

HB

182

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT

MAY 1 2005

SENATE FINANCE
COMMITTEE

DATE: 4/20/05

FURTHER:

DATE TURNED
IN TO OFFICE: 1 May 2005

Finance Committee considered CS FOR HOUSE BILL NO. 182(FIN)(efd fld)

HB 182 WAGE & HOUR ACT: EXEC/PROF/ADMIN/SALES/DP

"An Act amending the Alaska Wage and Hour Act as it relates to the employment of a person acting in a supervisory capacity or in an administrative, executive, or professional capacity; relating to definitions under the Alaska Wage and Hour Act and providing definitions for persons employed in administrative, executive, and professional capacities, for persons working in the capacity of an outside salesman, for persons working in the capacity of a salesman employed on a straight commission basis, and for persons that perform computer-related occupations; directing retrospective application of the provisions of this Act to work performed before the effective date of this Act for purposes of claims filed on or after the effective date of this Act, and disallowing retrospective application for purposes of claims for that work that are filed before the effective date of this Act."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

CS Senate Bill:

- Same Title
- New Title

SCS House Bill:

- Same Title
- Technical Title Change
- New Title w/
SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#
Labor	3/1/05			✓	#1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	NO REC	AMEND
<i>[Signature]</i>			✓	
<i>[Signature]</i>			✓	
<i>[Signature]</i>				
COCHAIR: <i>[Signature]</i>				
COCHAIR: <i>[Signature]</i>				

FISCAL NOTE

REPORTED OUT

MAY 1 2005

SENATE FINANCE
COMMITTEE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHB 182(L&C)
 (H) Publish Date: 3/17/05

Revision Date/Time (Note if correction): _____ Department: Labor and Workforce Development
 Title: Wage & Hour Act: Exec/Prof/Admin/Sales RDU: Labor Standards and Safety
 Component: Wage and Hour
 Sponsor: Representative Rokeberg
 Requester: House L&C Component Number: 345

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: None
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

POSITIONS	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

There is no anticipated financial impact to the department as a result of this legislation.

Prepared by: Grey Mitchell, Director Phone: 465-4855
 Division: Labor Standards and Safety Date/Time: 3/1/05 11:06 AM
 Approved by: Greg O'Clary, Commissioner Date: 3/1/2005
 Agency: Department of Labor and Workforce Development

COMMITTEE COPY

ALASKA STATE LEGISLATURE

House of Representatives

COMMITTEE ASSIGNMENTS

RULES COMMITTEE, CHAIRMAN
LABOR & COMMERCE COMMITTEE, MEMBER
LEGISLATIVE COUNCIL, MEMBER
SPECIAL COMMITTEE ON OIL & GAS, MEMBER
SPECIAL COMMITTEE ON WAYS & MEANS, MEMBER

website: <http://www.akrepublicans.org/rokeberg/index.php>



INTERIM
716 WEST 4TH AVENUE, SUITE 600
ANCHORAGE, AK 99501
PHONE: (907) 269-0117
FAX: (907) 269-0119

SESSION
ALASKA STATE CAPITOL
JUNEAU, AK 99801-1102
PHONE: (907) 465-4968
FAX: (907) 465-2040

Representative Norman Rokeberg

e-mail: Representative_Norman_Rokeberg@legis.state.ak.us

SPONSOR STATEMENT FOR CSHB 182 (FIN)(efd fld)

By: Representative Norman Rokeberg

Title: An act amending the Alaska Wage and Hour Act as it relates to the employment of a person acting in a supervisory capacity; relating to definitions under the Alaska Wage and Hour Act and providing definitions for persons employed in administrative, executive and professional capacities, for persons working in the capacity of an outside salesman, and for persons working in the capacity of a salesman employed on a straight commission basis, and for persons that perform computer-related occupations; directing retrospective application of the provisions of this Act to work performed before the effective date of this Act for purposes of claims filed on or after the effective date of this Act, and disallowing retrospective application for purposes of claims for that work that are filed before the effective date of this Act; and providing for an effective date.

Alaska's Wage and Hour Act (AS 23.10.050-23.10.150) establishes the provisions for overtime compensation. AS 23.10.055 sets forth exemptions to the Wage and Hour Act. One of these exemptions is "an individual employed in a bona fide executive, administrative or professional capacity or in the capacity of an outside salesman or a salesman who is employed on a straight commission basis."

