As Introduced

133rd General Assembly Regular Session 2019-2020

H. B. No. 34

Representative Kelly

Cosponsors: Representatives Ingram, Kent, Boggs, Sheehy, Smith, K., Miller, A., Boyd, Miller, J., Lepore-Hagan, Weinstein, Russo

A BILL

| Τc | amend sections 4111.02, 4111.09, and 4111.14 and | 1 |
|----|--|---|
| | to repeal section 4111.07 of the Revised Code to | 2 |
| | increase the state minimum wage and to allow | 3 |
| | municipalities, townships, and counties to | 4 |
| | establish higher minimum wage requirements. | 5 |

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

| Section 1. That sections 4111.02, 4111.09, and 4111.14 of | 6 |
|---|----|
| the Revised Code be amended to read as follows: | 7 |
| | |
| Sec. 4111.02. Every (A) (1) Except as provided in divisions | 8 |
| (A)(2) and (C) of this section, every employer, as defined in | 9 |
| Section 34a of Article II, Ohio Constitution, shall pay each of | 10 |
| the employer's employees at a wage rate of not less than the | 11 |
| wage rate specified in Section 34a of Article II, Ohio | 12 |
| Constitution the following wage rates: | 13 |
| | |
| (a) During the period beginning January 1, 2020, and | 14 |
| ending December 31, 2020, twelve dollars per hour; | 15 |
| | |
| (b) During the period beginning January 1, 2021, and | 16 |
| <u>ending December 31, 2021, thirteen dollars per hour;</u> | 17 |

| (c) During the period beginning January 1, 2022, and | 18 |
|--|----|
| ending December 31, 2022, fourteen dollars per hour; | 19 |
| (d) Beginning January 1, 2023, fifteen dollars per hour. | 20 |
| (2) If an employer is able to demonstrate that an employee | 21 |
| receives tips that combined with the wages paid by the employer | 22 |
| are equal to or greater than the minimum wage rate for all hours | 23 |
| worked, the employer may pay the employee at a rate of less | 24 |
| than, but not less than half, the minimum wage rate required by | 25 |
| division (A)(1) of this section. | 26 |
| The (B) On September 30, 2023, and every thirtieth day of | 27 |
| <u>September thereafter, the director of commerce annually</u> shall | 28 |
| adjust the wage rate as specified in <u>division (A)(1)(g) of this</u> | 29 |
| section in accordance with Section 34a of Article II, Ohio | 30 |
| Constitution. The adjusted wage rate takes effect on the first | 31 |
| day of January immediately following the date of the adjustment. | 32 |
| No political subdivision shall (C) A municipal | 33 |
| corporation, township, or county may establish within the | 34 |
| jurisdiction of the municipal corporation, township, or county a | 35 |
| minimum wage rate different from that exceeds the wage rate | 36 |
| required under this section. Notwithstanding division (M) of | 37 |
| section 302.13 and division (D) of section 504.04 of the Revised | 38 |
| Code, an employer who is subject to more than one minimum wage | 39 |
| requirement shall pay each of the employer's employees the | 40 |
| highest minimum wage to which the employer is subject. | 41 |
| (D) As used in this section, "employee" has the same | 42 |
| meaning as in section 4111.14 of the Revised Code. | 43 |
| Sec. 4111.09. Every employer subject to sections 4111.01 | 44 |
| to 4111.17 of the Revised Code, or to any rules issued | 45 |
| thereunder, shall keep a summary of the sections, approved by | 46 |

Page 2

the director of commerce, and copies of any applicable rules 47 issued thereunder, or a summary of the rules, posted in a 48 conspicuous and accessible place in or about the premises 49 wherein any person subject thereto is employed. The director of 50 commerce shall make the summary described in this section 51 available on the web site of the department of commerce. The 52 director shall update this summary as necessary, but not less 53 than annually, in order to reflect changes in the minimum wage 54 rate as required under Section 34a of Article II, Ohio 55 Constitution and section 4111.02 of the Revised Code. Employees 56 and employers shall be furnished copies of the summaries and 57 rules by the state, on request, without charge. 58

Sec. 4111.14. (A) Pursuant to the general assembly's 59 authority to establish a minimum wage under Section 34 of 60 Article II, Ohio Constitution, this section is in implementation 61 of Section 34a of Article II, Ohio Constitution. In implementing 62 Section 34a of Article II, Ohio Constitution, the general 63 assembly hereby finds that the purpose of Section 34a of Article 64 II, Ohio Constitution, is to: 65

