When is federal law applied over state law?

If there are differences between federal and state laws or rules governing wages, hours and working conditions, the standard more favorable or more protective to the employee is applied. Individuals with questions regarding whether federal labor law provides more favorable standards must obtain clarification of the Fair Labor Standards Act (FLSA) from the United States Department of Labor.

Examples of more protective standards in federal law include compensatory time agreements and overtime for workers who reside or sleep on the employer’s premises. For example, under federal law, compensatory time agreements in lieu of premium pay are not allowed in private sector businesses. Employees must be paid in wages for all overtime work. Additionally, under federal law, individuals who are required to sleep or reside at their place of business may be subject to minimum wages and overtime pay.