

December 12, 2016

## Bill Puts an End to Patchwork of Varying Local Employment Benefit Rules

Employers in Ohio scored a significant victory on the next to last day of the 2015-2016 legislative session. Two enormously beneficial amendments were added to Senate Bill 331, a bill that will create predictability and regulatory consistency for pet stores that operate in many different cities. The Ohio Chamber supported both the underlying bill and the inserted amendments.

In response to a growing number of local ballot issues or, in some cases, efforts by local governments, to impose employment-related mandates on private sector employers, amendments were added that will preempt them from enacting different, inflexible and burdensome employment regulations on employers. Specifically, local governments will now be prohibited from establishing a minimum wage that is higher than the rate required under Ohio's Constitution. In addition, private employers will now clearly possess exclusive authority to establish policies, whether on their own or through agreements with employees, concerning hours and location of work, scheduling, and fringe benefits, unless otherwise expressly provided for in state or federal law.

The minimum wage provision was requested by Cleveland City Council President Kevin Kelley and other City of Cleveland leaders. This was prompted by concerns about a pending ballot issue that would raise the city's minimum wage to \$15 per hour. The current state minimum wage is \$8.10 per hour. This labor-backed proposal was set to appear on the ballot in May, but the provision added to SB 331 will block a vote on this proposal from occurring.

Similarly, another ballot issue, though subsequently withdrawn, was filed in Cleveland earlier this year that would have broadened the rights of part-time workers by requiring employers to: provide two weeks advanced notice of work schedules; pay part-time employees the same hourly wage as full-time workers; give part-timers the same benefits, such as paid personal days and vacation time, as full-time workers; and provide the same pro-rated eligibility for other benefits. An equivalent charter amendment was approved by voters in Youngstown in November.

Local governments interfering in matters concerning the private sector results in an assortment of legal requirements and a compliance nightmare. Employers need flexibility in the workplace, not one-size-fits-all mandates. These amendments recognize that differing local regulatory environments have the potential to negatively impact Ohio businesses and, thus, their inclusion in SB 331 also helps protect our state's overall economic competitiveness.

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