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LEGAL ALERT

What Employees Do After Clock-Out Matters

Historically, employers have not been on the hook for paying employees for time that was *de minimis*, or in other words, hard to capture in a time system and administratively difficult to record. However, that just changed with the decision in the California Supreme Court case, *Troester v. Starbucks, Corp.*

Douglas Troester, a shift supervisor for Starbucks, brought a lawsuit on behalf of all non-managerial California Starbucks employees asserting that they were not fully compensated for certain activities they completed after clocking out. The activities only took between 4 and 10 minutes and ranged from transmitting store inventory data to Starbucks's corporate headquarters to activating the store alarm, exactly the type of work regularly deemed *de minimis* by California and federal courts.

California's highest court determined that employees must be paid for all hours worked, regardless of the duration of certain tasks and explicitly rejected the *de minimis* doctrine with regard to the type of work performed by Starbucks employees after clocking out.

While the Court declined to create a blanket rule for all situations involving potential *de minimis* time, the Court pointed out that technological advancements have made recording certain off-the-clock tasks easier to record and therefore not an administrative burden. Although the *de minimis* argument is not completely sunk, it will be difficult for employers to make the argument where the tasks are routine and similar to those performed by Starbucks employees, including setting alarms, making bank drops, or other discreet tasks performed while not on the clock.

We recommend auditing all tasks performed by employees after clocking out to ensure compliance with this new California Supreme Court case. If you have any questions about how the *de minimis* doctrine applies to your business and workforce, we encourage you to contact a Stokes Wagner attorney.

Questions? Contact Stokes Wagner.