

HB 1745 -- REQUIREMENTS FOR EMPLOYEES FILING EMPLOYMENT COMPLAINTS

SPONSOR: Miller

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Commerce by a vote of 6 to 2.

On or after January 1, 2027, an employee must file a complaint concerning minimum wage or overtime law violations, with the Department of Labor and Industrial Relations, on a form and in the manner provided by the Department, within the time period specified in the bill, before filing a civil action. The employee must include all the pay periods relating to the alleged violations in the complaint, along with the supporting evidence or documentation that forms the basis of the complaint.

All pay periods ending before the date the complaint is filed, that are not included as part of the complaint, are considered to be in compliance with the law and the employee waives any rights to file a future complaint relating to the omitted pay periods arising from the same violation, to the extent allowed by the Fair Labor Standards Act, Title VII of the Civil Rights Act, or other Federal or State law or regulation.

Upon receiving the complaint, the Department must investigate the allegations in the complaint and issue an investigative report including its findings of underpayment and liquidated damages. The Department must complete its investigation within 90 days after receiving the complaint.

If the Department is unable to resolve the allegations in the complaint, or the employee is dissatisfied with the Department's findings, or the employee rejects the employer's settlement offer within the time frames indicated in the bill, the Department must issue a "right to sue" notice to the employee. The employee has 30 days from the date of receiving the notice to file a lawsuit in the circuit court.

The bill includes time frames for the employer and employee to consider the offer of settlement and make a counteroffer after the Department issues its investigative report or before the "right to sue" notice is issued to the employee. If a valid settlement is reached between the employer and the employee, the Department must issue a notice of dismissal with prejudice, and the employee waives all rights to file a suit relating to the allegations in the complaint.

An employer who is in violation of this bill is subject to penalties under the law, including fines, restitution, and other remedies approved by the court. An employee who files a lawsuit without first filing a complaint with the Department as indicated in the bill, will have the lawsuit dismissed without prejudice and will have to compensate the employer for all legal fees and costs as the court determines.

If the employee files a lawsuit and receives a "right to sue" notice and the court finds that the damages awarded are equal to or less than the greater of the Department's finding or the employer's settlement offer, the employee will be responsible for paying the costs incurred by both the employee and the employer related to the suit.

This bill is similar to HB 896 (2025).

PROPOSERS: Supporters say that this bill is a common sense bill and will benefit all parties. This bill will help protect businesses from predatory lawsuits by providing a way for this type of dispute to be settled before it goes to court. This bill will ensure that employees get paid what they deserve and save businesses money by not having to pay for court fees and punitive monies.

Testifying in person for the bill were Representative Miller; Missouri Insurance Coalition; and Missouri Civil Justice Reform Coalition, Inc.

OPPOSERS: Those who oppose the bill say that this bill is not needed because it is already established in both Federal and State law. This bill could create even more claims against an employer because each pay violation would need it's own claim, thus creating more paperwork and expending state employee time logging the claim. This bill would limit the Department of Labor's ability to investigate because it limits them to investigate one claim at a time. This bill will force the Department to request more funding from the State to hire more employees and train them to take on this increased workload.

Testifying in person against the bill were Michael Hodgson, Hodgson Law Firm.

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.