(1) Ensure that Ohio employees, as defined in division (B)
(1) of this section, are paid the wage rate required by <u>section</u>
<u>4111.02 of the Revised Code in accordance with</u> Section 34a of
Article II, Ohio Constitution;

(2) Ensure that covered Ohio employers maintain certain
records that are directly related to the enforcement of the wage
rate requirements in of Section 34a of Article II, Ohio
Constitution, and section 4111.02 of the Revised Code;
73

(3) Ensure that Ohio employees who are paid the wage rate
required by Section 34a of Article II, Ohio Constitution section
4111.02 of the Revised Code, may enforce their right to receive
76

66

67

68

that wage rate in the manner set forth in Section 34a of Article II, Ohio Constitution; and 78 (4) Protect the privacy of Ohio employees' pay and 79 personal information specified in Section 34a of Article II, 80 Ohio Constitution, by restricting an employee's access, and 81 access by a person acting on behalf of that employee, to the 82 employee's own pay and personal information. 83 (B) In accordance with Section 34a of Article II, Ohio 84 Constitution, the terms "employer," "employee," "employ," 85 "person," and "independent contractor" have the same meanings as 86 in the "Fair Labor Standards Act of 1938," 52 Stat. 1060, 29 87 U.S.C. 203, as amended. In construing the meaning of these 88 terms, due consideration and great weight shall be given to the 89 United States department of labor's and federal courts' 90 interpretations of those terms under the Fair Labor Standards 91 Act and its regulations. As used in division (B) of this 92 section: 93 (1) "Employee" means individuals employed in Ohio, but 94 does not mean individuals who are excluded from the definition 95 of "employee" under 29 U.S.C. 203(e) or individuals who are 96 exempted from the minimum wage requirements in 29 U.S.C. 213 and 97 from the definition of "employee" in this chapter. 98 (2) "Employ" and "employee" do not include any person 99 acting as a volunteer. In construing who is a volunteer, 100

"volunteer" shall have the same meaning as in sections 553.101 101 to 553.106 of Title 29 of the Code of Federal Regulations, as 102 amended, and due consideration and great weight shall be given 103 to the United States department of labor's and federal courts' 104 interpretations of the term "volunteer" under the Fair Labor 105 Standards Act and its regulations. 106

Page 4

H. B. No. 34 As Introduced

(3) "Employer" does not include a franchisor with respect 107 to the franchisor's relationship with a franchisee or an 108 employee of a franchisee, unless the franchisor agrees to assume 109 that role in writing or a court of competent jurisdiction 110 determines that the franchisor exercises a type or degree of 111 control over the franchisee or the franchisee's employees that 112 is not customarily exercised by a franchisor for the purpose of 113 protecting the franchisor's trademark, brand, or both. For 114 purposes of this division, "franchisor" and "franchisee" have 115 the same meanings as in 16 C.F.R. 436.1. 116

(C) In accordance with Section 34a of Article II, Ohio 117 Constitution, the state may issue licenses to employers 118 authorizing payment of a wage below that required by Section 34a 119 of Article II, Ohio Constitution, or section 4111.02 of the 120 <u>Revised Code</u> to individuals with mental or physical disabilities 121 that may otherwise adversely affect their opportunity for 122 employment. In issuing such licenses, the state shall abide by 123 the rules adopted pursuant to section 4111.06 of the Revised 124 Code. 125

(D) (1) In accordance with Section 34a of Article II, Ohio
Constitution, individuals employed in or about the property of
an employer or an individual's residence on a casual basis are
not included within the coverage of Section 34a of Article II,
Ohio Constitution. As used in division (D) of this section:

(a) "Casual basis" means employment that is irregular or
intermittent and that is not performed by an individual whose
vocation is to be employed in or about the property of the
employer or individual's residence. In construing who is
employed on a "casual basis," due consideration and great weight
shall be given to the United States department of labor's and

federal courts' interpretations of the term "casual basis" under 137 the Fair Labor Standards Act and its regulations. 138

(b) "An individual employed in or about the property of an
employer or individual's residence" means an individual employed
on a casual basis or an individual employed in or about a
residence on a casual basis, respectively.

