What Would Overruling Chevron Mean

for Labor and Employment Law?

February 20, 2024



Compliance HR

Today's Webinar Host:

Stephanie Zielinski

Marketing Director | ComplianceHR Zielinski@ComplianceHR.com



Who We Are



- Technology Platform
- Infrastructure enterprise

- Subject matter expertise
- Knowledge management team
- Case databases

What we do:

Deliver expert guidance in a fraction of time and cost vs traditional methods

Compliance HR

Simplify the complexity of employment law



PolicySmart™

Create and maintain an up-to-date and legally compliant employee handbook



Navigator Independent Contractor

Remove risk in determining Independent Contractor status



Navigator Overtime

Determine if an employee is exempt or non-exempt



The Reference Center

A Comprehensive Solution for Employment Law and Common HR Compliance Questions



The Document Center

Efficiently generate state and federal compliant documents throughout the employee lifecycle

Compliance Essentials











PolicySmart provides you with:

- · Federal and state-compliant templates
- Innovative compliance timeline
- Handbook policy checklists
- Automated twice monthly legal update emails

The ComplianceHR Reference Center provides you with:

- Local, state and federal information
- · Streamlined workflows
- Wide range of compliance topics
 - o COVID-19, final pay, FMLA, rate changes, and more

When coupled, these two solutions provide you with comprehensive compliance program support

Sign Up for a Demo

Three ways to sign up for a demo:

- Reply "Yes" to the on-screen poll
- 2. Click the link at the top of your screen
- 3. Visit the link in the Resources panel

Benefits of a custom demonstration:

- Discuss your organization's requirements/challenges
- Review Navigator Suite Solutions
- Share compliance methodologies

ComplianceHR Demo & Free Trial:

https://compliancehr.com/webinar-demo/



Presented By:





Shareholder
Workplace Policy Institute
Washington, DC
AMacDonald@littler.com



Tammy McCutchen

Former Administrator
Wage & Hour Division
U.S. Department of Labor



What is Chevron Deference?



- Chevron USA, Inc. v. National Resources Defense Council
- Formally involved the EPA's interpretation of the Clean Air Act
- The EPA treated all pollution-emitting sources within a single industrial group as a single source
- The Supreme Court upheld the EPA's interpretation because the statute was ambiguous, and the agency's interpretation was reasonable

Chevron Two-Step



Is the statute ambiguous?

Is the agency's interpretation reasonable?

If so, the court accepts the agency's interpretation even if the court would have read the statute differently itself

Chevron's Importance

One of the most influential decisions of the twentieth century

Cited more than 15,000 times

Affects all kinds of law, including labor and employment law

Chevron's Effect on Labor and Employment Law

Much of labor and employment law is made by agencies

- NLRB
- EEOC
- Department of Labor
- OSHA

These agencies all issue rules and guidance that gets Chevronstyle deference

Why is the Supreme Court Looking at Chevron Now?

Criticisms

- Shifted the balance of power to the president
- Accelerated growth of federal agencies
- Allows Congress delegate too much policymaking to unaccountable agencies
- Forces judges to punt legal questions to agencies
- Ignores the Administrative Procedure Act, which tells courts to decide all legal questions for themselves

Why is the Supreme Court Looking at Chevron Now?

Cases

- Loper Bright Enterprises v. Raimondo
- Relentless, Inc. v. Raimondo

Both involve a statute regulating federal fisheries

Question

- Can the Department of Commerce force fishing boats to pay for their own on-board monitors?
- The lower courts said yes; both applied Chevron

Is the Supreme Court Going to Rule Chevron?

- In both cases, the petitioners asked the court to overrule Chevron
- At oral argument, a majority of the Justices asked questions suggesting they were skeptical of Chevron
- Some justices have criticized Chevron in prior writings
- Bottom line: the Court is probably going to narrow Chevron, if not outright overrule it



How Would Overruling Chevron Affect Labor and Employment Law?

Potentially affected rules:

- NLRB joint-employer rule
- Department of Labor Independent Contractor rule
- Department of Labor proposed overtime rule

How Would Overruling Chevron Affect Labor and Employment Law? (cont'd)

Future rules:

- More modest rulemaking
- Fewer rules overall
- More policymaking by statute

How Would Overruling Chevron Affect Labor and Employment Law? (cont'd)

Policies up for grabs

- Joint employment (NLRB)
 - Standard for Determining Joint Employment, 88 Fed. Reg. 73946 (Oct. 27, 2023)

Salary basis

Defining and Delimiting the Exemptions for Executive, Administrative, Professional,
 outside Sales, and Computer Employees, 88 Fed. Reg. 62152 (Sept. 8, 2023)

Card check

Cemex Construction Materials Pacific, LLC, 327 N.L.R.B. No. 130 (Aug. 25, 2023)

Union property access

 Improving protections for Workers in Temporary Agricultural Employment in the United States, 88 Fed. Reg. 63750 (Sept. 15, 2023)

Predictions

- Chevron will be overruled or limited
- Agency rulemaking authority will be circumscribed
- Agencies will continue to issue rules, but less frequently
- Agencies will find other ways to advance policy goals



Sign Up for a Demo

Three ways to sign up for a demo:

- 1. Reply "Yes" to the on-screen poll
- 2. Click the link at the top of your screen
- 3. Visit the link in the Resources panel

Benefits of a custom demonstration:

- Discuss your organization's requirements/challenges
- Review Navigator Suite Solutions
- Share compliance methodologies

ComplianceHR Demo & Free Trial:

https://compliancehr.com/webinar-demo/



Questions?

Please add any additional questions to the Q&A box

Thank you!