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WEST VIRGINIA LEGISLATURE

SECOND REGULAR SESSION, 1992



ENROLLED

HOUSE BILL No. 4190

(By Delegates DAMRON AND REED)

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Passed MARCH 7, 1992 1992

In Effect Ninety DAYS FROM Passage

ENROLLED

COMMITTEE SUBSTITUTE

FOR

H. B. 4190

(By Delegates Damron and Reed)

[Passed March 7, 1992; in effect ninety days from passage.]

AN ACT to amend and reenact section three, article five-c, chapter twenty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to compensatory time in lieu of overtime pay for employees of county or municipal governments; providing a rate of compensation time; limiting the maximum accrual of compensation time; limiting the usage of compensation time; requiring agreement prior to performance of work; and providing for monetary compensation in event of termination of employment.

Be it enacted by the Legislature of West Virginia:

That section three, article five-c, chapter twenty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 5C. MINIMUM WAGE AND MAXIMUM HOURS STAND-ARDS FOR EMPLOYEES.

§21-5C-3. Maximum hours; overtime compensation.

- 1 (a) On and after the first day of July, one thousand 2 nine hundred eighty, no employer shall employ any of
- 3 his employees for a workweek longer than forty hours.
- 4 unless such employee receives compensation for his

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5 employment in excess of the hours above specified at a 6 rate of not less than one and one-half times the regular 7 rate at which he is employed.

(b) As used in this section the "regular rate" at which
an employee is employed shall be deemed to include all
remuneration for employment paid to, or on behalf of,
the employee, but shall not be deemed to include:

(1) Sums paid as gifts; payments in the nature of gifts
made at Christmas time or on other special occasions,
as a reward for service, the amounts of which are not
measured by or dependent on hours worked, production,
or efficiency;

17 (2) Payments made for occasional periods when no 18 work is performed due to vacation, holiday, illness, 19 failure of the employer to provide sufficient work, or 20 other similar cause; reasonable payments for traveling 21 expenses, or other expenses, incurred by an employee in 22the furtherance of his employer's interests and properly 23reimbursable by the employer, and other similar 24payments to an employee which are not made as 25compensation for his hours of employment;

26(3) Sums paid in recognition of services performed 27 during a given period if either: (a) Both the fact that 28payment is to be made and the amount of the payment 29 are determined at the sole discretion of the employer at 30 or near the end of the period and not pursuant to any 31prior contract, agreement or promise causing the 32 employee to expect such payments regularly; or (b) the 33 payments are made pursuant to a bona fide profit-34sharing plan or trust or bona fide thrift or savings plan, 35meeting the requirements of the commissioner set forth 36 in appropriate regulation which he shall issue, having 37 due regard among other relevant factors, to the extent 38 to which the amounts paid to the employee are deter-39 mined without regard to hours of work, production or 40 efficiency; or (c) the payments are talent fees (as such 41 talent fees are defined and delimited by regulations of 42the commissioner) paid to performers, including an-43nouncers, on radio and television programs;

44 (4) Contributions irrevocably made by an employer to

45 a trustee or third person pursuant to a bona fide plan
46 for providing old-age, retirement, life, accident, or
47 health insurance or similar benefits for employees;

(5) Extra compensation provided by a premium rate
paid for certain hours worked by the employee in any
day or workweek because such hours are hours worked
in excess of eight in a day or in excess of the maximum
workweek applicable to such employee under subsection
(a) or in excess of the employee's normal working hours
or regular working hours, as the case may be;

55 (6) Extra compensation provided by a premium rate 56 paid for work by the employee on Saturdays, Sundays, 57 holidays or regular days of rest, or on the sixth or 58 seventh day of the workweek, where such premium rate 59 is not less than one and one-half times the rate 60 established in good faith for like work performed in 61 nonovertime hours on other days; or

62 (7) Extra compensation provided by a premium rate 63 paid to the employee, in pursuance of an applicable 64 employment contract or collective bargaining agreement, for work outside of the hours established in good 65 66 faith by the contract or agreement as the basic, normal 67 or regular workweek where such premium rate is not 68 less than one and one-half times the rate established in 69 good faith by the contract or agreement for like work 70 performed during such workweek.

71 (c) No employer shall be deemed to have violated 72 subsection (a) by employing any employee for a work-73 week in excess of the maximum workweek applicable 74 to such employee under subsection (a) if such employee 75is employed pursuant to a bona fide individual contract, 76 or pursuant to an agreement made as a result of 77 collective bargaining by representatives of employees, if 78 the duties of such employee necessitate irregular hours 79 of work, and the contract or agreement (1) specifies a 80 regular rate of pay of not less than the minimum hourly 81 rate provided in section two and compensation at not 82 less than one and one-half times such rate for all hours 83 worked in excess of such maximum workweek, and (2) 84 provides a weekly guaranty of pay for not more than

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85 sixty hours based on the rates so specified.