(2) In accordance with Section 34a of Article II, Ohio 143 Constitution, employees of a solely family-owned and operated 144 business who are family members of an owner are not included 145 within the coverage of Section 34a of Article II, Ohio 146 Constitution. As used in division (D)(2) of this section, 147 "family member" means a parent, spouse, child, stepchild, 148 sibling, grandparent, grandchild, or other member of an owner's 149 immediate family. 150

(E) In accordance with Section 34a of Article II, Ohio
151
Constitution, an employer shall at the time of hire provide an
152
employee with the employer's name, address, telephone number,
153
and other contact information and update such information when
154
it changes. As used in division (E) of this section:

(1) "Other contact information" may include, where 156 applicable, the address of the employer's internet site on the 157 world wide web, the employer's electronic mail address, fax 158 number, or the name, address, and telephone number of the 159 employer's statutory agent. "Other contact information" does not 160 include the name, address, telephone number, fax number, 161 internet site address, or electronic mail address of any 162 employee, shareholder, officer, director, supervisor, manager, 163 or other individual employed by or associated with an employer. 164

(2) "When it changes" means that the employer shall 165

Page 6

provide its employees with the change in its name, address, 166 telephone number, or other contact information within sixty 167 business days after the change occurs. The employer shall 168 provide the changed information by using any of its usual 169 methods of communicating with its employees, including, but not 170 limited to, listing the change on the employer's internet site 171 on the world wide web, internal computer network, or a bulletin 172 board where it commonly posts employee communications or by 173 insertion or inclusion with employees' paychecks or pay stubs. 174

(F) In accordance with Section 34a of Article II, Ohio
175
Constitution, an employer shall maintain a record of the name,
address, occupation, pay rate, hours worked for each day worked,
177
and each amount paid an employee for a period of not less than
178
three years following the last date the employee was employed by
179
that employer. As used in division (F) of this section:

(1) "Address" means an employee's home address as
181
maintained in the employer's personnel file or personnel
182
database for that employee.
183

(2) (a) With respect to employees who are not exempt from
the overtime pay requirements of the Fair Labor Standards Act or
this chapter, "pay rate" means an employee's base rate of pay.

(b) With respect to employees who are exempt from the 187 overtime pay requirements of the Fair Labor Standards Act or 188 this chapter, "pay rate" means an employee's annual base salary 189 or other rate of pay by which the particular employee qualifies 190 for that exemption under the Fair Labor Standards Act or this 191 chapter, but does not include bonuses, stock options, 192 incentives, deferred compensation, or any other similar form of 193 compensation. 194

H. B. No. 34 As Introduced

(3) "Record" means the name, address, occupation, pay 195 rate, hours worked for each day worked, and each amount paid an 196 employee in one or more documents, databases, or other paper or 197 electronic forms of record-keeping maintained by an employer. No 198 one particular method or form of maintaining such a record or 199 records is required under this division. An employer is not 200 required to create or maintain a single record containing only 201 the employee's name, address, occupation, pay rate, hours worked 202 for each day worked, and each amount paid an employee. An 203 employer shall maintain a record or records from which the 204 employee or person acting on behalf of that employee could 205 reasonably review the information requested by the employee or 206 person. 207

An employer is not required to maintain the records 208 specified in division (F)(3) of this section for any period 209 before January 1, 2007. On and after January 1, 2007, the 210 employer shall maintain the records required by division (F)(3) 211 of this section for three years from the date the hours were 212 worked by the employee and for three years after the date the 213 employee's employment ends. 214

(4) (a) Except for individuals specified in division (F) (4) 215 (b) of this section, "hours worked for each day worked" means 216 the total amount of time worked by an employee in whatever 217 increments the employer uses for its payroll purposes during a 218 day worked by the employee. An employer is not required to keep 219 a record of the time of day an employee begins and ends work on 220 any given day. As used in division (F)(4) of this section, "day" 221 means a fixed period of twenty-four consecutive hours during 222 which an employee performs work for an employer. 223

(b) An employer is not required to keep records of "hours

Page 8

worked for each day worked" for individuals for whom the225employer is not required to keep those records under the Fair226Labor Standards Act and its regulations or individuals who are227not subject to the overtime pay requirements specified in228section 4111.03 of the Revised Code.229

(5) "Each amount paid an employee" means the total gross
wages paid to an employee for each pay period. As used in
231
division (F) (5) of this section, "pay period" means the period
232
of time designated by an employer to pay an employee the
233
employee's gross wages in accordance with the employer's payroll
234
practices under section 4113.15 of the Revised Code.

