LAW ENFORCEMENT EMPLOYEE OVERTIME AMENDMENTS

2024 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Karianne Lisonbee

Senate Sponsor: Derrin R. Owens

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LONG TITLE
General Description:
This bill addresses overtime pay for certain state and local employees.
Highlighted Provisions:
This bill:
• defines terms;
 subject to certain exceptions, modifies provisions relating to the number of hours that a
state employee engaged in law enforcement activities must work to qualify for overtime pay;
 authorizes a city or county employing an individual engaged in law enforcement
activities to compensate that individual for overtime pay in accordance with the modification
described above; and
 makes technical and conforming changes.
Money Appropriated in this Bill:
None
Other Special Clauses:
This bill provides a special effective date.
Utah Code Sections Affected:
AMENDS:
63A-17-502, as last amended by Laws of Utah 2022, Chapter 447
ENACTS:
10-3-1109.5 , Utah Code Annotated 1953
17-33-11.7 , Utah Code Annotated 1953

26 Be it enacted by the Legislature of the state of Utah:

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Section 1. Section **10-3-1109.5** is enacted to read:

28		10-3-1109.5. Overtime for law enforcement personnel.
29	<u>(1)</u>	As used in this section:
30		(a) "Nonexempt employee" means a municipal employee who is nonexempt under the
31		requirements of the Fair Labor Standards Act of 1978, 29 U.S.C. Sec. 201 et seq.
32		(b) "Overtime" means hours worked in excess of a nonexempt employee's work period
33		(c) "Regular hourly rate" means the hourly rate of pay a nonexempt employee receives
34		for hours worked during a work period.
35		(d) "Work period" means the maximum number of hours, within a specified number of
36		consecutive days, that a nonexempt employee may work before the nonexempt
37		employee is compensated for overtime.
38	<u>(2)</u>	The governing body of a municipality that employs a nonexempt employee engaged in
39		law enforcement activities may, except as otherwise required by a contract or a
40		collective bargaining agreement, enact an ordinance or pass a resolution that:
41		(a) designates a work period for the nonexempt employee that is the same as, or
42		equivalent to, a work period described in Subsection 63A-17-502(2); and
43		(b) compensates the nonexempt employee for overtime at a rate of one and one-half
44		times the nonexempt employee's regular hourly rate.
45		Section 2. Section 17-33-11.7 is enacted to read:
46		17-33-11.7. Overtime for law enforcement personnel Exception.
47	<u>(1)</u>	As used in this section:
48		(a) "Nonexempt employee" means an county employee who is nonexempt under the
49		requirements of the Fair Labor Standards Act of 1978, 29 U.S.C. Sec. 201 et seq.
50		(b) "Overtime" means hours worked in excess of a nonexempt employee's work period
51		(c) "Regular hourly rate" means the hourly rate of pay a nonexempt employee receives
52		for hours worked during a work period.
53		(d) "Work period" means the maximum number of hours, within a specified number of
54		consecutive days, that a nonexempt employee may work before the nonexempt
55		employee is compensated for overtime.
56	<u>(2)</u>	This section does not apply to a county subject to Chapter 30a, Peace Officer Merit
57		System in Counties of the First Class Act.
58	<u>(3)</u>	The legislative body of a county that employs a nonexempt employee engaged in law
59		enforcement activities may, except as otherwise required by a contract or a collective
60		bargaining agreement, enact an ordinance or pass a resolution that:
61		(a) designates a work period for the nonexempt employee that is the same as or

62	<u>e</u>	equivalent to, a work period described in Subsection 63A-17-502(2); and
63	<u>(b)</u> <u>c</u>	compensates the nonexempt employee for overtime at a rate of one and one-half
64	<u>ti</u>	imes the nonexempt employee's regular hourly rate.
65	Sec	etion 3. Section 63A-17-502 is amended to read:
66	63 A	A-17-502 . Overtime policies for state employees.
67	(1) As us	sed in this section:
68	(a) ".	Accrued overtime hours" means:
69	(1	i) for a nonexempt [employees] employee, overtime hours earned during a fiscal year
70		that, at the end of the fiscal year, have not been paid and have not been taken as
71		time off by the nonexempt state employee who accrued them; and
72	(1	ii) for an exempt [employees] employee, overtime hours earned during an overtime
73		year.
74	(b) "	Appointed official" means:
75	(1	i) each department executive director and deputy director, each division director, and
76		each member of a board or commission; and
77	(i	ii) any other person employed by a department who is appointed by, or whose
78		appointment is required by law to be approved by, the governor and who:
79		(A) is paid a salary by the state; and
80		(B) who exercises managerial, policy-making, or advisory responsibility.
81	(c) "	Department" means, except as otherwise provided in this section, the Department of
82		Government Operations, the Department of Corrections, the Department of Financial
83	I	nstitutions, the Department of Alcoholic Beverage Services, the Insurance
84	Γ	Department, the Public Service Commission, the Labor Commission, the Department
85	o	of Agriculture and Food, the Department of Human Services, the Department of
86	N	Natural Resources, the Department of Transportation, the Department of Commerce,
87	tl	he Department of Workforce Services, the State Tax Commission, the Department of
88	C	Cultural and Community Engagement, the Department of Health, the National Guard,
89	tl	he Department of Environmental Quality, the Department of Public Safety, the
90	C	Commission on Criminal and Juvenile Justice, all merit employees except attorneys
91	iı	n the Office of the Attorney General, merit employees in the Office of the State
92	Т	Treasurer, merit employees in the Office of the State Auditor, Department of
93	V	Veterans and Military Affairs, and the Board of Pardons and Parole.
94	(d) "	Elected official" means any person who is an employee of the state because the
95	p	person was elected by the registered voters of Utah to a position in state government.

