



Alaska State Legislature

Senate Majority Web: www.akrepublicans.org

Sponsor: Senator Ralph Seekins

Current Version: CSSB 105 (L&C)

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Fact Sheet for: Senate Bill 105

Short Title: OVERTIME WAGES FOR FLIGHT CREW

Summary:

- Retroactively removes flight crews from statutory overtime compensation required under the Alaska Wage and Hour Act found in AS 23.10.060.
- Applies retroactively to flight crew work performed on or after Jan. 1, 2000.

Benefits:

- Fulfills the intent of the 23rd Legislature to help ensure the viability of Alaska's air carrier industry.
- Helps the air carrier industry continue to provide vital services linking rural communities with larger cities and providing access to healthcare facilities, groceries, mail, sports and other events across the state.

Background:

- Until 2003, it had been the Department of Labor's uncodified policy to exempt in-state air carriers from Alaska Wage and Hour Act overtime provisions. The policy was rooted in a 1980 Alaska Attorney General opinion that cited both the federal Railway Labor Act and the U.S. Constitution's Commerce Clause as preempting flight crews from overtime compensation provided through the AWhA. That policy was brought into question by a 2000 lawsuit seeking overtime for pilots. By 2003, three class action suits were outstanding, representing millions of dollars in claims against Alaska air carriers. State lawmakers consequently took action to avoid what could be devastating losses to a critical yet fragile industry. In 2003 the 23rd Legislature passed SB 54 codifying DOL policy exempting flight crews from overtime compensation. While the bill did accomplish this, it failed to fully enact the legislative intent necessary to deflect court actions seeking recovery for periods dating back to the year 2000. SB 105 would close this loophole.