(G) In accordance with Section 34a of Article II, Ohio Constitution, an employer must provide such information without charge to an employee or person acting on behalf of an employee upon request. As used in division (G) of this section:

(1) "Such information" means the name, address, 240 occupation, pay rate, hours worked for each day worked, and each 241 amount paid for the specific employee who has requested that 242 243 specific employee's own information and does not include the name, address, occupation, pay rate, hours worked for each day 244 245 worked, or each amount paid of any other employee of the employer. "Such information" does not include hours worked for 246 each day worked by individuals for whom an employer is not 247 required to keep that information under the Fair Labor Standards 248 Act and its regulations or individuals who are not subject to 249 the overtime pay requirements specified in section 4111.03 of 250 the Revised Code. 251

(2) "Acting on behalf of an employee" means a personacting on behalf of an employee as any of the following:253

Page 9

236

237

238

H. B. No. 34 As Introduced

(a) The certified or legally recognized collective 254 bargaining representative for that employee under the applicable 255 federal law or Chapter 4117. of the Revised Code; 256 (b) The employee's attorney; 257 (c) The employee's parent, guardian, or legal custodian. 2.58 A person "acting on behalf of an employee" must be 259 specifically authorized by an employee in order to make a 260 request for that employee's own name, address, occupation, pay 261 rate, hours worked for each day worked, and each amount paid to 262 that employee. 263 (3) "Provide" means that an employer shall provide the 264 requested information within thirty business days after the date 265 the employer receives the request, unless either of the 266 following occurs: 267 (a) The employer and the employee or person acting on 268 behalf of the employee agree to some alternative time period for 269 providing the information. 270 (b) The thirty-day period would cause a hardship on the 271 employer under the circumstances, in which case the employer 272 must provide the requested information as soon as practicable. 273 (4) A "request" made by an employee or a person acting on 274 behalf of an employee means a request by an employee or a person 275 acting on behalf of an employee for the employee's own 276 information. The employer may require that the employee provide 277 the employer with a written request that has been signed by the 278 employee and notarized and that reasonably specifies the 279 particular information being requested. The employer may require 280

particular information being requested. The employer may require280that the person acting on behalf of an employee provide the281employer with a written request that has been signed by the282

Page 10

employee whose information is being requested and notarized and that reasonably specifies the particular information being requested.

(H) In accordance with Section 34a of Article II, Ohio 286 Constitution, an employee, person acting on behalf of one or 287 more employees, and any other interested party may file a 288 complaint with the state for a violation of any provision of 289 Section 34a of Article II, Ohio Constitution, or any law or 290 regulation implementing its provisions. Such complaint shall be 291 promptly investigated and resolved by the state. The employee's 292 name shall be kept confidential unless disclosure is necessary 293 to resolution of a complaint and the employee consents to 294 disclosure. As used in division (H) of this section: 295

(1) "Complaint" means a complaint of an alleged violation
pertaining to harm suffered by the employee filing the
complaint, by a person acting on behalf of one or more
employees, or by an interested party.

(2) "Acting on behalf of one or more employees" has the
300
same meaning as "acting on behalf of an employee" in division
(G) (2) of this section. Each employee must provide a separate
written and notarized authorization before the person acting on
that employee's or those employees' behalf may request the name,
address, occupation, pay rate, hours worked for each day worked,
and each amount paid for the particular employee.

(3) "Interested party" means a party who alleges to be
injured by the alleged violation and who has standing to file a
308
complaint under common law principles of standing.

(4) "Resolved by the state" means that the complaint hasbeen resolved to the satisfaction of the state.311

Page 11

283

284

(5) "Shall be kept confidential" means that the state312shall keep the name of the employee confidential as required by313division (H) of this section.314

(I) In accordance with Section 34a of Article II, Ohio 315 Constitution, the state may on its own initiative investigate an 316 employer's compliance with Section 34a of Article II, Ohio 317 Constitution, and any law or regulation implementing Section 34a 318 of Article II, Ohio Constitution. The employer shall make 319 available to the state any records related to such investigation 320 and other information required for enforcement of Section 34a of 321 322 Article II, Ohio Constitution or any law or regulation implementing Section 34a of Article II, Ohio Constitution. The 323 state shall investigate an employer's compliance with this 324 section in accordance with the procedures described in section 325 4111.04 of the Revised Code. All records and information related 326 to investigations by the state are confidential and are not a 327 public record subject to section 149.43 of the Revised Code. 328 329 This division does not prevent the state from releasing to or exchanging with other state and federal wage and hour regulatory 330 authorities information related to investigations. 331

