Plumbing & Repair

"With Bonnie's grit and determination, she's dedicated to helping grow the Alignable community!" - Tom Kavanaugh from New Coaching Strategies

2nd Place: Alignable 2024 Maryvale (AZ) Local Business Person of the Year

From recruiting to onboarding, to training and ongoing management, and everything in-between: let Wolf-Rose People Solutions help put strategies into place to support the success of your employees – and in turn support the success of your small business.

COMPLIANT 	CONSULTING 	CONNECTIONS 	COST-EFFECTIVE 
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In-person and virtual consultations are available – providing services nationwide

Bonnie Anderson, PHR, SHRM-CP: Owner & Consultant



Phone: 602-492-2636

Email: bonnie@wolfrosesolutions.com

Website: www.wolfrosesolutions.com

LinkedIn: <https://www.linkedin.com/company/wolf-rose-solutions/>

Alignable: <https://www.alignable.com/phoenix-az/wolf-rose-people-solutions-consulting>