



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1820

PRINTERS NO. 3687

PRIME SPONSOR: Delozier

COST / (SAVINGS)

FUND	FY 2011/12	FY 2012/13
General Fund	\$0	\$0

SUMMARY: Provides an exemption to overtime pay requirements for hospitals and other health care establishments; and permits air carriers to work more than 40 hours/ week, without being paid overtime, through voluntary agreement amongst employees. The language regarding employees of air carriers would take effect in 90 days. The remainder of the legislation would take effect immediately.

ANALYSIS: This legislation would amend Section 4(c) of the Minimum Wage Act to state that an employer will not be in violation of overtime pay requirements if the employer is entitled to utilize and is consistent with overtime arrangements allowed by Section 207(j) of the federal Fair Labor Standards Act. This section of the FLSA allows hospital employers to enter into agreements or understandings with their employees to pay overtime based on hours worked in excess of 8 hours per day or 80 hours per fixed 14-day period, instead of after the standard 40 hours per 7-day week.

This legislation also amends Section 5(b) of the PA Minimum Wage Act to exempt employees of an air carrier from receiving overtime pay when:

- the hours are worked pursuant to a shift-trading practice under which the employee has the opportunity to reduce hours worked in any workweek by voluntarily offering a shift for trade or reassignment; or
- the required hours of work, wages, and overtime compensation have been agreed to, either in a collective bargaining agreement between the employer and employee representatives, or pursuant to a voluntary agreement reached between an employer and employee.

FISCAL IMPACT: This legislation would have no adverse fiscal impact on Commonwealth funds.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: June 8, 2012

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.