March 10, 2023



In *Camp v. Home Depot U.S.A.*, *Inc.*, H049033, the California Court of Appeal for the Sixth District analyzed legal authority regarding an employer's rounding practices as they pertain to timekeeping. Specifically, in *Camp*, the trial court granted summary judgment for the employer after determining the employer had a facially neutral rounding policy, which policy would not result in a failure to compensate employees for overtime. On appeal, the Sixth District reversed and remanded the trial court's order granting summary judgment. In doing so, the court determined that "in relying on its quarter-hour time rounding policy, [the employer] fails to meet its burden to show that there is no triable issue of material fact regarding whether [the plaintiff] was paid for all the time he worked." In effect, the *Camp* court overturned prior precedent, which approved facially neutral rounding policies that did not result in underpayment of employees for overtime.

In addition to reversing the trial court's order, the Sixth District also invited the California Supreme Court to address the validity of the rounding standard articulated in prior case law. The court also invited the California Supreme Court to "review the issue of neutral time rounding by employers and to provide guidance on the propriety of time rounding by employers, especially in view of the 'technological advances' that now exist which 'help employers to track time more precisely.'"

On February 1, 2023, the California Supreme Court granted petition to review the *Camp* decision. California employers are encouraged to monitor the California Supreme Court's decision regarding time rounding. Employers also are encouraged to work with experienced counsel to ensure their timekeeping practices comply with California law.

Authors



Jill L. Ripke

Senior Counsel
JRipke@perkinscoie.com 310.788.3260

Explore more in

Labor & Employment Blog series

Wage & Hour Developments

The regulatory landscape, appetite for administrative agency enforcement, and judicial interpretations related to wage-and-hour issues are rapidly evolving. Our blog is a one-stop resource for federal- and state-level updates and analysis on wage-and-hour-related developments affecting employers. Subscribe?

View the blog