As currently defined in our administrative code, the definitions of "executive capacity," "administrative capacity," and "professional capacity" are confusing and difficult to interpret. In order to determine if someone is an executive, administrative or professional employee, you have to use what is known as the "long test." In addition to numerous other factors, the long test includes a calculation of the employee's time spent on "non-exempt work" (i.e. work that is not executive, administrative or professional). If an employee spends more than 20 percent (40 percent in retail or service establishments) of their time on non-exempt work, they become subject to the Wage and Hour Act and can qualify for overtime. The ambiguity within the definitions, including the implementation of the 80/20 test, has led to numerous wage and hour lawsuits, causing great expense to employers and employees.

In addition to the confusing state statutes and regulations, often employers must also comply with the Federal wage and hour laws as well. HB 182 provides that we look to the federal Fair Labor Standards Act for the definitions of these terms, with the exception of the salary requirement, which shall be 2 times the minimum wage (ch 76 SLA 04). This will eliminate the need for many employers to have to comply with the two systems (state and federal) when dealing with these exemptions. The simplicity provided by referencing the federal definitions will lead to greater compliance with the statutes. It is in the best interests of both the employer and employee that the statutes are straightforward, practical and easy to follow.

HB 182 also clarifies another area of confusion in the Wage and Hour provisions. The definition of "supervisory capacity" in the regulations is also ambiguous, difficult to interpret and therefore rarely used. HB 182 removes this exemption from the statute.

Lastly, HB 182 provides that the provisions found in this bill will be applied to any litigation that is filed on or after the effective date of this bill. This requirement does not apply, however, to any claims or proceedings filed before the effective date.

Enacting this bill will eliminate ambiguities, align Alaska more closely with other states and reduce the number of frivolous lawsuits, while protecting workers rights to receive overtime.

I urge your support of this legislation.

ALASKA STATE LEGISLATURE

House of Representatives

COMMITTEE ASSIGNMENTS

RULES COMMITTEE, CHAIRMAN
LABOR & COMMERCE COMMITTEE, MEMBER
LEGISLATIVE COUNCIL, MEMBER
SPECIAL COMMITTEE ON OIL & GAS, MEMBER
SPECIAL COMMITTEE ON WAYS & MEANS, MEMBER

website: <http://www.akrepublicans.org/rokeberg/index.php>



INTERIM
710 WEST 4TH AVENUE, SUITE 600
ANCHORAGE, AK 99501
PHONE: (907) 269-0112
FAX: (907) 269-0119

SESSION
ALASKA STATE CAPITOL
JUNEAU, AK 99801-1102
PHONE: (907) 465-4760
FAX: (907) 465-2940

Representative Norman Rokeberg

e-mail: Representative.Norman.Rokeberg@legis.state.ak.us

SECTIONAL ANALYSIS FOR CSIB 182(FIN)(efd fld)

By: Representative Norman Rokeberg

Title: An act amending the Alaska Wage and Hour Act as it relates to the employment of a person acting in a supervisory capacity; relating to definitions under the Alaska Wage and Hour Act and providing definitions for persons employed in administrative, executive and professional capacities, for persons working in the capacity of an outside salesman, and for persons working in the capacity of a salesman employed on a straight commission basis, and for persons that perform computer-related occupations; directing retrospective application of the provisions of this Act to work performed before the effective date of this Act for purposes of claims filed on or after the effective date of this Act, and disallowing retrospective application for purposes of claims for that work that are filed before the effective date of this Act; and providing for an effective date.

Section 1: Adds "computer systems analyst, computer programmer, software engineer or other similarly skilled workers" to the list of exemptions from the Wage & Hour Act.

Section 2: AS 23.10.055(b)
Requires individuals employed as executive, administrative and professionals be compensated on a salary of not less than two times the minimum wage for the first 40 hours of employment.

AS 23.10.055(c)(1)
Provides that "bona fide executive, administrative or professional capacity" be defined in accordance with the Fair Labor Standards Act.

AS 23.10.055(c)(2)
Provides that "computer systems analyst, computer programmer, software engineer or other similarly skilled worker" be defined in accordance with the Fair Labor Standards Act.

AS 23.10.055(c)(3)
Provides a definition for "outside salesman."

AS 23.10.055(c)(4)
Provides a definition for "salesman who is employed on a straight commission basis."