86 (d) No employer shall be deemed to have violated 87 subsection (a) by employing any employee for a work-88 week in excess of the maximum workweek applicable 89 to such employee under such subsection if, pursuant to 90 an agreement or understanding arrived at between the 91 employer and the employee before performance of the 92 work, the amount paid to the employee for the number 93 of hours worked by him in such workweek in excess of 94 the maximum workweek applicable to such employee 95 under such subsection:

96 (1) In the case of an employee employed at piece rates,
97 is computed at piece rates not less than one and one-half
98 times the bona fide piece rates applicable to the same
99 work when performed during nonovertime hours; or

(2) In the case of an employee performing two or more
kinds of work for which different hourly or piece rates
have been established, is computed at rates not less than
one and one-half times such bona fide rates applicable
to the same work when performed during nonovertime
hours; or

106 (3) Is computed at a rate not less than one and one-107 half times the rate established by such agreement or 108 understanding as the basic rate to be used in computing 109 overtime compensation thereunder: *Provided*. That the 110 rate so established shall be authorized by regulation by 111 the commissioner as being substantially equivalent to 112 the average hourly earnings of the employee, exclusive 113 of overtime premiums, in the particular work over a 114 representative period of time; and if (i) the employee's 115average hourly earnings for the workweek exclusive of 116 payments described in subdivisions (1) through (7) of 117 subsection (b) are not less than the minimum hourly rate 118 required by applicable law, and (ii) extra overtime 119 compensation is properly computed and paid on other 120 forms of additional pay required to be included in 121 computing the regular rate.

(e) Extra compensation paid as described in subdivisions (5), (6) and (7) of subsection (b) shall be creditable
toward overtime compensation payable pursuant to this

125 section.

(f) (1) Employees of county and municipal governments may receive, in accordance with this subsection
and in lieu of overtime compensation, compensatory
time off at a rate not less than one and one-half hours
for each hour of employment for which overtime is
required pursuant to this section.

132 (2) County and municipal governments may provide compensatory time under subdivision (1) of this subsec-133 134 tion, only pursuant to a written agreement arrived at 135 between the employer and employee before the performance of the work, and recorded in the employer's 136 137 record of hours worked, and if the employee has not 138 accrued compensatory time in excess of the limit 139 prescribed in subdivision (3) of this subsection. Any 140 written agreement may be modified at the request of 141 either the employer or the employee, but under no 142 circumstances shall changes in the agreement deny an 143 employee compensatory time heretofore acquired.

144 (3) An employee may accrue up to four hundred eighty 145hours of compensatory time if the employee's work is a 146 public safety activity, an emergency response activity or 147 a seasonal activity. An employee engaged in other work 148 for a county or municipal government may accrue up 149 to two hundred forty hours of compensatory time. Any 150such employee who has accrued four hundred eight or 151 two hundred forty hours of compensatory time, as the 152case may be, shall for additional overtime hours of work, 153be paid overtime compensation. If compensation is paid 154 to an employee for accrued compensatory time off, such 155compensation shall be paid at the regular rate earned 156 by the employee at the time the employee receives such 157 payment.

(4) An employee who has accrued compensatory time
off authorized to be provided under subdivision (1) of
this subsection shall, upon termination of employment,
be paid for the unused compensatory time at a rate of
compensation not less than:

163 (A) The average regular rate received by such 164 employee during the last three years of the employee's Enr. Com. Sub. for H. B. 4190] 6

165 employment; or

(B) The final regular rate received by such employee,whichever is higher.

168 (5) An employee of a county or municipal government:

169 (A) Who has accrued compensatory time off autho170 rized to be provided under subdivision (1) of this
171 subsection; and

(B) Who has requested the use of such compensatory
time, shall be permitted by the employee's employer to
use such time within a reasonable time after making the
request if the use of the compensatory time does not
unduly disrupt the operation of the public agency.
Compensatory time must be used within one year from
the time it was acquired.

(6) For purposes of this subsection the terms "compensatory time" and "compensatory time off" mean hours
during which an employee is not working, which are not
counted as hours worked during the applicable workweek or other work period for purposes of overtime
compensation, and for which the employee is compensated at the employee's regular rate.

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The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originating in the House.

Takes offect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker of the House of Delegates

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PRESENTED TO THE

 $\frac{\text{GOVERNOR}}{\text{Date}} = \frac{3/37/92}{3!45}$ Time

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