

ISSUE ALERTS



BANK MISCLASSIFIED APPRAISERS AS EXEMPT FROM OVERTIME PAY, COURT SAYS

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This summer a federal court ruled that a class of current and former residential real estate appraisers were improperly classified as exempt from overtime pay under the Federal Labor Standards Act ("FLSA"). In doing so, the court rejected the bank's argument that the appraisers fell under the administrative, professional, and highly compensated employee exemptions. The case involved two classes—one comprised of residential appraisers, and another made up of review appraisers. Both groups of appraisers alleged that the bank misclassified them as exempt from overtime under state and federal law. Last fall the parties settled the claims of the review appraisers for approximately \$5.8 million, leaving only the residential appraisers pursuing their claims.