

CLIENT ALERT: Massachusetts Department of Labor Standards Rescinds Opinion Letters Concerning Wage Deductions

The Massachusetts Department of Labor Standards (“DLS”) has rescinded three legal opinion letters that had previously permitted wage deductions that did not impinge on the state minimum wage. In withdrawing these published letters DLS has acknowledged that many kinds of wage deductions, including those previously allowed for uniform maintenance, are no longer permitted in Massachusetts in light of the SJC’s decision in *Camara v. Attorney General*, 458 Mass. 756 (2011).

In early 2011, in a landmark decision, Massachusetts’ highest court held that employers may not take deductions from wages unless an employer can demonstrate the existence of a “valid setoff” or a “clear and established debt owed to the employer by the employee.” (See [MBJ Client Alert of January 26, 2011](#)). The DLS, which regulates state minimum wage standards, has formally acknowledged that the new prohibition against wage deductions is not limited “to situations where the deductions would bring the employee’s wages under the minimum wage.” As a result, it formally rescinded regulatory opinion letters that had authorized deductions for uniform maintenance, fees for wage garnishments and other salary reductions. See *Deductions from Wages for Uniform Maintenance*, MW-2001-019; *Deductions from Wages*, MW-2003-010; and *Administrative Fees for Wage Garnishments*, MW-2003-03.

While two of the rescinded letters contained only general statements that deductions are permissible if they do not affect minimum wage, one letter, MW-2001-019, specifically authorized deductions for employer laundering of employee uniforms. The DLS’s rescission of all three opinion letters constitutes a significant shift in DLS policy, and creates uncertainty about the vitality of several minimum wage regulations that authorize certain wage deductions.

As a result, employers should no longer take deductions from employee wages for uniform laundering and other reasons not specifically authorized by law. Employers should reevaluate any other salary deductions to ensure that they meet one of the narrow exceptions established by the courts of Massachusetts.

Please contact a Morgan, Brown & Joy attorney with questions regarding these issues or other labor and employment law matters.

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