



Question of the Week

July 23, 2025

Question

If we send employees home early because business is slow, do we have to pay them?

ANSWER

Whether they need to be paid depends on the employee's classification under the Fair Labor Standards Act. Exempt employees will need to receive their full day's salary, and nonexempt employees will need to be paid for the hours they actually worked.

Be aware that several states require reporting time pay, sometimes known as show-up pay. These laws typically require employers to pay a certain amount to employees simply for showing up to work. They're meant to prevent unexpected wage loss and discourage employers from overscheduling.

You can check your state's pay requirements on the <u>platform</u>.

This Q&A does not constitute legal advice and does not address state or local law.