

# The Paley Rothman Blog

Paley Rothman shares this library of resources with clients and friends of the firm to help them stay ahead of legal and business developments and trends. Here, you will find helpful tips and tools written by our employees.

## **THE NLRB TARGETS INDEPENDENT CONTRACTOR MISCLASSIFICATION**

The NLRB sets its sights on worker misclassification by asserting that misclassifying employees as independent contractors is an unfair labor practice.

## **USE OF INDEPENDENT CONTRACTORS MAY BE A HIGH RISK CHOICE IF DOL GETS ITS WAY**

On July 16, 2015, the U.S. Department of Labor (DOL) Wage & Hour Division Administrator issued "Administrator's Interpretation 2015-1" (AI) on the application of the Fair Labor Standards Act (FLSA) for identification of workers who are misclassified as independent contractors.

## **WHY EMPLOYERS SHOULD BE DILIGENT WITH EMPLOYEE CLASSIFICATIONS**

This is a bit of a trick question. The short answer is no. If a worker is correctly classified as an independent contractor, the worker is not a "covered employee" under the Maryland Workers' Compensation Act and the employer is not liable for the worker's on-the-job injuries.

## **A REMINDER TO FEDERAL CONTRACTORS: WHISTLEBLOWER PROTECTIONS MANY EMPLOYERS MAY NOT BE CONSIDERING**

Arising out of an uncommon source, for nearly two years, employees of most federal contractors and grantees have had additional whistleblower protections with regard to certain disclosures and employers need to remember these protections when considering adverse personnel actions.

## **ORDER REQUIRES CONTRACTORS TO REPORT LABOR VIOLATIONS**

The recent Executive Order on Fair Pay and Safe Workplaces, signed by President Obama on July 31, 2014, has major implications for the way that federal government contractors treat their employees. Failure to comply with the new rules could exclude a contractor from consideration by a soliciting agency.