## House File 401 - Introduced

HOUSE FILE 401
BY HUNTER, KEARNS, and MASCHER

### A BILL FOR

- 1 An Act requiring employers to provide employees with meal
- 2 periods and rest periods and providing penalties.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 1 Section 1. Section 84A.5, subsection 4, Code 2017, is 2 amended to read as follows:
- 3 4. The division of labor services is responsible for the
- 4 administration of the laws of this state under chapters 88,
- 5 88A, 88B, 89, 89A, 89B, 90A, 91, 91A, 91C, 91D, 91E, 91F, 92,
- 6 and 94A, and section 85.68. The executive head of the division
- 7 is the labor commissioner, appointed pursuant to section 91.2.
- Sec. 2. Section 91.4, subsection 2, Code 2017, is amended
- 9 to read as follows:
- 10 2. The director of the department of workforce development,
- 11 in consultation with the labor commissioner, shall, at the
- 12 time provided by law, make an annual report to the governor
- 13 setting forth in appropriate form the business and expense of
- 14 the division of labor services for the preceding year, the
- 15 number of remedial actions taken under chapter 89A, the number
- 16 of disputes or violations processed by the division and the
- 17 disposition of the disputes or violations, and other matters
- 18 pertaining to the division which are of public interest,
- 19 together with recommendations for change or amendment of the
- 20 laws in this chapter and chapters 88, 88A, 88B, 89, 89A, 89B,
- 21 90A, 91A, 91C, 91D, 91E, 91F, 92, and 94A, and section 85.68,
- 22 and the recommendations, if any, shall be transmitted by the
- 23 governor to the first general assembly in session after the
- 24 report is filed.
- 25 Sec. 3. NEW SECTION. 91F.1 Meal and rest periods —
- 26 requirements.
- 27 l. As used in this chapter, unless the context otherwise
- 28 requires:
- 29 a. "Commissioner" means the labor commissioner appointed
- 30 pursuant to section 91.2.
- 31 b. "Employee" means a natural person who is employed in this
- 32 state for wages by an employer.
- 33 c. "Employer" means a person, as defined in section 4.1,
- 34 who in this state employs for wages a natural person. An
- 35 employer does not include a client, patient, customer, or

- 1 other person who obtains professional services from a licensed
- 2 person providing the services on a fee service basis or as an
- 3 independent contractor.
- 4 2. An employer shall provide an employee with appropriate
- 5 meal periods and appropriate rest periods.
- 6 a. An appropriate meal period shall be a period of not less
- 7 than thirty minutes during an employee's work period in which
- 8 an employee works at least seven hours. The meal period shall
- 9 be taken between the second and fifth hours. If an employee
- 10 works more than seven hours, the meal period shall be taken
- ll between the third and sixth hours.
- 12 b. An appropriate rest period shall be a paid period of
- 13 not less than ten minutes during every consecutive four-hour
- 14 period of work taken by an employee approximately in the middle
- 15 of each four-hour period. The rest period is in addition to a
- 16 meal period, if applicable, and shall not be added to a meal
- 17 period or deducted from the work period to reduce the overall
- 18 length of the total work period.
- 19 3. An employer is not required to pay for a meal period
- 20 if an employee is free from work duties during the employee's
- 21 entire meal period. An employee shall be paid for the meal
- 22 period if any of the following occur:
- 23 a. The employee is required or allowed to remain on duty.
- 24 b. The employee is required to be on-call at the work
- 25 premises or designated worksite in order to be available to
- 26 return to duty even if the employee is not called back to duty.
- 27 c. The employee is called back to duty during the employee's
- 28 meal period even though the employee is not usually on-call
- 29 during the meal period.
- 30 Sec. 4. NEW SECTION. 91F.2 Meal and rest periods —
- 31 exemptions.
- 32 1. Meal and rest period requirements may be modified by the
- 33 terms of a collective bargaining agreement if the collective
- 34 bargaining agreement entered into by the employees prescribes
- 35 specific terms concerning meal periods and rest periods.

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- Meal and rest period requirements apply to hourly paid
- 2 and salary-paid employees. Management or employees involved
- 3 in agricultural jobs are not required to have breaks or meal
- 4 breaks. For the purposes of this section, agricultural jobs do
- 5 not include work in the production of seed, limited to removal
- 6 of off-type plants and corn tassels and hand-pollinating during
- 7 the months of June, July, and August by persons ages fourteen
- 8 and older.
- 9 3. Meal period requirements may be waived if an employer
- 10 shows that the ordinary nature and circumstance of the work
- 11 prevented the employer from establishing and maintaining a
- 12 regularly scheduled meal period. The factors that may be
- 13 considered regarding the waiver of the requirements are limited
- 14 to the following:
- 15 a. The safety and health needs of employees, patients,
- 16 clients, and the public.
- 17 b. The lack of other employees available to provide relief
- 18 to an employee.
- 19 c. The cost involved in shutdown and startup of machinery in
- 20 continuous operation of the industrial process.
- 21 d. The intermittent and unpredictable workflow not
- 22 controlled by the employer or employee.
- 23 e. Unforeseeable equipment failures, emergencies, or acts
- 24 of nature that require immediate and uninterrupted attention
- 25 by an employee.
- 26 Sec. 5. NEW SECTION. 91F.3 Civil penalties.
- 27 l. Any employer who violates the provisions of this chapter
- 28 or the rules adopted pursuant to this chapter is subject to a
- 29 civil penalty of not more than one hundred dollars for each
- 30 violation. The commissioner may recover the civil penalty
- 31 according to subsections 2 through 5. Any civil penalty
- 32 recovered shall be deposited in the general fund of the state.
- 33 2. The commissioner may propose that an employer be assessed
- 34 a civil penalty by serving the employer with notice of such
- 35 proposal in the same manner as an original notice is served