96	(e)	"Exempt employee" means a state employee who is exempt as defined by the [Fair
97		Labor Standards Act of 1978, 29 U.S.C. Sec. 201 et seq] FLSA.
98	(f)	"FLSA" means the Fair Labor Standards Act of 1978, 29 U.S.C. Sec. 201 et seq.
99	(g)	"FLSA agreement" means the agreement authorized by the [Fair Labor Standards
100		Act of 1978, 29 U.S.C. Sec. 201 et seq.,] FLSA by which a nonexempt employee
101		elects the form of compensation the nonexempt employee will receive for overtime.
102	(h)	"Nonexempt employee" means a state employee who is nonexempt as defined by the
103		division applying FLSA requirements.
104	(i)	"Overtime" means actual time worked in excess of [the] an employee's defined work
105		period.
106	(j)	"Overtime year" means the year determined by a department under Subsection [(4)(b)]
107		(5)(b) at the end of which an exempt employee's accrued overtime lapses.
108	(k)	"State employee" means every person employed by a department who is not:
109		(i) an appointed official;
110		(ii) an elected official; or
111		(iii) a member of a board or commission who is paid only for per diem or travel
112		expenses.
113	(1)	"Uniform annual date" means the date when an exempt employee's accrued overtime
114		lapses.
115	[(m	n) "Work period" means:
116		[(i) for all nonexempt employees, except law enforcement and hospital employees, a
117		consecutive seven day 24 hour work period of 40 hours;]
118		[(ii) for all exempt employees, a 14 day, 80 hour payroll eyele; and]
119		[(iii) for nonexempt law enforcement and hospital employees, the period established by
120		each department by rule for those employees according to the requirements of the
121		Fair Labor Standards Act of 1978, 29 U.S.C. Sec. 201 et seq.]
122	<u>(m)</u>	"Work period" means:
123		(i) for a nonexempt employee, except a nonexempt law enforcement or hospital
124		employee, a consecutive seven day, 24 hour work period of 40 hours;
125		(ii) for an exempt employee, a 14 day, 80 hour payroll cycle;
126		(iii) for a nonexempt hospital employee, the period the division establishes by rule
127		according to the requirements of the FLSA; or
128		(iv) for a nonexempt law enforcement employee as defined in the FLSA:
129		(A) who is employed by the Department of Natural Resources, the period the

130	division establishes by rule according to the requirements of the FLSA; or
131	(B) who is employed by a department other than the Department of Natural
132	Resources, the period the division establishes by rule in accordance with
133	Subsection (2).
134	(2) Except for the Department of Natural Resources, the division shall require each
135	department employing a nonexempt law enforcement employee to designate one of the
136	following work periods applicable to that employee:
137	(a) 80 hours in a 14 consecutive day payroll cycle; or
138	(b) 160 hours in a 28 consecutive day payroll cycle.
139	[(2)] (3) Each department shall compensate each state employee who works overtime by
140	complying with the requirements of this section.
141	[(3)] (4) (a) Each department shall negotiate and obtain a signed FLSA agreement from
142	each nonexempt employee.
143	(b) In the FLSA agreement, the nonexempt employee shall elect either to be
144	compensated for overtime by:
145	(i) taking time off work at the rate of one and one-half hour off for each overtime
146	hour worked; or
147	(ii) being paid for the overtime worked at the rate of one and one-half times the rate
148	per hour that the state employee receives for nonovertime work.
149	(c) $[Any] \underline{A}$ nonexempt employee who elects to take time off under this Subsection $[(3)]$
150	(4) shall be paid for any overtime worked in excess of the cap established by the
151	division.
152	(d) Before working any overtime, [each] a nonexempt employee shall obtain
153	authorization to work overtime from the employee's immediate supervisor.
154	(e) Each department shall:
155	(i) for [employees who elect] an employee who elects to be compensated with time
156	off for overtime, allow overtime earned during a fiscal year to be accumulated; and
157	(ii) for [employees who elect] an employee who elects to be paid for overtime
158	worked, pay them for overtime worked in the paycheck for the pay period in
159	which the employee worked the overtime.
160	(f) If a department pays a nonexempt employee for overtime, that department shall
161	charge that payment to that department's budget.
162	(g) At the end of each fiscal year, the Division of Finance shall total all the accrued
163	overtime hours for nonexempt employees and charge that total against the

