



WISCONSIN MANUFACTURERS & COMMERCE

To: Members of the Senate Committee on Judiciary & Labor
From: Chris Reader, WMC Director of Health and Human Resources Policy
Date: February 13, 2014
Subject: **Support SB 557, time record keeping**

Thank you, Chairman Grothman and committee members, for holding this public hearing today, and especially Senator Farrow, for bringing this legislation forward.

My name is Chris Reader. I am the Director of Health and Human Resources Policy at Wisconsin Manufacturers and Commerce (WMC), the statewide chamber of commerce. We have over 3,500 member employers of every size and from every sector of the economy.

Senate Bill (SB) 557 is a simple bill that fixes an area of Wisconsin employment law that simply doesn't make sense. Under DWD 272.11 and DWD 274.06, employers are required to keep records of when employees work – this includes beginning and end of work each day, as well as meal periods. The requirement to keep these records applies to workers who are paid hourly, and salaried workers who are exempt from overtime requirements.

In comparison, federal law requires that employers maintain the total hours worked per day and per week for non-exempt (hourly) employees ((29 C.F.R. § 516.2(a)(7)). It does not have similar requirements respecting exempt salaried employees.

The record keeping requirements make sense for hourly employees, and are useful tools to ensure that minimum wage and overtime requirements are being met by employers. On the other hand, the requirement to maintain records for salaried employees does not serve a real world purpose, as salaried and executive level employees don't work a regular schedule and are often considered on call at all hours. The reality is that such record keeping for exempt employees is almost impossible and rarely done accurately.

SB 557 addresses this simple issue by exempting employers from the time record keeping requirement for salaried employees. WMC supports this legislation, and I encourage this committee to move the issue forward to the full Senate.

The Assembly companion bill, AB 712, was approved by the Assembly Committee on Workforce Development unanimously on February 6, 2014. The full Assembly is scheduled to vote on the proposal this afternoon.

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Founded in 1911, Wisconsin Manufacturers & Commerce is the state's chamber of commerce and largest business trade association representing more than 3,500 employers of every size and from every sector of the economy.