
A BILL FOR AN ACT

RELATING TO OVERTIME.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Public employees are vital to the maintenance
2 of a responsive and engaged government. They ensure the
3 efficient and effective delivery of government services and
4 protect the health, safety, and welfare of the public.
5 However, it is equally imperative to ensure that government
6 personnel costs are reasonable. The legislature finds it
7 reasonable to establish a policy that is consistent with the
8 private sector and with federal law. According to the Fair
9 Labor Standards Act of 1938, as amended (29 U.S.C. 201, *et*
10 *seq.*), public and private employees covered by the Act are
11 entitled to receive overtime compensation for those hours worked
12 over forty in a workweek, which is defined as a fixed and
13 regularly recurring period of one hundred and sixty-eight hours.
14 The Act does not require overtime pay for work on Saturdays,
15 Sundays, holidays, or regular days of rest, unless hours worked
16 on those days are over forty hours in an employee's workweek.



1 While the legislature understands that a certain amount of
2 overtime may be necessary to ensure that deadlines are met and
3 the public health, safety, and welfare is properly attended to,
4 Hawaii taxpayers deserve a government that effectively manages
5 the time and benefits of its employees.

6 Consequently, the purpose of this Act is to establish a
7 policy that is consistent with the private sector and federal
8 law by specifying that overtime compensation will be based on a
9 forty-hour work week that excludes those hours taken as paid
10 time off.

11 SECTION 2. Chapter 89, Hawaii Revised Statutes, is amended
12 by adding a new section to be appropriately designated and to
13 read as follows:

14 "§89- Overtime compensation. (a) Notwithstanding any
15 other law to the contrary, overtime compensation shall only be
16 paid for hours actually worked in excess of forty hours actually
17 worked in a workweek.

18 (b) As used in this section:

19 "Hours actually worked" means hours worked at the
20 employee's regular rate of pay. "Hours actually worked" does



1 not include hours taken as paid time off, such as sick leave and
2 vacation.

3 "Workweek" means any fixed and regularly recurring period
4 of one hundred sixty-eight hours."

5 SECTION 3. This Act does not affect rights and duties that
6 matured, penalties that were incurred, and proceedings that were
7 begun before its effective date.

8 SECTION 4. New statutory material is underscored.

9 SECTION 5. This Act shall take effect on July 1, 2015, and
10 shall not apply to collective bargaining contracts entered into
11 prior to this date.

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INTRODUCED BY:

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|---------------------|----------------------------|
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H.B. NO. 558

Report Title:

Public Employees; Overtime Compensation; Calculation

Description:

Limits overtime compensation to those hours worked in excess of forty hours in a workweek. Excludes those hours taken as paid time off from the calculation of the forty hours.

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