- 1 under the rules of civil procedure. Upon service of such
- 2 notice, the proposed assessment shall be treated as a contested
- 3 case under chapter 17A. However, to remain a contested case,
- 4 an employer must request a hearing within thirty days of being
- 5 served.
- 6 3. If an employer does not request a hearing pursuant
- 7 to subsection 2 or if the commissioner determines, after an
- 8 appropriate hearing, that an employer is in violation of this
- 9 chapter or the rules adopted pursuant to this chapter, the
- 10 commissioner shall assess a civil penalty which is consistent
- ll with the provisions of subsection 1 and which is rendered with
- 12 due consideration for the penalty amount in terms of the size
- 13 of the employer's business, the gravity of the violation,
- 14 the good faith of the employer, and the history of previous
- 15 violations.
- 4. An employer may seek judicial review of any assessment
- 17 rendered under subsection 3 by instituting proceedings for
- 18 judicial review pursuant to chapter 17A. However, such
- 19 proceedings must be instituted in the district court of the
- 20 county in which the violation or one of the violations occurred
- 21 and within thirty days of the day on which the employer was
- 22 notified that an assessment has been rendered. Also, an
- 23 employer may be required, at the discretion of the district
- 24 court and upon instituting such proceedings, to deposit the
- 25 amount assessed with the clerk of the district court. Any
- 26 moneys so deposited shall either be returned to the employer
- 27 or be forwarded to the commissioner for deposit in the general
- 28 fund of the state, depending on the outcome of the judicial
- 29 review, including any appeal to the supreme court.
- 30 5. After the time for seeking judicial review has expired
- 31 or after all judicial review has been exhausted and the
- 32 commissioner's assessment has been upheld, the commissioner
- 33 shall request the attorney general to recover the assessed
- 34 penalties in a civil action.
- 35 Sec. 6. NEW SECTION. 91F.4 Duties and authority of

#### 1 commissioner.

- 2 l. The commissioner shall provide further exemptions from 3 the provisions in this chapter when reasonable.
- 4 2. In order to carry out the purposes of this chapter, the
- 5 commissioner or the commissioner's designee, upon presenting
- 6 appropriate credentials to the employer or agent of the
- 7 employer, may do any of the following:
- 8 a. Inspect employment records relating to meal and rest9 periods for employees.
- 10 b. Interview an employer or employee or an agent of
- 11 the employer or employee, during working hours or at other
- 12 reasonable times.
- 3. The commissioner shall adopt rules pursuant to chapter
- 14 17A to administer this chapter.
- 15 EXPLANATION
- The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.
- 18 This bill creates a new Code chapter 91F that requires an
- 19 employer to provide an employee with appropriate meal periods
- 20 and appropriate rest periods.
- 21 The bill states that an appropriate meal period shall be not
- 22 less than 30 minutes during an employee's work period of at
- 23 least seven hours. The meal period is to be taken between the
- 24 second and fifth hours of the work or, if the employee works
- 25 more than seven hours, between the third and sixth hours.
- 26 The bill states that an appropriate rest period shall be a
- 27 paid period of not less than 10 minutes during every four-hour
- 28 work period. The rest period is taken in the middle of the work
- 29 period. The rest period is in addition to the meal period and
- 30 cannot be added to the meal period or deducted from the work
- 31 period to reduce the overall length of the total work period.
- 32 The bill defines an "employee" as a natural person who is
- 33 employed in this state for wages by an employer. An "employer"
- 34 is defined as a person, as defined in Code section 4.1, who
- 35 employs a natural person for wages.

- 1 The bill provides that an employer is not required to pay for
- 2 a meal period if an employee is free from work duties during
- 3 the employee's entire meal period.
- 4 The bill allows three exemptions to the meal and rest period
- 5 requirements. The first exemption is if the meal and rest
- 6 period requirements are modified by the terms of a collective
- 7 bargaining agreement. However, the exemption is valid only
- 8 if the collective bargaining agreement entered into by the
- 9 employees prescribes specific terms concerning meal periods and
- 10 rest periods.
- 11 The second exemption states that meal and rest period
- 12 requirements apply to hourly paid and salary-paid employees.
- 13 However, management or employees involved in certain
- 14 agricultural jobs are not required to have breaks or meal
- 15 breaks.
- 16 The third exemption is if an employer shows that the ordinary
- 17 nature and circumstance of the work prevented the employer from
- 18 establishing and maintaining a regular scheduled meal period.
- 19 The bill provides civil penalties for violating the new
- 20 Code chapter. An employer who violates the provisions shall
- 21 be subject to a penalty of up to \$100 for each violation. The
- 22 labor commissioner may recover the penalties under Code chapter
- 23 17A contested case procedures. Any penalties recovered shall
- 24 be deposited in the general fund of the state.
- The commissioner may propose that an employer be assessed a
- 26 penalty by serving the employer with notice of a penalty in the
- 27 same manner as an original notice is served under the rules of
- 28 civil procedure.
- 29 The bill provides the labor commissioner with the authority
- 30 to provide further exemptions from new Code chapter 91F when
- 31 reasonable. Also, the labor commissioner or the commissioner's
- 32 designee may inspect employment records relating to rest
- 33 periods for employees and interview an employer or employee or
- 34 an agent of the employer or employee, during working hours or
- 35 at other reasonable times. The bill requires the commissioner

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 $\ensuremath{\text{1}}$  to adopt rules to administer the Code chapter.