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Overtime

BoA Subsidiary to Pony Up \$36 Million To Settle Appraisers' Overtime Lawsuit

A Bank of America Corp. subsidiary has pledged to pay \$36 million to settle an overtime lawsuit by current and former real estate appraisers, the law firm representing the workers announced Aug. 26 (*Boyd v. Bank of America Corp.*, C.D. Cal., No. 13-00561, *settlement announced 8/26/15*).

The settlement would resolve overtime claims by 367 residential real estate appraisers alleging that LandSafe Inc. wrongly classified them as exempt from the Fair Labor Standards Act's overtime requirement. The workers, who were paid a salary and appraisal-based performance incentives, said they often logged long hours on the job without additional compensation.

"We're thrilled to be able to provide such meaningful relief to this nationwide class," Bryan Schwartz of Bryan Schwartz Law Offices, who represented the workers, told Bloomberg BNA Aug. 26. The settlement money will be divided among the appraisers based on their individual circumstances, and accounting for charges and fees.

The U.S. District Court of the Central District of California ruled in May that the appraisers should have been eligible for time-and-a-half wages for time worked beyond the FLSA's 40 hours per week threshold (92 DLR A-3, 5/13/15). Judge David O. Carter found that the appraisers didn't fall under the law's exemptions for ad-

ministrative workers, professional employees or highly compensated executives.

The court is expected to rule on the appraisers' request to approve the settlement agreement sometime next month. LandSafe in 2014 agreed to pay \$5.8 million to settle similar claims by a separate group of employees (124 DLR A-2, 6/27/14).

Appraisers to Be Reclassified. LandSafe didn't admit any wrongdoing under the terms of the proposed settlement. It agreed, however, to reclassify its residential appraisers as FLSA nonexempt.

Christopher A. Killens of McGuireWoods, who represented the company, didn't immediately respond to Bloomberg BNA's request for comment.

Class members will have 60 days following the notice of the settlement to opt out of the agreement. LandSafe consented as part of the agreement not to oppose an attorneys' fees award of up to \$12 million.

Schwartz told Bloomberg BNA that Bank of America is currently looking to sell LandSafe. He said whoever purchases the company will be expected to properly classify appraisers and other workers.

BY CHRIS OPFER

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Text of the settlement is available at <http://op.bna.com/dlrcases.nsf/r?Open=copr-9zrqu8>.