

PUBLICATION

Heightened Wage and Hour Enforcement Actions by the Department of Labor Are Coming

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Provisions of the American Recovery and Reinvestment Act of 2009 require that companies adhere to prevailing wage standards for workers of construction projects receiving recovery funds under that Act. Those obligations remain, and we have noticed an uptick in enforcement actions from the Department of Labor.

The Department of Labor has the authority to conduct site inspections and interviews for potential wage and hour violations with little or no notice to employers. However, the Department of Labor historically opened such investigations as a consequence of a specific employee complaint – often submitted anonymously – to a field office. Those days at the Department of Labor are now gone.

A Senior Investigation Advisor with the Department of Labor recently advised us of an impending two-year program that will involve proactive initiation of investigations into prevailing wage obligations even before complaints of violations may be received by office. The criteria for what targets will be identified is not yet known with precision. However, we have been advised that significant resources have been devoted to the program, all five regions of the Department of Labor are committed to it, and no project is too big or too small to warrant scrutiny. Consequently, we recommend all clients be vigilant in compliance with their obligations under the Wage and Hour laws.

Baker Donelson's Employment Group has a wealth of experience in responding to requests for information and defending investigations into the employment practices of its clients. We take a proactive role with clients in instituting preventative measures that help ensure compliance by prime contractors and subcontractors alike. Those methods include review of policies and procedures, creation and presentation of training to workers, and appropriate contract review to ensure that the risk for such violations is mitigated as much as possible.

If you need assistance with this or any labor and employment issue, do not hesitate to contact your Baker Donelson attorney or any of our nearly 70 Labor & Employment attorneys, located in *Birmingham, Alabama; Atlanta, Georgia; Baton Rouge, Mandeville and New Orleans, Louisiana; Jackson, Mississippi; and Chattanooga, Johnson City, Knoxville, Memphis and Nashville, Tennessee.*

Baker Donelson gives you what boutique labor and employment firms can't: a set of attorneys who are not only dedicated to the practice of labor and employment issues, but who can reach into an integrated and experienced team of professionals to assist you in every other aspect of your legal business needs. We set ourselves apart by valuing your entire company. And when it comes to your company's most valuable asset - your employees - we're committed to counseling with and advocating for you every step of the way.