Extreme Weather, Natural Disasters and Personnel Issues

By William R. Horwitz

As clean up from Hurricane Sandy continues across the East Coast, we hope that you and your families, as well as your businesses and employees remained safe. We thought that one small way in which we could make your life a little easier is to answer some questions that you may have about your obligations as an employer during the disruption that the hurricane causes. If you have any additional questions, please contact us using the information provided below.

Temporary Closings

Unless your agreements or policies provide otherwise, you are generally not required to pay non-exempt employees when they are not working. Therefore, if your business is closed and your employees do not report to work, you are not obligated to pay non-exempt employees. However, make sure that these employees are not checking work e-mails, communicating with supervisors about work-related issues or otherwise working from home, because non-exempt employees are entitled to receive pay for these activities even if they do not physically report to work.

Note that some states require an employer to pay employees for reporting to work, even if the business closes and the employer sends them home. For example, a New Jersey employer must pay employees who report to work at least one hour of pay. A New York employer must pay employees who report to work at least four hours of pay (or the number of hours in the scheduled shift if it is less than four hours).

With regard to exempt employees, they are generally entitled to receive their full salaries, even if the business is closed – at least if the shutdown lasts for less than a week. If a business is closed for an entire week and an exempt employee performs absolutely no work during that time, the employer is generally not required to pay the employee for the week.

When a business is temporarily closed, the employer can require exempt employees to use accrued vacation time for the time off, but this requirement should be set forth clearly in the Employee Handbook and any employment contracts. Moreover, the
employer should understand that this requirement may create morale problems among affected employees.

**Requiring Attendance**

New York and New Jersey have both declared a “state of emergency,” but neither declaration prohibits private employers from requiring employees to report to work. Employers should exercise caution, however, because requiring employee attendance may create liability to employees or third parties if accidents occur as employees try to make their way to work under tough conditions. Also, while public transportation remains largely suspended and other means of commuting are treacherous, working from home for a day or two may constitute a reasonable accommodation for a disabled employee. Employers should bear in mind, of course, that family leave laws may apply to employees who are injured or whose immediate family members are injured during extreme weather or natural disasters.

**Post-Disaster Cleanup**

After the hurricane passes, employees whose homes remain without power, who are repairing damage to their property or whose children’s schools remain closed may seek additional time off from work. While an employer that can afford to do so may allow additional flexibility to these employees in order to give them peace of mind and boost their loyalty and morale, the state of emergency does not impose any additional obligation on employers with respect to these requests and they may be handled pursuant to the employer’s contracts and policies.

**Other Issues**

In addition to the above general points, employers should also be aware of state laws that affect certain employees and certain industries. For instance, in New York and New Jersey, the prohibition against mandatory overtime for health care personnel includes an exception for a declared state of emergency. New Jersey also provides protections for employees who miss work because of their responsibilities as volunteer first responders.

**Conclusion**

Extreme weather and natural disasters that disrupt business create big headaches for employers and employees. We recommend clear and consistent communication with your employees to avoid confusion about your expectations. Also, maintaining sound employment policies and consulting with counsel when issues arise is critical for avoiding additional headaches resulting from ensuing workplace legal liability.
Labor & Employment Practice Group

Should you require further assistance with regard to the information set forth in this alert, please contact any partner in Drinker Biddle’s Labor & Employment Practice Group.

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