- Section 3:** Removes the provision that a person acting in a "supervisory capacity" is exempt from overtime.
- Section 4:** Deletes the minimum salary requirement when defining these terms in regulation. This salary requirement has been moved to AS 23.10.055(b) (see Section 2).
- Section 5:** Inserts the United States code reference to the Fair Labor Standards Act of 1938.
- Section 6:** Provides that the provisions found in this bill will be applied to any litigation that is filed on or after the effective date of this bill. This requirement does not apply, however, to any claims or proceedings filed before the effective date.

ALASKA STATE LEGISLATURE

House of Representatives

COMMITTEE ASSIGNMENTS

RULES COMMITTEE, CHAIRMAN
LABOR & COMMERCE COMMITTEE, MEMBER
LEGISLATIVE COUNCIL, MEMBER
SPECIAL COMMITTEE ON OIL & GAS, MEMBER
SPECIAL COMMITTEE ON WAYS & MEANS, MEMBER

website: <http://www.akleg.state.ak.us/rokeberg/index.php>



INTERIM
716 WEST 4TH AVENUE, SUITE 600
ANCHORAGE, AK 99501
PHONE (907) 263-0117
FAX (907) 263-0119

SESSION
ALASKA STATE CAPITOL
JUNEAU, AK 99801-1102
PHONE (907) 465-4900
FAX (907) 465-2040

Representative Norman Rokeberg

e-mail: Representative_Norman_Rokeberg@legis.state.ak.us

SECTIONAL ANALYSIS FOR CSIB 182(FIN)(efd fld) with changes from the original version By: Representative Norman Rokeberg

Title: An act amending the Alaska Wage and Hour Act as it relates to the employment of a person acting in a supervisory capacity; relating to definitions under the Alaska Wage and Hour Act and providing definitions for persons employed in administrative, executive and professional capacities, for persons working in the capacity of an outside salesman, and for persons working in the capacity of a salesman employed on a straight commission basis, and for persons that perform computer-related occupations; directing retrospective application of the provisions of this Act to work performed before the effective date of this Act for purposes of claims filed on or after the effective date of this Act, and disallowing retrospective application for purposes of claims for that work that are filed before the effective date of this Act; and providing for an effective date.

CHANGES FROM THE "G" VERSION ARE NOTED IN BOLD

Section 1: Adds "computer systems analyst, computer programmer, software engineer or other similarly skilled workers" to the list of exemptions from the Wage & Hour Act.

This section is new. "Computer related occupations" are currently found within the definition of "professional capacity" in our regulations. We have now broken them out as a separate exemption.

Section 2: AS 23.10.055(b)
Requires individuals employed as executive, administrative and professionals be compensated on a salary of not less than two times the minimum wage for the first 40 hours of employment.

This provision was in the original version, but moved within the statutes.

AS 23.10.055(c)(1)
Provides that "bona fide executive, administrative or professional capacity" be defined in accordance with the Fair Labor Standards Act.

The definitions for these terms in the original version mirrored the federal definitions, but were spelled out within the statute. Because there were questions as to the terms used within the definitions, we have reverted to the federal definitions for the above terms, as provisions have been made for each word used within the federal definitions.

AS 23.10.055(c)(2)

Provides that "computer systems analyst, computer programmer, software engineer or other similarly skilled worker" be defined in accordance with the Fair Labor Standards Act.

This section provides the definition for this exemption found in Section 1 of the bill. Currently, Alaska's regulations defer to the Fair Labor Standards Act when defining computer related occupations. 8 AAC 15.910(a)(11)(iv).

AS 23.10.055(c)(3)

Provides a definition for "outside salesman."

This definition was refined from the original version, and was moved within the statutes.

AS 23.10.055(c)(4)

Provides a definition for "salesman who is employed on a straight commission basis."

This definition was refined from the original version, and was moved within the statutes.

Section 3: Removes the provision that a person acting in a "supervisory capacity" is exempt from overtime.

This provision has not changed from the original version, but it moved to a different section within the bill.

Section 4: Deletes the minimum salary requirement when defining these terms in regulation. This salary requirement has been moved to AS 23.10.055(b) (see Section 2).

This provision has not changed from the original version, but it moved to a different section within the bill.

Section 5: Inserts the United States code reference to the Fair Labor Standards Act of 1938.

This section is new. Where any reference to a federal law is found within our statutes, our drafters would like the correct United States Code references inserted.

Section 6: Provides that the provisions found in this bill will be applied to any litigation that is filed on or after the effective date of this bill. This requirement does not apply, however, to any claims or proceedings filed before the effective date.

This section is new.

