

## Department of Planning and Budget 2022 Fiscal Impact Statement

**1. Bill Number:** SB 631

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

**2. Patron:** Barker

**3. Committee:** Commerce and Energy

**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 any fiscal impact as a result of this bill.

Impact estimates from the Department of Labor and Industry are not yet available.

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

**10. Technical Amendment Necessary:** No

**11. Other Comments:** HB 1173 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.