Engage PEO Client Alert: Ohio

OH Amends Wage and Hour Law Relating to Overtime Pay

What's New: Governor DeWine signed Senate Bill 47 into law, effective July 6, 2022. Employers no longer have to pay overtime wages to employees. The new changes outlined below are now consistent with the Fair Labor Standards Act.

New Overtime Provisions

Effective July 6, 2022, employers will no longer have to pay overtime wages for any time spent:

- Walking, riding, or traveling to and from the actual place of performance of the principal activity or activities that the employee is employed to perform;
- Activities that are preliminary to or postliminary to the principal activity or activities; or
- Activities requiring insubstantial or insignificant periods of time beyond the employee's scheduled working hours.

Employers will still be required to pay overtime wages for time spent in the above-referenced activities:

- During the regular workday or during prescribed hours.
- If the employee performs the activity at the specific direction of the employer.
- If the employee performs the activity because of an express provision of a written or unwritten contract in effect, or if a collective bargaining agreement requires it.
- If the employee performs the activity pursuant to a custom or practice applicable to the activity.

Class and Collective Actions

To participate in a class or collective action, an employee must first give written consent to become a party plaintiff to the action and then file such consent with the court in which the lawsuit is brought. This new provision of the law is consistent with the federal Fair Labor Standards Act. Previously, employees were required to opt out of class or collective actions.

What Employers Should Do

Senate Bill 47 aligns Ohio's overtime laws with the FLSA. Employers should conduct periodic internal audits of wage and hour practices to enhance their compliance obligations.

If you have any questions about Ohio's new law, please reach out to your Engage HR Consultant.