

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 72

BY ERPELDING

AN ACT

RELATING TO MINIMUM WAGES; AMENDING SECTION 44-1502, IDAHO CODE, TO REVISE THE CALCULATION OF MINIMUM WAGES FOR EMPLOYEES, TO REVISE THE CALCULATION OF THE WAGES OF TIPPED EMPLOYEES AND TO REMOVE THE CALCULATION OF WAGES FOR EMPLOYEES UNDER TWENTY YEARS OF AGE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 44-1502, Idaho Code, be, and the same is hereby amended to read as follows:

44-1502. MINIMUM WAGES. (1) Except as ~~hereinafter~~ otherwise provided ~~in this section~~, no employer shall pay to any of his employees any wages computed at a rate of less than ~~seven dollars and twenty-five cents (\$7.25) per hour for employment. The amount of the minimum wage shall conform to, and track with, the federal minimum wage~~ eight dollars and seventy-five cents (\$8.75) per hour for employment commencing July 1, 2017, ten dollars and fifty cents (\$10.50) per hour for employment commencing July 1, 2018, and twelve dollars (\$12.00) per hour for employment commencing July 1, 2019. Beginning September 30, 2020, and on each succeeding September 30, the director of the department of commerce shall calculate an adjusted minimum wage rate in direct proportion to an increase or decrease in the United States department of labor's consumer price index for urban wage earners and clerical workers (CPI-W), or a successor index, for the period of July 1 of the previous calendar year to June 30 of the current calendar year. Such adjusted minimum wage shall take effect on January 1 of the following year, and no employer shall pay to any of his employees any wages computed at a rate of less than such adjusted minimum wage.

(2) In determining the wage of a tipped employee, the amount of direct wages paid by an employer to the employee shall be deemed to be increased on account of tips actually received by the employee; provided however, the direct wages paid to the employee by the employer shall not be in an amount less than ~~three dollars and thirty-five cents (\$3.35) an hour~~ four dollars and thirty-five cents (\$4.35) per hour for employment commencing July 1, 2017, five dollars and eighty-five cents (\$5.85) per hour for employment commencing July 1, 2018, and seven dollars and thirty-five cents (\$7.35) per hour for employment commencing July 1, 2019. Beginning September 30, 2020, and on each succeeding September 30, the director of the department of commerce shall calculate an adjusted minimum wage rate in direct proportion to an increase or decrease in the United States department of labor's consumer price index for urban wage earners and clerical workers (CPI-W), or a successor index, for the period of July 1 of the previous calendar year to June 30 of the current calendar year. Such adjusted minimum wage shall take effect on January 1 of the following year, and no employer shall pay to any of his employees any wages computed at a rate of less than such adjusted minimum wage.

1 If the tips actually received by the employee combined with the direct wages
2 paid by the employer do not at least equal the minimum wage, the employer must
3 make up the difference. In the event a dispute arises between the employee
4 and the employer with respect to the amount of tips actually received by the
5 employee, it shall be the employer's burden to demonstrate the amount of tips
6 actually received by the employee. Any portion of tips paid to an employee,
7 which is shared with other employees under a tip pooling or similar arrange-
8 ment, shall not be deemed, for the purpose of this section, to be tips actu-
9 ally received by the employee.

10 ~~(3) In lieu of the rate prescribed by subsection (1) of this section,~~
11 ~~an employer may pay an employee who has not attained twenty (20) years of~~
12 ~~age a wage which is not less than four dollars and twenty-five cents (\$4.25)~~
13 ~~an hour during the first ninety (90) consecutive calendar days after such~~
14 ~~employee is initially employed. No employer may take any action to displace~~
15 ~~employees (including partial displacements such as reduction in hours,~~
16 ~~wages or employment benefits) for purposes of hiring individuals at the wage~~
17 ~~authorized in this subsection.~~

18 ~~(4)~~ No political subdivision of this state, as defined by section
19 6-902, Idaho Code, shall establish by ordinance or other action minimum
20 wages higher than the minimum wages provided in this section.