

The Live-in Exemption Rule

Helping you understand what the Live-in Exemption Rule means for you



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The Live-in Employee



What is a Live-in employee?

A live-in employee is someone who “lives where they work”. In order to determine if the live-in exemption applies, the residency test is applied.

The Residency Test: *A live-in employee “...resides on the participant/ employer’s premises either permanently or for extended periods of time”.*

- The “*employer’s premises*” means where the employee works.
- “*Permanently*” means the employee lives, works, and sleeps in the participant’s home seven days per week and has no home of his or her own.
- “*Extended periods of time*” means the employee lives, works and sleeps in the participant’s home for five days a week (120 hours) or more.



What is the live-in exemption?



A live-in employee is exempt from the overtime provisions of FLSA.

Overtime will not apply

- If the participant/employee meet the residency test based upon a PPL address comparison query, the live-in exemption will automatically apply.
- If the employee meets the definition of a live-in employee and the employer and employee submit the live-in exemption form.
- In either of these situations, PPL will pay overtime hours at regular rates for all services.
- **NOTE: If either of the above criteria has not been met or a participant/employee pair has revoked the exemption, overtime hours are to be paid at premium rates.**



How will PPL process the live-in exemption?



The live-in exemption is a one-pronged test. If the employee is a live-in employee, the exemption applies to all services.

- PPL will run a system generated address match query against all timesheets submitted to PPL that meet the overtime criteria, if the address query is a match, the live-in exemption will automatically apply
- PPL will add forms to new employee packets and make the form available on its website.
- The employer and employee must sign and return the form in order to **opt in** or **opt out** of the address comparison query.
- Employer and employee must notify PPL by submitting a live-in exemption form if their status changes.
- **The Live-in Exemption Form is available on this website.**



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