

## Konrad Jackson

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**Sent:** Thursday, March 28, 2024 4:16 PM  
**To:** Senate Labor and Commerce  
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**Subject:** Information on Questions after Hearing for SB 153 - Overtime Wage Exemption

Good afternoon,

Below is information provided by our Chief Investigator with Wage and Hour in response to questions asked by Senator Dunbar during the hearing on Monday, 3/25 for SB 153 – Overtime Wage Exemption.

In response to the question on whether SB 153 would apply to Behavioral Health or drug treatment facilities, the answer is not one that can be provided by Wage and Hour. We believe that it depends on the licensure held by each individual business entity.

Under this legislation, if the facilities are licensed under AS 47.32.010(b) (1), (4), (5), (6), (8), or (12) – (14), they would be covered. If they are licensed under another statute, or others in the series that have not been included in the proposed legislation, they would not. Those entities should be able to answer where their licensure stems from. If they cannot, I believe the Department of Commerce could provide that information.

I have personally met with some of the entities being asked about. They were trying to determine if the exemption from overtime for persons providing medical services would apply to their entities. The answer was no, as the exemption hinges on the entities being **licensed as a hospital or nursing facility**. However, as I alluded to during testimony, the legislature could amend the bill to include those entities as well, and I'm sure they would be happy to have that flexibility offered to them.

In fact, many businesses, especially during the covid pandemic, have asked for flex plans that would facilitate 12-hour days. However, Wage and Hour can only approve plans that stay within the limits of the current law. This included places providing elderly housing and day care centers, doctors' offices, and retail businesses, among others.

Regarding the questions about employers making these plans mandatory; we don't believe it is a significant problem, as we do not see many claims filed in our office based on this. It's possible that employees employed at a business may not choose to take action while working due to a fear they would be terminated; however, they are free to file claims for back overtime and could do so at the time of separation. But those claims simply have not materialized in our office. In fact, many employers call our office asking about the plans at the request of their employees. Employees we have talked to often enjoy the longer workday in exchange for a long weekend. Many employees who work for the State of Alaska also take part in these alternative work weeks.

Please let me know if this answers all of your questions. We would be glad to answer any other questions that you may have.

Thank you,

Kim Kolvig  
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