



# LAWS OF ALASKA

1999

**Source**

CSHB 201(FIN) am S

**Chapter No.**

43

**AN ACT**

Relating to the computation of overtime; and providing for an effective date.

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**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

THE ACT FOLLOWS ON PAGE 1

Approved by the Governor: June 1, 1999

Actual Effective Date: June 2, 1999

AN ACT

1 Relating to the computation of overtime; and providing for an effective date.

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4 \* **Section 1.** LEGISLATIVE FINDINGS. The legislature finds that

5 (1) some courts in the state have misinterpreted the intent of AS 23.10.060(b)  
6 as it read before the effective date of this Act in a manner that may result in employers being  
7 obligated to pay excessive overtime compensation; in particular, these courts have interpreted  
8 AS 23.10.060(b) so that hours worked in excess of eight hours in a day are counted in order  
9 to determine whether overtime is due under the statute's provision requiring payment of  
10 overtime for hours worked in excess of 40 hours a week; the courts' interpretation has the  
11 unintended result of requiring employers to pay overtime under the statute's provision  
12 requiring payment of overtime for hours worked in excess of 40 hours a week under  
13 circumstances in which the employee has not yet worked 40 hours at the employee's regular  
14 rate of pay;

Chapter 43

1 (2) the intent of this bill is to override the superior court's decision in Hallam  
2 v. Holland America Line, Inc., d/b/a Westours Motor Coaches, Inc., 1JU-96-1734 CI,  
3 concerning the calculation of overtime wages; the court in that case misinterpreted the intent  
4 of AS 23.10.060(b);

5 (3) AS 23.10.060(b) as it read before the effective date of this Act was not  
6 intended to require employers to pay at the overtime rate under the statute's provision  
7 requiring payment of overtime for hours worked in excess of 40 hours a week unless and until  
8 employees had first worked 40 hours at the regular rate of pay; and

9 (4) although the legislature believes that AS 23.10.060(b) should not have been  
10 interpreted by the courts in a manner inconsistent with the finding in (3) of this section, the  
11 legislature further finds that it is necessary to amend AS 23.10.060(b) in order to eliminate  
12 any doubt on this subject.

13 \* Sec. 2. AS 23.10.060(b) is repealed and reenacted to read:

14 (b) If an employer finds it necessary to employ an employee for hours in  
15 excess of the limits set in this subsection, overtime compensation for the overtime at  
16 the rate of one and one-half times the regular rate of pay shall be paid. An employee  
17 is entitled to overtime compensation for hours worked in excess of eight hours a day.  
18 An employee is also entitled to overtime compensation for hours worked in excess of  
19 40 hours a week; in determining whether an employee has worked more than 40 hours  
20 a week, the number of hours worked shall be determined without including hours that  
21 are worked in excess of eight hours in a day because the employee has or will be  
22 separately awarded overtime compensation based on those hours.

23 \* Sec. 3. This Act takes effect immediately under AS 01.10.070(c).