

Human Resources Articles for Business Leaders

Guiding Employers to Employee Excellence

Does your Employee Handbook Have a Compliant Meal and Rest Period Policy?

Taco Bell Learned an Expensive Lesson

Taco Bell workers were just awarded approximately \$496,000 in a class action suit that alleged meal and rest period violations.

The plaintiffs in the suit claimed that Taco Bell failed to properly provide employee meal breaks before the fifth hour of work as required by California law. The workers also claimed that the company failed to provide the right number of employee rest breaks.

The workers did not win their suit on either of these claims, however, they did win their claim that Taco Bell failed to properly pay them when a meal break was skipped. If an employer fails to provide an employee a meal period, the employer must pay the employee one additional hour of pay at the employee's regular rate of compensation. This is often referred to as "premium pay."

Taco Bell paid them only 30 minutes of wages when an employee meal period was missed, rather than the full hour of required premium pay.

Interestingly, Taco Bell originally faced litigation because its employee handbook policy did not meet California's strict meal and rest break requirements. Taco Bell used a meal period "matrix," which was a policy of providing the meal after five hours of work, instead of before. The matrix was printed in Taco Bell's employee handbook.

This case highlights the importance of including an employee meal and rest break policy in your employee handbook that is compliant with California law. Employee meal and rest break policies must state the legally required timing of meal breaks and not be open to interpretation.

This case further demonstrates the challenges California employers face in the ever-persistent litigation over meal and rest periods.

Lauren Sims is an author and a principal HR Consultant with eqHR Solutions.

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