HOUSE No. 4025

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, August 5, 2019.

The committee on Labor and Workforce Development to whom was referred the petition (accompanied by bill, House, No. 1609) of Daniel M. Donahue and others relative to overtime protections for certain middle class workers, reports recommending that the accompanying bill (House, No. 4025) ought to pass.

For the committee,

PAUL BRODEUR.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-First General Court (2019-2020)

An Act updating overtime protections to protect the Commonwealth's middle class workers.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- SECTION 1. The second paragraph of section 1A of chapter 151 of the General Laws, as
- 2 appearing in the 2016 Official Edition, is hereby amended by striking out clauses (1), (7), (9),
- 3 (12), (13), (14), (15), (16) and (17), and renumbering the remaining clauses in consecutive order.
- 4 SECTION 2. Section 1A of chapter 151 of the General Laws, as so appearing, is hereby
- 5 amended by striking out, in line 29, the words "eighty dollars per week" and by inserting in place
- 6 thereof the following words:-
- the salary threshold established by section 1C of this chapter; provided, however, that an
- 8 employee who teaches as an adjunct or non-tenure-track faculty member at a college or
- 9 university shall not qualify as an exempt executive, administrative or professional person or
- 10 qualified trainee for such position.
- SECTION 3. Chapter 151 of the General Laws is hereby amended by inserting after
- section 1B the following section:-

Section 1C. Overtime pay salary threshold for executive, administrative or professional exemption.

- (a) For purposes of section 1A of this chapter, the salary threshold below which a bona fide executive, or administrative or professional person or qualified trainee for such position shall automatically be subject to the overtime pay requirements of said section shall be regular compensation that, when converted to an annual, full-time equivalent rate, equals the overtime threshold rate established by subsection (b) of this section, any higher rate that the commissioner shall establish by regulation, or the annualized rate established by the United States Department of Labor under the federal Fair Labor Standards Act, whichever is higher.
- (b) Beginning January 1, 2021, the overtime threshold rate shall be no less than \$35,000; beginning January 1, 2022, the overtime threshold rate shall be no less than \$45,000; beginning January 1, 2023, the overtime threshold rate shall be no less than \$55,000; beginning January 1, 2024, the overtime threshold rate shall be no less than \$64,000.
- (c) Beginning January 1, 2025, and each January 1 thereafter, the overtime threshold rate shall be no less than the higher of the following rates: the annual earnings of a full-time employee employed for 2080 hours per year at 2 times the minimum wage established under section 1 of this chapter, or the overtime threshold rate from the preceding year increased by the percentage annual increase, if any, in the second quartile of the usual weekly earnings for full-time wage and salary workers, or its successor index, as published by the United States Department of Labor, Bureau of Labor Statistics, or its successor agency, with the amount of the overtime threshold rate increase rounded to the nearest dollar.