

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: HB1173

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Ware

3. Committee: Finance and Appropriations

4. Title: Fair Labor Standards Act; overtime; employer liability.

5. Summary: Replaces the current provisions of the Virginia Overtime Wage Act with the provision that any employer that violates the overtime wage requirements of the federal Fair Labor Standards Act, and any related laws and regulations, shall be liable to its employee for remedies or other relief available under the Fair Labor Standards Act. The bill requires an employer to compensate employees of a derivative carrier at a rate not less than one and one-half times the employee's regular rate of pay for any hours worked in excess of 40 hours in any one workweek. The bill requires the Secretary of Labor to convene a work group that includes certain industry representatives and legislators to review overtime issues and the Virginia Overtime Wage Act and requires the work group to submit a report on its findings and recommendations to the Governor and the Chairmen of the House Committees on Appropriations and Commerce and Energy and the Senate Committees on Finance and Appropriations and Commerce and Labor by November 1, 2022.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Preliminary. See item 8.

8. Fiscal Implications: This fiscal impact statement is preliminary.

The Department of Human Resource Management does not anticipate a fiscal impact as a result of this bill.

The Department of Labor and Industry will continue to be responsible for enforcing overtime wage violations in the Commonwealth and does not anticipate a change in caseload or fiscal impact as a result of this bill.

9. Specific Agency or Political Subdivisions Affected: Department of Labor and Industry, all agencies and localities

10. Technical Amendment Necessary: No

11. Other Comments: SB 631 also replaces the current provisions of the Virginia Overtime Wage Act with the provision that violations of the federal Fair Labor Standards Act will result in penalties provided by federal law.