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

STATE OF ALASKA

Department Of Labor and Workforce Development

FRANK H. MURKOWSKI, GOVERNOR

P. O. Box 21149
Juneau, AK 99802-1149
Phone: (907)465-2700
Fax: (907)465-2784

OFFICE OF THE COMMISSIONER

April 14, 2005

The Honorable Norman Rokeberg
Alaska State Legislature
Capitol Building, Room 214
Juneau, Alaska 99801

Dear Representative Rokeberg:

I AM PLEASED TO INFORM YOU...

The Alaska Department of Labor and Workforce Development is in support of CSHB 182(FIN).

This bill will help to streamline the cumbersome process of determining whether an employee is exempt from Alaska's overtime pay requirements, while minimizing the potential for employee abuse by expanding the minimum salary provision. The minimum annual salary of \$29,744 will help to ensure that line workers are not artificially categorized in overtime exempt positions. I applaud your efforts to carefully balance industry needs for clearer overtime pay guidelines with the needs of Alaska's workforce.

We do not expect the proposed changes to have a significant impact on the department's operations. Less than five percent of wage claims filed with the department in FY 2004 involved issues associated with the overtime pay exemptions affected by this proposed legislation. Although the changes may initially produce more questions, the new standards are expected to be easier to explain.

If you need any additional assistance with this bill, please let me know.

Sincerely,


Greg O'Claray
Commissioner

cc: Grey Mitchell, Director LS&S

Current Definitions vs. New Definitions

By: Representative Norman Rokeberg

Employees exempt from Wage and Hour Act	Current Definition	House Bill 182
Administrative	<ul style="list-style-type: none"> • Primary duties are management, supervising • Uses discretion and independent judgment • Performs work under only general supervision • Regularly and directly assists a proprietor or an exempt executive employee of the employer • Performs work along specialized or technical lines requiring special training • Salary at least 2.0 times minimum wage in first forty hours a week • 80/20 rule 	<ul style="list-style-type: none"> • Primary duty is performance of office or nonmanual work directly related to management or general business operations ▪ Uses discretion and independent judgment • Salary is at least 2.0 times the minimum wage in first forty hours a week
Executive	<ul style="list-style-type: none"> • Primary duty is management of the business • Directs two or more employees • May hire and fire • Customarily and regularly exercises discretionary authority • Salary at least 2.0 times the minimum wage in first forty hours a week • 80/20 rule 	<ul style="list-style-type: none"> • Primary duty is management of the business • Directs two or more employees • May hire and fire • Salary at least 2.0 times the minimum wage in first forty hours a week
Professional	<ul style="list-style-type: none"> • Primary duty requires an advanced degree ▪ Or, is creative in nature, teacher or computer-related • Uses discretion and independent judgment ▪ Work is predominately intellectual and varied in character • Salary at least 2.0 times the minimum wage in first forty hours a week 	<ul style="list-style-type: none"> • Primary duty requires knowledge from prolonged course of specialized intellectual instruction • Or invention, imagination, originality or talent in artistic or creative endeavor • Salary at least 2.0 times the minimum wage in first forty hours a week

State by State Overtime Comparison

Completed Spring, 2004

By: John M. Sedor

Single Definitional Standard – 32 Jurisdictions

(These jurisdictions either do not have applicable wage/hour regulations or directly reference the overtime exemption definitions found in the Fair Labor Standards Act to define their own exemption from overtime requirements. In these jurisdictions, employers will only need to comply with one definitional standard – the federal standard – regarding overtime exemption issues.)

Alabama	Arizona	Delaware	District of Columbia
Florida	Georgia	Idaho	Indiana
Iowa	Kansas	Louisiana	Maine
Massachusetts	Michigan	Mississippi	Missouri
Nebraska	Nevada	New Hampshire	New Mexico
New York	North Carolina	Ohio	Oklahoma
South Carolina	South Dakota	Tennessee	Texas
Utah	Vermont	Virginia	Wyoming

“Old” Short Test – 8 Jurisdictions

(The “old” short test is similar to the new federal regulations with regard to the “time performing exempt functions” factor)

Connecticut	Illinois	Kentucky	Maryland
Montana	North Dakota ¹	Rhode Island ¹	West Virginia

¹ Definitional language contains minor variations from old federal test.

