



January 17, 2024

**Sponsor Statement**  
Version A

**House Bill 204 (L&C)**

*"An Act exempting certain employees from overtime pay requirements; and providing for an effective date."*

House Bill 204 would increase the hours that flexible work plan employees of certain facilities may work before triggering overtime pay from 10 to 12 hours. These facilities include ambulatory surgical centers, freestanding birth centers, home health agencies, hospices, intermediate care facilities for individuals with intellectual disabilities, residential psychiatric treatment centers, rural health clinics, and subacute mental health facilities.

To improve and extend healthcare access, the availability of medical services that do not require hospital admissions has increased nationally and within Alaska; however, non-hospital medical facilities are at a disparity for managing the work-life balance of healthcare employees when compared with hospitals, where employees are exempted from the daily overtime requirement. The result has been a noticeable migration of nurses and other critical healthcare staff to hospitals where a more flexible schedule allows the employee greater control over their time.

Alaska law requires overtime pay for eligible employees to begin either after eight working hours in a day or after 40 cumulative hours in a workweek. Employees may, however, work up to 10 hours a day without triggering the overtime requirement if they have a written voluntary flexible work plan agreement with their employer that has been filed with the Department of Labor and Workforce Development and the department has issued a certificate approving the plan. An employee working longer than 10 hours a day, or 40 hours in a week, is paid at the overtime rate.

This bill would not affect existing flexible work plan agreements, but it would permit employees working at these facilities to negotiate plans up to 12 hours per day going forward. Employees of these facilities would still be subject to a total of 40 hours per week for overtime pay.

This bill will impart flexibility for healthcare workers and provide stability for Alaska's healthcare system.