

IN THE SENATE

SENATE BILL NO. 1334

BY STATE AFFAIRS COMMITTEE

AN ACT

RELATING TO MINIMUM WAGES; AMENDING SECTION 44-1502, IDAHO CODE, TO REVISE PROVISIONS RELATING TO MINIMUM WAGES, TO ESTABLISH PROVISIONS RELATING TO A WAGE OF EIGHT DOLLARS AND FIFTY CENTS PER HOUR, TO ESTABLISH PROVISIONS RELATING TO A WAGE OF NINE DOLLARS AND SEVENTY-FIVE CENTS PER HOUR, TO ESTABLISH PROVISIONS TO CALCULATE THE ADJUSTED MINIMUM WAGE RATE IN PROPORTION TO AN INCREASE OR DECREASE IN A CERTAIN INDEX, TO REVISE PROVISIONS RELATING TO DETERMINING THE WAGE OF A TIPPED EMPLOYEE, TO ESTABLISH PROVISIONS RELATING TO A WAGE OF THREE DOLLARS AND EIGHTY CENTS PER HOUR, TO ESTABLISH PROVISIONS RELATING TO A WAGE OF FOUR DOLLARS AND TWENTY-FIVE CENTS PER HOUR, TO ESTABLISH PROVISIONS RELATING TO CALCULATING THE ADJUSTED MINIMUM WAGE RATE IN PROPORTION TO AN INCREASE OR DECREASE IN A CERTAIN INDEX, TO PROVIDE THAT AN EMPLOYER MAY PAY AN EMPLOYEE WHO HAS NOT ATTAINED EIGHTEEN YEARS OF AGE A CERTAIN WAGE, TO PROVIDE THAT AFTER A CERTAIN PERIOD, NO EMPLOYER SHALL PAY CERTAIN EMPLOYEES A WAGE AT A RATE LESS THAN THE ADJUSTED MINIMUM WAGE AND TO MAKE TECHNICAL CORRECTIONS.

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 ~~four dollars and seventy-five cents (\$4.75) commencing April 1, 1997, and five dollars and fifteen cents (\$5.15) commencing September 1, 1997,~~ eight dollars and fifty cents (\$8.50) per hour for employment commencing July 1, 2014 and nine dollars and seventy-five cents (\$9.75) per hour commencing July 1, 2015. The amount of the minimum wage shall conform to, and track with, the federal minimum wage Beginning September 30, 2016, and on each succeeding September 30, the director of the department of commerce shall calculate the 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~~ eighty cents (\$3.~~35~~80) ~~an~~ per hour

commencing July 1, 2014 and four dollars and twenty five cents (\$4.25) per hour commencing July 1, 2015. Beginning September 30, 2016, and on each succeeding September 30, the director of the department of commerce shall calculate the 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. If the tips actually received by the employee combined with the direct wages paid by the employer do not at least equal the minimum wage, the employer must make up the difference. In the event a dispute arises between the employee and the employer with respect to the amount of tips actually received by the employee, it shall be the employer's burden to demonstrate the amount of tips actually received by the employee. Any portion of tips paid to an employee, which is shared with other employees under a tip pooling or similar arrangement, shall not be deemed, for the purpose of this section, to be tips actually received by the employee.

(3) ~~In lieu of the rate prescribed by subsection (1) of this section,~~
 aAn employer may pay an employee who has not attained ~~twenty (20)~~ eighteen (18) years of age a wage ~~which that~~ is not less than four dollars and ~~twenty-five~~ seventy cents (\$4.2570) ~~an~~ per hour commencing July 1, 2014 and five dollars and thirty-five cents (\$5.35) per hour commencing July 1, 2015 during the first ~~ninety (90)~~ thirty (30) consecutive calendar days after such employee is initially employed. After such thirty (30) day period, no employer shall pay to any such employee a wage at a rate of less than that provided in subsection (1) of this section. No employer may take any action to displace employees, ~~(including partial displacements such as reduction in hours, wages or employment benefits),~~ for purposes of hiring individuals at the wage authorized in this subsection.