Unique Standards – 4 Jurisdictions

(Four states have a unique standard for determining overtime exemption definitions)

California	Colorado	Hawaii	Oregon	
------------	----------	--------	--------	--

“Old” Long Test – 7 Jurisdictions

Alaska	Arkansas	Minnesota	New Jersey	Pennsylvania
Washington	Wisconsin ²			

² Definitional language contains minor variations from old federal test

EMPLOYERS BEWARE:

NEW WAGE AND HOUR REQUIREMENTS MAY SIGNIFICANTLY IMPACT ALASKA EMPLOYERS



Article by Bill Evans, partner,
Dorsey and Whitney LLP,
vice-chair, Anchorage Chamber
of Commerce

Both the federal and state wage and hour laws recently underwent significant revisions. It is very important

that Alaska employers understand these new requirements and ensure that their exempt employees are still in compliance with the new regulations and statutes. Even inadvertent departure from the new requirements can result in substantial liability.

Major Federal Revisions. On April 27, 2004, the United States Department of Labor published its long-anticipated revisions concerning the so-called white-collar exemptions (i.e., executive, administrative, professional, computer professional and outside salesperson). A key change to the federal system is that all employees who now earn less than \$455 per week—or \$23,660 per year—must receive overtime. Previously, employees had to earn only \$155 per week in order to qualify as exempt. The U.S. government estimates that more than 1.3 million workers nationwide will benefit from this mandated salary increase. A much fewer number of employees, estimated to be approximately 107,000 nationwide, may lose their current entitlement to overtime due to other changes.

By wholly eliminating the antiquated "long test" for determining exemptions, the Department of Labor did away with the last vestiges of the beleaguered 80/20 requirement that mandated that exempt employees could spend no more than 20 percent of their time engaged in nonexempt duties. The difficulty in objectively documenting compliance with this requirement made it a particularly vexing issue for many employers.

The Department of Labor also significantly revised the test used for determining whether an employee qualifies for an exemption based on his or her job duties. For example, administrative employees, who have always been required to exercise discretion and independent judgment in performing their duties, must now exercise such discretion and independent judgment with respect to "matters of significance." See 29 C.F.R. § 541.200.

Another notable change involves the definition of an "executive" employee. In addition to managing a

department or customarily recognized subdivision of the employer and regularly directing the work of at least two other employees, the new definition of an "executive" employee requires:

"The employee must have authority to hire or fire other employees or his/her suggestions and recommendations as to the hiring, firing, advancement, promotion or any other change of status of other employees are given particular weight."

29 C.F.R. § 541.100.

Alaska Fails to Adopt Similar Changes. Choosing not to follow the lead of the federal government, the Alaska Legislature maintained its historic definitions for the white-collar exemptions. Accordingly, Alaska employers now must ensure that their exemptions comply with two significantly different systems. For instance, the problematic 80/20 requirement is still very much alive under Alaska law. It is, therefore, increasingly possible that many employees may be exempt under one system but not under the other.

Alaska Establishes Minimum Salary for Exempt Employees. Although the Alaska Legislature did not adopt any changes to the existing definitions for exempt employees, it did substantially increase the minimum salary that an exempt employee must earn. Moreover, it tied this minimum salary to the state's minimum wage, thereby guaranteeing that future increases in the minimum wage will also increase the minimum salary for exempt employees.

House Bill 255, which was submitted for Gov. Murkowski's signature on June 10, 2004, requires that any employee falling under the "administrative," "executive" or "professional" exemptions must earn a minimum salary of at least two times the state minimum wage for the first 80 hours of employment each week.

The current Alaska minimum wage is \$7.25 per hour. Accordingly, this new law will require that any exempt employee be paid a salary of \$580 per week—or \$30,160 per year. There is no evidence of any study being conducted to determine how many employees or employers in Alaska this new requirement will affect. This law will automatically go into effect 90 days after it is signed by the governor.

adn.com

Anchorage Daily News

Print Page

Close Window

Labor costs kill downtown La Mex**RESTAURANT: Owner took over chain from parents in 1990; other two stay open.**By SARANA SCHELL
Anchorage Daily News*(Published: February 9, 2005)*

Anchorage's downtown La Mex restaurant, home of Grande Ronde and the Jalapeno Eating Contest during Fur Rendezvous, not to mention a major annual Cinco de Mayo party, is closed.

Owner Trina Johnson said she closed the location last week, after 30 years in business, because of rising labor costs.

La Mex's two other locations in Anchorage, in Spenard and on King Street in South Anchorage, remain open. They absorbed some of the downtown restaurant's 35 to 40 employees. Johnson laid off 26. She already had cut 12 positions after Christmas, she said.

"I feel bad," Johnson said, "but you have to start cutting your highest cost items."