appropriate fund or subfund.
[(4)] (5) (a) (i) Except as provided in Subsection [(4)(a)(ii)] (5)(a)(ii), each department
shall compensate [exempt employees who work] each exempt employee who works
overtime by granting [them] the employee time off at the rate of one hour off for
each hour of overtime worked.
(ii) The director of the division may grant limited exceptions to this requirement,
where work circumstances dictate, by authorizing a department to pay [employees]
an employee for overtime worked at the rate per hour that the employee receives
for nonovertime work, if that department has funds available.
(b) (i) Each department shall:
(A) establish in its written human resource policies a uniform annual date for each
division that is at the end of any pay period; and
(B) communicate the uniform annual date to its employees.
(ii) If any department fails to establish a uniform annual date as required by this
Subsection [(4)] (5), the director of the division, in conjunction with the director of
the Division of Finance, shall establish the date for that department.
[(e) (i) Any overtime earned under this Subsection (4) is not an entitlement, is not a
benefit, and is not a vested right.]
[(ii) A court may not construe the overtime for exempt employees authorized by this
Subsection (4) as an entitlement, a benefit, or as a vested right.]
[(d)] (c) The overtime authorized for an exempt employee under this Subsection (5) is
not an entitlement, a benefit, or a vested right.
(d) At the end of the overtime year, upon transfer to another department at any time, and
upon termination, retirement, or other situations where the employee will not return
to work before the end of the overtime year:
(i) any of an exempt employee's overtime that is more than the maximum established
by division rule lapses; and
(ii) unless authorized by the director of the division under Subsection $[(4)(a)(ii)]$
(5)(a)(ii), a department may not compensate the exempt employee for that lapsed
overtime by paying the employee for the overtime or by granting the employee
time off for the lapsed overtime.
(e) Before working any overtime, each exempt employee shall obtain authorization to
work overtime from the exempt employee's immediate supervisor.
(f) If a department pays an exempt employee for overtime under authorization from the

198	director of the division, that department shall charge that payment to that
199	department's budget in the pay period earned.
200	[(5)] <u>(6)</u> The division shall:
201	(a) ensure that the provisions of the FLSA and this section are implemented throughout
202	state government;
203	(b) determine, for each state employee, whether [that] the employee is exempt,
204	nonexempt, law enforcement, or has some other status under the FLSA;
205	(c) in coordination with modifications to the systems operated by the Division of
206	Finance, make rules, in accordance with Title 63G, Chapter 3, Utah Administrative
207	Rulemaking Act:
208	(i) establishing procedures for recording overtime worked that comply with FLSA
209	requirements;
210	(ii) establishing requirements governing overtime worked while traveling and
211	procedures for recording that overtime that comply with FLSA requirements;
212	(iii) establishing requirements governing overtime worked if the employee is "on
213	call" and procedures for recording that overtime that comply with FLSA
214	requirements;
215	(iv) establishing requirements governing overtime worked while an employee is
216	being trained and procedures for recording that overtime that comply with FLSA
217	requirements;
218	(v) subject to the FLSA and Subsection (2), establishing the maximum number of
219	hours that a nonexempt employee may accrue before a department is required to
220	pay the employee for the overtime worked;
221	(vi) subject to the FLSA, establishing the maximum number of overtime hours for an
222	exempt employee that do not lapse; and
223	(vii) establishing procedures for adjudicating appeals of [any FLSA determinations]
224	an FLSA determination made by the division as required by this section;
225	(d) monitor departments for compliance with the FLSA; and
226	(e) recommend to the Legislature and the governor any statutory changes necessary
227	because of federal government action.
228	[(6)] (a) In coordination with the procedures for recording overtime worked
229	established in rule by the division, the Division of Finance shall modify its payroll
230	and human resource systems to accommodate those procedures.
231	(b) Notwithstanding the procedures and requirements of Title 63G, Chapter 4,

232	Administrative Procedures Act, Section 63A-17-602, and Section 67-19a-301, [any]
233	an employee who is aggrieved by the FLSA designation made by the division as
234	required by this section may appeal that determination to the director of the division
235	by following the procedures and requirements established in division rule.
236	(c) Upon receipt of an appeal under this section, the director shall notify the executive
237	director of the employee's department that the appeal has been filed.
238	(d) If the employee is aggrieved by the decision of the director, the employee shall
239	appeal that determination to the Department of Labor, Wage and Hour Division,
240	according to the procedures and requirements of federal law.
241	Section 4. Effective date.
242	This bill takes effect on July 1, 2024.