

# U.S. House of Representatives passes Working Families Flexibility Act of 2017

Last month, the United States House of Representatives passed H.R. 1180, which states that private sector employees shall be given the option of receiving paid time off, known as compensatory time, in lieu of monetary compensation known as overtime pay. The Act, known as the “Working Families Flexibility Act of 2017,” amends the Fair Labor Standards Act of 1938, which established overtime pay, among other employee rights.



The comp time option allows for one and a half hours off for every hour worked beyond 40 hours in a week. In order to be eligible for the compensatory option, an employee must have been employed by the employer for at least one consecutive year, during which time the employee must have worked at least 1,000 hours.

## **Other stipulations in H.R. 1180 include:**

- Regarding labor unions or other forms of organized labor, compensatory time is provided to members only in accordance with collective bargaining agreements.
- Employers may not make the compensatory time option a condition for employment.
- Maximum accrual of compensatory time is limited to 160 hours.
- Compensatory time that is not used by the employee by the end of the calendar year, or an alternative 12-month period, must be paid in overtime by the employer within 31 days of the end of such 12-month period.

- If an employee acquires in excess of 80 hours of compensatory time, the employer may provide monetary compensation at any time after giving the employee at least a 30-day notice.
- Employers who opt to provide compensatory time may discontinue the option after giving employees a 30-day notice.
- An employee may give notice of withdrawal from any compensatory time agreement at any time, and the employer must provide monetary compensation for unused time within 30 days of receiving notice.
- An employer providing compensatory time is prohibited from actions that “directly or indirectly intimidate, threaten or coerce any employee” in any attempt to interfere with an employee’s rights to choose or use compensatory time.
- The employee may use accrued compensatory time within a reasonable amount of time after a request is made as long as it does not unduly disrupt the operations of the employer.
- Upon termination, any unused compensatory time accrued by the employee will be considered unpaid overtime compensation.

H.R. 1180 passed the House vote, 229-197. It now must also pass a Senate vote, which may prove to be an uphill battle, as similar bills have historically died in the Senate.

Should the H.R. 1180 pass the Senate, an Employer should immediately revise its leave and overtime policies to implement the option of comp time in lieu of overtime compensation, with special attention given to how the employee will notify the Employer of the employee’s desire to receive the comp time in lieu of overtime compensation, when and how the comp time will be taken, and what would “unduly disrupt the operations” of the Employer’s specific company.

[Click here to view details of the Working Families Flexibility](#)

[Act of 2017 on the U.S. House of Representatives website](#).