Labor costs at La Mex went up \$200,000 in 2003, the year the state increased its minimum wage from \$5.65 to \$7.15 an hour, Johnson said.

The cost of workers' compensation insurance is tied to a company's payroll, she said, and that went from \$22,000 to \$80,000 per year over the past two years.

A higher alcohol tax, a lowered legal breath-alcohol content limit and a smoking ban didn't help, Johnson said.

"People are drinking less," she said, and "your profit's in your alcohol."

La Mex raised prices by 5 percent two weeks ago, Johnson said, to offset rising food costs. She said she was reluctant to change menu prices.

"People are only going to pay so much for a taco," Johnson said.

To cut costs, the restaurants quit serving sizzle-making lemons with their fajitas, saving \$500 a month, Johnson said, and started outsourcing kitchen prep work.

Tourist seasons were busy, Johnson said, but not enough to keep the largest of the three locations open.

"That's bad," said Jeramie Ford when he heard the restaurant on Sixth Avenue and I Street was closed. Ford, 28, said he started eating there as a 5-year-old, when he used to have to wait for a table. That hasn't been the case for years, he said, but Ford kept coming for the chicken fajitas.

"It's kind of sad to see it go," he said.

Johnson said her parents started La Mex in 1969 in a Mountain View log cabin that seated 12. There, she said, her mother made guacamole from scratch at customers' tables.

Johnson took over the business in 1990 and opened the South Anchorage location in 1999.

That location will take on the American fare that only the downtown restaurant carried, such as prime rib.

The Grande Ronde will be held at La Mex in Spenard this year, Johnson said, while the King Street restaurant will host Fur Rondy events and the Cinco de Mayo party.

Daily News reporter Sarana Schell can be reached at sschell@adn.com.

[Print Page](#)

[Close Window](#)

Copyright © 2005 The Anchorage Daily News (www.adn.com)



COASTAL HELICOPTERS, INC.

LOCATED ON THE JUNEAU AIRPORT
8995 YANDUKIN DRIVE JUNEAU AK 99801
(907) 789-5600 FAX (907) 789-7076

e-mail: coastal@gcl.net

March 16, 2005

Representative Norm Rokeberg
House Labor & Commerce Committee
465-2040

Dear Representative Rokeberg

Re HB 182

Thank you for sponsoring this important legislation. This is a request for your committee to approve HB 182. This bill recognizes the cumbersome, if not impossible, task of tracking an employee's time hour by hour. As you know, the Federal FSLA has relieved employers of that burden and most states have done so also.

It is unrealistic to require additional paperwork hour by hour for tracking professional or supervisory employees. As I am sure you are aware, a supervisor or professional may start a task but demands of the job may require a change in task before completion. To have an employee at that level be required to write down each task beginning to end to see if it meets the "80/20" rule would create an additional burden on jobs that are often by their nature "burdensome."

The reason for the higher compensation for employees at the professional, administrative or supervisory level is the understanding that they have a job that needs to be accomplished and have the ability to decide the means for accomplishing that job.

Please approve this important legislation.

Sincerely,
COASTAL HELICOPTERS, INC.

Dorothy S. Wilson, Vice President



March 16, 2005

Rep Norm Rokeberg
State Capital Building
Juneau, AK 99801
Sent via fax: (907) 465-2040

Dear Representative Rokeberg,

On behalf of the Alaska Hotel & Lodging Association and the Alaska Restaurant & Beverage Association I convey full support of HB 182. This is an important bill for our industry and for every employee of exempt workers because it provides for exempt status language that employers are easily able to understand and comply with. Currently, exempt status language requires that employers track and log how exempt workers spend their time by the hour to ensure appropriate compliance with the 80/20 or 60/40 provisions.

The definition of exempt status eligibility being based on primary job duty rather than the amount of time a worker spends on exempt vs. non exempt work mirrors the real life work roles of executive and professional salaried workers. The Federal definition of exempt worker was recently changed for the very same reason; it is burdensome to comply with and makes employers vulnerable to costly lawsuits.

A focus on primary job duties provides a clear definition of who is eligible to be exempt and who is not. Without this clear definition, many employers chose to make all employees hourly wage earners, denying the executive and professional management staff access to benefits that could otherwise be offered to them.

The provisions of HB 182 benefit both the employer and the employee. Thank you for your sponsorship of this bill.

My best regards,

A handwritten signature in cursive script that reads "Karen R. Rogina".

Karen R. Rogina
President & CEO