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# Overtime rules begin Monday

■ Experts say the new labor law is unlikely to affect many locally.

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Some white-collar workers might get a surprise in their next paycheck.

Certain workers will gain or lose their overtime pay when a new law takes effect on Monday. But local

— or \$23,660 annually. Their employers will have to pay them overtime, which is time and a half pay for every hour worked over 40 hours. The threshold was previously at a weekly salary of \$155.

Other workers, however, will find their right to overtime revoked, including those who make at least \$100,000 annually. Or those

with job descriptions that make them overtime-eligible — such as managers, maybe of retail or fast-food places, who oversee at least two full-time workers and make big decisions such as hiring and firing.

"I don't get the sense that there will be large wholesale changes," said Chris Wiest, vice president of human-resource informa-



Bob Legge

says some employees may face a loss in status and benefits.

tion for the Rochester Business Alliance, which held several workshops on the new regulations. "Busi-

nesses are looking at it on a case-by-case basis and making adjustments where necessary."

The Department of Labor has estimated that 107,000 workers making at least \$100,000 annually will lose overtime, whereas 1.3 million lower-wage workers will now become

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## Overtime

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eligible for the extra pay. The rules will not apply to unionized workers whose contracts mandate overtime.

One of the biggest groups of professionals at risk of losing their overtime rights? Journalists who write in-depth articles or do creative analysis, said Nelson Thomas of Dolin, Thomas & Solomon, employment law specialists.

In contrast, some information-technology and customer-service workers might now become hourly employees, said Bob Legge, president of the human resource consultant Legge & Co. in Rochester.

Such switches, he added, might not always be welcome by employees because it might mean a loss in status and benefits.

"Companies are wondering how they can institute this with people who are used to having a lot of freedom to come and go and work whatever hours they want," Legge added.

Some of Rochester's largest businesses, including Xerox

### At a glance

Highlights of the Labor Department's new overtime regulations taking effect Monday:

- Workers earning \$23,660 annually or less are eligible for overtime pay for working more than 40 hours a week. The department says about 1.3 million workers will be newly eligible.
- White-collar workers earning \$100,000 or more a year are newly exempt from overtime pay.

Changes to duties that determine whether an employee is a professional, executive or administrative and exempt from overtime will result in "very few, if any" workers losing overtime. Critics disagree, saying 6 million could lose overtime.

Corp. and Wegmans Food Markets Inc., said they are evaluating the new regulations but could not say how many workers would be affected. Eastman Kodak Co. declined comment.

The University of Rochester expects a "very small segment" of its work force to be affected, said Larry Ansini, manager of compensation and human-resource business systems. Some professional and administrative

Union workers covered by contracts will not be affected by the change.

- People identified as generally exempt from overtime pay include pharmacists, funeral directors, embalmers, journalists, financial-services-industry workers, insurance claims adjusters, human-resource managers, management consultants, executive and administrative assistants, purchasing agents, registered or certified medical technologists, dental hygienists, physician assistants, accountants, chefs, athletic trainers with degrees or specialized training, computer system analysts, programmers and software engineers. Department officials say employers should determine on a case-by-case basis.

workers on salary, who typically work less than full time, might make about \$400 a week — which would turn them into hourly employees entitled to overtime, even though they have jobs that exempt them, he said.

UR might increase these workers' hours or salary so they don't become hourly employees, he added. And they probably will not alter pay for nurses — a profession advocates feared

would lose their overtime rights under the new rules.

Other health care providers will probably follow suit, especially because they are working hard to recruit and retain these workers, said Patricia Greenberg, executive director of the Nurse Alliance of New York State, which is part of Service Employees International Union Local 1199 Upstate, the state's largest health care workers union. "I'd be very surprised if any nurse next week is mandated to work a double shift and they're told they're not going to be paid for it," she said. "That nurse would immediately be out the door."

But the future is more uncertain, she said, especially as financially strapped health care providers try to cut costs.

One point of contention has been the number of workers affected by the new rules. The Economic Policy Institute, a liberal think tank, for example, warned in a report last month that more than 6 million workers could lose their right to overtime pay, far surpassing numbers estimated by federal labor officials. The report counted professionals such as chefs, mortgage loan officers, funeral directors and

nursery-school teachers.

But several area professionals — such as mortgage loan officers and assistant chefs — said they are mainly salaried and not receiving overtime pay anyway.

Becoming compliant with the new rules has not been easy. Businesses have had to comb through every worker's job profile and salary to determine whether his or her pay should be altered.

Twenty percent of the 150 businesses nationwide surveyed by Hewitt Associates — a global human-resources consulting firm — said they would not be ready by the deadline. One-quarter said they would be ready only if they got more resources to do so.

One of the biggest problems? Trying to understand the new rules, according to Hewitt.

David Crosby, co-owner of Jeremiah's Tavern on Monroe Avenue, said the information has been "very confusing," but he does not think the new rules will alter how he pays his workers. "I do need more time to digest it," he said.

"In trying to read through it, you really need to be an accountant to understand it." □

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