

HB 1550 -- EMPLOYMENT PRACTICES INVOLVING WAREHOUSE DISTRIBUTION CENTERS

SPONSOR: Woods

This bill definitions of several terms relating to employment practices governing warehouse distribution centers, including "employee"; "employee work-speed data"; "employer"; "person"; "quota"; and "warehouse distribution center". The Department of Labor and Industrial Relations has regulatory oversight over this bill (Section 285.2000, RSMo).

Under the bill, an employer is required to provide an employee, upon hire, or within 30 days of August 28, 2025, the effective date of this bill, a written description of each quota; adverse employment action that could result from failure to meet each quota; and incentives or bonus programs associated with meeting or exceeding each quota. The written description must be in plain language and in the employee's preferred language. In addition, an employer needs to notify an employee if there is a change to the quota, as indicated in the bill.

The time period considerations relating to the quota, including reasonable travel time, meal breaks, rest breaks, time to access tools or safety equipment, are specified in the bill. In addition, the bill lists factors that are regarded as quota violations. An employee is not required to meet a quota that violates the bill provisions and an employer cannot take adverse action against an employee for failing to meet a quota that violates the bill or was not disclosed to an employee.

The bill requires an employer to maintain and preserve true and accurate records relating to an employee's own personal work-speed data; the aggregated work-speed data for similar employees at the same warehouse distribution center and the written description of each quota provided to an employee. The bill specifies the time period for retention and preservation of the records. Further, an employee has the right to request records relating to the employee's own personal work-speed data for the prior six months and a redacted copy of the prior six months of aggregated work-speed data for similar employees at the same warehouse distribution center. The bill details requirements for a former employee to request records. An employer is required to provide the requested records to an employee at no cost and within the time frame mentioned in the bill (Section 285.2003).

A person, including an employer or their agent and other entities mentioned in the bill, will not discharge or retaliate, discriminate, or take adverse action against an employee or former

employee for exercising their rights including certain matters specified and explained in the bill. The bill also includes provisions relating to evidentiary matters and presumptions (Section 285.2006).

Under the bill, an employee can file a complaint with the Department who will investigate the complaint or designate the Attorney General as its agent to investigate the complaint. The bill provides for the issuance of a citation and notice of assessment or a determination of compliance within 90 days after the Department receives the complaint, unless the complaint is resolved. The bill specifies that the Department can initiate an investigation without receiving a complaint from an employee or request an employer to perform a self-audit of any records within a reasonable time. Details relating to the investigation, notification to be given to affected employees, and self-audit that can be requested for an employer to perform, are included in the bill.

The bill provides for an employer to pay civil penalties associated with violations determined by the Department, including violations of any rule adopted. The first violation will not exceed \$250. The Department can waive or reduce the penalty as indicated in the bill. The Department can also order an employer to provide a corrected written quota to an employee as explained in the bill. In addition to any enforcement authority, the bill authorizes the Department or Attorney General to file an action in the circuit court for the county where the violation is alleged to have occurred (Section 285.2009).

With respect to enforcement actions under the bill, a person, firm, or corporation who is aggrieved by a citation and notice of assessment or determination of compliance by the Department can appeal it to the Administrative Hearing Commission (AHC) within 15 calendar days, otherwise the citation and notice of assessment or determination of compliance that is not appealed within the 15 calendar days is final and binding. The bill provides for a de novo review by the administrative law judge. A final order issued by the AHC is subject to judicial review (Section 285.2012).

The Department has been authorized to promulgate rules and regulations for the administration of the bill. (Section 285.2015)