

HCS#2 HBs 567, 546, 758 & 958 -- PAID SICK LEAVE FOR CERTAIN EMPLOYEES

SPONSOR: Gallick

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Commerce by a vote of 7 to 3. Voted "Do Pass with HCS #2" by the Standing Committee on Legislative Review by a vote of 7 to 3. Voted "Do Pass" by the Standing Committee on Rules-Administrative by a vote of 6 to 2.

The following is a summary of the House Committee Substitute #2 for HB 567.

This bill modifies the schedule of minimum wage increases or decreases by terminating such schedule as of December 31, 2024. Currently, the minimum wage is set to be increased or decreased on January 1, 2027, and on January 1 of successive years, based on increases or decreases of the Consumer Price Index for Urban Wage Earners and Clerical Workers. This bill repeals that scheduled adjustment.

Currently, these provisions do not apply to public employers, as that term is defined in the bill. This bill changes that applicability for public employers beginning on the effective date of this bill.

The bill repeals provisions as they relate to paid sick leave requirements, including, but not limited to, under what conditions paid sick leave must be provided by employers, prohibited actions for employers and violations thereof, recordkeeping requirements, complaint and investigative procedures, a right to a cause of action for retaliation, and confidentiality of information.

This bill has an emergency clause for the provisions that are being repealed relating to paid sick leave.

The following is a summary of the testimony from the Standing Committee on Legislative Review hearing on March 5, 2025. The testimony was based on the first HCS version of HB 567.

PROPONENTS: Supporters say that businesses will feel the brunt of changes made as a result of Proposition A, including fewer employees and lowered food safety standards.

Testifying in person for the bill were Representative Gallick; Missouri Tire Industry Association; Buddy Lahl, Missouri Restaurant Association; Missouri Grocers Association; Missouri Retailers

Association;; NFIB (National Federation Of Independent Business); Hannibal Regional Healthcare System; Buddy Lahl, Ray Mccarty; Missouri Chamber of Commerce and Industry; Missouri Forest Products Association; Liberty Utilities Central; Associated Industries of Missouri; and Missouri Chamber of Commerce and Industry.

OPPONENTS: Those who oppose the bill say that no challenges were made to these provisions at any time during the initiative petition process, and that challenges thereto only began after the beginning of this year's legislative session.

Testifying in person against the bill were The Associated Students Of the University of Missouri; Abortion Action Missouri; Arnie Dienoff; Mary Creamer; and Jobs With Justice Voter Action.

The following is a summary of the public testimony from the Standing Committee on Commerce hearing on February 19, 2025. The testimony was based on the introduced version of the bill.

PROPOSERS: Proposition A was passed by the voters in November, raising the minimum wage and mandating paid sick leave for certain employees. Supporters say that economic competitiveness is needed and we should not stifle the business enterprise. The motivation to start a business is profit; we need to lower the overheads and costs and not disrupt cash flow for small businesses and a previously determined business plan. A survey conducted of employers indicates that about 1/3 of the employers said they would hire fewer employees. There is a problem with the compliance date of the provisions for businesses. The paid sick leave provisions are devastating to employers. The 80 hour carry forward of the sick leave is mandated by law and employers are prohibited from asking questions of the employee. A new cause of action has been created against employers if sick leave is denied. The state of Alaska is opposing a similar ballot measure.

Testifying in person for the bill were Representative Gallick; Missouri Tire Industry Association; Buddy Lahl, Missouri Restaurant Association; Missouri Grocers Association; Missouri Retailers Association; NFIB (National Federation of Independent Business); Hannibal Regional Healthcare System; Missouri Restaurant Association; Ray Mccarty; Missouri Chamber of Commerce and Industry; Missouri Forest Products Association; and Liberty Utilities.

OPPONENTS: Those who oppose the bill say that in 2006 the minimum wage rate was raised and then in 2018 along with the Consumer Price Index. No challenge was made to the recent initiative petition until after it received voter approval.

Testifying in person against the bill were The Associated Students of the University of Missouri; Abortion Action Missouri; Arnie Dienoff; Mary Creamer; Jobs With Justice Voter Action; and Abortion Action Missouri.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.