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# In The News

# Akerman Partner Erica Mason Urges Employers to Reevaluate Independent Contractors as Employees Under Revised DOL Rule

#### November 30, 2022

The U.S. Department of Labor recently unveiled a new proposed rule that revises the Department's guidelines for classifying employees and independent contractors under the Fair Labor Standards Act (FLSA). Labor and employment partner <u>Erica Mason</u> in Atlanta spoke with *HR.com* about the legal concerns that this rule presents for employers and the best practices for navigating them.

In an exclusive interview with Mason, *HR.com* asked: "What are the legal concerns employers should be aware of in the context of the revised rule?"

Mason said: "In 2021, the DOL collected over \$200 million in back wages for nearly 200,000 employees, who it determined employers had not paid in accordance with the FLSA— many of which involved independent contractor misclassification. Even more is collected through private independent contractor misclassification lawsuits, with an estimated 6,000 lawsuits filed each year in federal courts throughout the country, resulting in hundreds of millions of dollars in FLSA settlements each year.

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Given the prevalence, and high stakes nature of FLSA misclassification cases, employers should be very concerned about running afoul of the FLSA under the new proposed independent contractor rule."

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