(J) In accordance with Section 34a of Article II, Ohio 332 Constitution, damages shall be calculated as an additional two 333 times the amount of the back wages and in the case of a 334 violation of an anti-retaliation provision an amount set by the 335 state or court sufficient to compensate the employee and deter 336 future violations, but not less than one hundred fifty dollars 337 for each day that the violation continued. The "not less than 338 one hundred fifty dollar" penalty specified in division (J) of 339 this section shall be imposed only for violations of the anti-340 retaliation provision in Section 34a of Article II, Ohio 341 Constitution. 342

(K) In accordance with Section 34a of Article II, Ohio 343 Constitution, an action for equitable and monetary relief may be 344 brought against an employer by the attorney general and/or an 345 employee or person acting on behalf of an employee or all 346 similarly situated employees in any court of competent 347 jurisdiction, including the court of common pleas of an 348 employee's county of residence, for any violation of Section 34a 349 of Article II, Ohio Constitution, or any law or regulation 350 implementing its provisions within three years of the violation 351 or of when the violation ceased if it was of a continuing 352 nature, or within one year after notification to the employee of 353 final disposition by the state of a complaint for the same 354 violation, whichever is later. 355

(1) As used in division (K) of this section,
"notification" means the date on which the notice was sent to
357
the employee by the state.
358

(2) No employee shall join as a party plaintiff in any
civil action that is brought under division (K) of this section
by an employee, person acting on behalf of an employee, or
person acting on behalf of all similarly situated employees
unless that employee first gives written consent to become such
a party plaintiff and that consent is filed with the court in
which the action is brought.

(3) A civil action regarding an alleged violation of this
section shall be maintained only under division (K) of this
section. This division does not preclude the joinder in a single
civil action of an action under this division and an action
under section 4111.10 of the Revised Code.

(4) Any agreement between an employee and employer to work 371for less than the wage rate specified in <u>Section 34a of Article</u> 372

Page 14

| HI, Ohio Constitution section 4111.02 of the Revised Code, is no | |
|--|-----|
| defense to an action under this section. | 374 |
| (L) In accordance with Section 34a of Article II, Ohio | 375 |
| | |
| Constitution, there shall be no exhaustion requirement, no | 376 |
| procedural, pleading, or burden of proof requirements beyond | 377 |
| those that apply generally to civil suits in order to maintain | 378 |
| such action and no liability for costs or attorney's fees on an | 379 |
| employee except upon a finding that such action was frivolous in | 380 |
| accordance with the same standards that apply generally in civil | 381 |
| suits. Nothing in division (L) of this section affects the right | 382 |
| of an employer and employee to agree to submit a dispute under | 383 |
| this section to alternative dispute resolution, including, but | 384 |
| not limited to, arbitration, in lieu of maintaining the civil | 385 |
| suit specified in division (K) of this section. Nothing in this | 386 |
| division limits the state's ability to investigate or enforce | 387 |
| this section. | 388 |
| (M) An employer who provides such information specified in | 389 |
| Section 34a of Article II, Ohio Constitution, shall be immune | 390 |
| from any civil liability for injury, death, or loss to person or | 391 |
| property that otherwise might be incurred or imposed as a result | 392 |
| of providing that information to an employee or person acting on | 393 |
| behalf of an employee in response to a request by the employee | 394 |
| or person, and the employer shall not be subject to the | 395 |
| provisions of Chapters 1347. and 1349. of the Revised Code to | 396 |
| the extent that such provisions would otherwise apply. As used | 397 |

the extent that such provisions would otherwise apply. As used397in division (M) of this section, "such information," "acting on398behalf of an employee," and "request" have the same meanings as399in division (G) of this section.400

(N) As used in this section, "the state" means thedirector of commerce.402

| Section 2. That existing sections 4111.02, 4111.09, and | 403 |
|---|-----|
| 4111.14 of the Revised Code are hereby repealed. | 404 |
| Section 3. That section 4111.07 of the Revised Code is | 405 |
| hereby repealed. | 406 |