

HR Quick Take: Reduced Hour Pay

February 3, 2021

This content was published prior to the combination of Dentons Davis Brown. Learn more about Dentons Davis Brown

Q: An employee wants to go to a reduced schedule of 32-hours a week. The position is exempt, 40 hours. Can we simply reduce her pay by the same percentage of reduced hours?

A: The question is whether a salaried employee can have their pay reduced when it is anticipated they will have a permanent hours reduction. To do something of this type on a temporary basis could easily impact the FLSA salary paid basis and create problems with utilizing the exemption to the FLSA. However, a long-term change in the employee's job, number of hours, responsibilities, or similar issues would be a good foundation for a change in pay reflecting the new status. This could essentially be an hour-for-hour reduction so long as this is a long-term reduction, and you are not simply deducting from pay for a couple of missed hours here and there.

Your Key Contacts



Jo Ellen Whitney

Shareholder, Des Moines

D +1 515 246 7993

M + 1 515 480 4557

joellen.whitney@dentons.com