

2020 Regular Session

HOUSE BILL NO. 797

BY REPRESENTATIVES DUPLESSIS AND STAGNI

LOCAL GOVERNMENT: Authorizes parishes and municipalities to provide relative to employee leave benefits

1 AN ACT

2 To amend and reenact R.S. 23:642(A)(2) and (3) and (B) and to enact R.S. 33:1376, relative
3 to parishes and municipalities; to repeal the prohibition against a minimum number
4 of vacation or sick leave days; to authorize parishes and municipalities to establish
5 a minimum number of leave days within their respective jurisdictions; to provide
6 limitations; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 23:642(A)(2) and (3) and (B) are hereby amended and reenacted to
9 read as follows:

10 §642. Setting minimum wage ~~or employee benefits~~; prohibited

11 A.

12 * * *

13 (2) The legislature further finds that wages ~~and employee benefits~~ comprise
14 ~~the most significant expense~~ account for a significant amount of operating a
15 business. It also recognizes that neither potential employees nor business patrons are
16 likely to restrict themselves to employment opportunities or goods and services
17 providers in any particular parish or municipality. Consequently, local variation in
18 legally required minimum wage rates ~~or mandatory, minimum number of vacation~~
19 ~~or sick leave days~~ would threaten many businesses with a loss of employees to areas
20 which require a higher minimum wage rate and many other businesses with the loss

1 of patrons to areas which allow for a lower wage rate ~~and more or less vacation or~~
2 ~~sick leave days~~. The net effect of this situation would be detrimental to the business
3 environment of the state and to the citizens, businesses, and governments of the
4 various local jurisdictions as well as the local labor market.

5 (3) The legislature concludes from these findings that, in order for a business
6 to remain competitive and yet to attract and retain the highest possible caliber of
7 employees, and thereby to remain sound, an enterprise must work in a uniform
8 environment with respect to minimum wage rates ~~and mandatory, minimum number~~
9 ~~of vacation or sick leave days~~. The net impact of local variation in mandated wages
10 ~~and mandatory, minimum number of vacation or sick leave days~~ would be economic
11 instability and decline and a decrease in the standard of living for the citizens of the
12 state. Consequently, decisions regarding minimum wage ~~and employee benefit~~
13 ~~policy~~ must be made by the state so that consistency in the wage market is preserved.

14 B. Therefore, pursuant to the police powers ultimately reserved to the state
15 by Article VI, Section 9 of the Constitution of Louisiana, no local governmental
16 subdivision shall establish ~~a mandatory, minimum number of vacation or sick leave~~
17 ~~days, whether paid or unpaid, or~~ a minimum wage rate which a private employer
18 would be required to pay or grant employees.

19 Section 2. R.S. 33:1376 is hereby enacted to read as follows:

20 §1376. Parishes and municipalities; employment

21 A. The governing authority of any parish or municipality may establish a
22 mandatory minimum number of vacation or sick leave days, whether paid or unpaid,
23 that a private employer would be required to pay or grant employees.

24 B. A minimum number of days established by a parish governing authority
25 shall be applicable within and throughout the boundaries of the parish, including
26 those areas located inside the corporate limits of any municipality, except in a
27 municipality where the municipal governing authority establishes a number of days
28 within its respective jurisdiction.

1 C. A parish or municipal governing authority shall take such actions and
2 perform such functions as it deems necessary to implement the provisions of this
3 Section.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 797 Original

2020 Regular Session

Duplessis

Abstract: Removes the prohibition against parishes and municipalities from setting a local minimum number of leave days in their respective jurisdictions.

Present law provides that a local variation in legally required minimum wage rates or mandatory minimum number of vacation or sick leave days would threaten many businesses with a loss of employees to areas which require a higher minimum wage rate. Present law further provides that businesses would lose patrons to areas which allow a lower wage rate and more or less vacation or sick leave days.

Proposed law provides that a local variation in legally required minimum wage rates would threaten many businesses with a loss of employees to areas which require a higher minimum wage rate. Proposed law further provides that other businesses would lose patrons to areas which allow a lower wage rate.

Present law provides that in order for a business to remain competitive and to attract and retain employees, an enterprise must work in a uniform environment with respect to minimum wage and a mandatory, minimum number of vacation or sick leave days.

Proposed law provides that in order for a business to remain competitive and to attract and retain employees, an enterprise must work in a uniform environment with respect to minimum wage.

Present law provides that a net impact of local variation in mandated wages and mandatory, minimum number of vacation or sick leave days would result in economic instability and a decline in the standard of living.

Proposed law provides that a net impact of local variation in mandated wages would result in economic instability and a decline in the standard of living.

Present law provides that pursuant to the police powers reserved to the state by the Louisiana Constitution, no local governmental subdivision shall establish a mandatory, minimum number of vacation or sick leave days, whether paid or unpaid, or a minimum wage rate which a private employer would be required to pay or grant employees.

Proposed law provides that pursuant to the police powers reserved to the state by the Louisiana Constitution, no local governmental subdivision shall establish a minimum wage rate which a private employer would be required to pay or grant employees.

Proposed law provides that a minimum number of leave days established by a parish governing authority shall be applicable throughout the parish, including those areas inside the corporate limits of any municipality.

Proposed law provides that if, however, a municipality establishes a minimum number of leave days in its respective jurisdiction then proposed law would not be applicable.

Proposed law provides that a parish or municipality shall take such actions and perform such functions as it deems necessary to implement proposed law.

(Amends R.S. 23:642(A)(2) and (3) and (B); Adds R.S. 33:1376)