Regular Session, 2014

HOUSE BILL NO. 356

BY REPRESENTATIVES DIXON, JAMES, AND HUNTER

EMPLOYMENT/WAGES-MINIMUM: Establishes a state minimum wage

1   AN ACT

2   To enact Chapter 6-B of Title 23 of the Louisiana Revised Statutes of 1950, to be comprised

3   of R.S. 23:671 through 674, relative to minimum wage; to establish a state minimum

4   wage; to provide for procedures for the determination of an annual increase; to

5   provide for enforcement; to provide for exceptions; and to provide for related

6   matters.

7   Be it enacted by the Legislature of Louisiana:

8   Section 1.   Chapter 6-B of Title 23 of the Louisiana Revised Statutes of 1950,

9   comprised of R.S. 23:671 through 674, is hereby enacted to read as follows:

10   CHAPTER 6-B. MINIMUM WAGE

11   §671. Minimum wage; establishment

12   A. Notwithstanding any other provision of law to the contrary, the state

13   minimum wage is established and set as follows:

14   (1) Beginning July 1, 2015, the minimum wage shall be set at eight dollars

15   and twenty-five cents per hour.   Every employer in the state shall pay to each

16   employee wages at a rate of not less than eight dollars and twenty-five cents per hour

17   for hours worked in a pay period regardless of how the time at work is measured.

18   (2) Beginning July 1, 2016, the minimum wage shall be set at nine dollars

19   per hour. Every employer in the state shall pay to each employee wages at a rate of

1   not less than nine dollars per hour for hours worked in a pay period regardless of

2   how the time at work is measured.

3   (3)(a) Beginning July 1, 2017, the minimum wage shall increase annually on

4   July 1 in an amount determined by the Consumer Price Index or its successor

5   publication, as determined by the Bureau of Labor Statistics.

6   (b) The executive director of the Louisiana Workforce Commission shall

7   calculate the new minimum wage annually. In calculating the annual percentage

8   increase in the Consumer Price Index, the executive director shall compare such

9   Consumer Price Index for the most recent month, quarter, or year available, as

10   selected by the executive director prior to the first year for which a minimum wage

11   is in effect pursuant to this Chapter, with the Consumer Price Index for the same

12   month in the preceding year, the same quarter in the preceding year, or the preceding

13   year, respectively, and round to the nearest five cents.

14   B. If, at any time, the federal minimum hourly wage rate set by Section 6 of

15   the federal Fair Labor Standards Act of 1938, or a successor federal law, is raised to

16   a level higher than the state minimum wage rate, then the state minimum wage rate

17   shall be increased to the level of the federal minimum wage rate and all subsequent

18   increases based on increases in the Consumer Price Index pursuant to Paragraph

19   (A)(3) of this Section shall be applied to the state minimum wage rate.

20   §672. Enforcement

21   The Louisiana Workforce Commission shall be responsible for the

22   enforcement of the Chapter and is authorized and directed to promulgate rules and

23   regulations pursuant to the provisions of the Administrative Procedures Act

24   necessary for the implementation of the provisions of this Chapter.

25   §673. Penalties

26   A. Whoever violates the provisions of this Chapter shall be fined not less

27   than five hundred dollars and not more than one thousand dollars per employee not

28   receiving minimum wage. The employer shall pay the employee the difference

1   between the wages actually paid to the employee and the minimum wage rate in

2   effect at the time the employee was paid.

3   B. Penalties may be imposed by a ruling of the executive director pursuant

4   to an adjudicatory hearing held in accordance with the Administrative Procedure Act,

5   R.S. 49:950 et seq.

6   §674. Exceptions

7   The provisions of this Chapter shall not apply to student employees of the

8   state or student employees of state colleges and universities.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Dixon   HB No. 356

Abstract: Establishes a state minimum wage.

Proposed law establishes a state minimum wage and sets it at $8.25 per hour beginning July 1, 2015.

Proposed law provides that the state minimum wage shall be $9.00 per hour beginning July 1, 2016.

Proposed law provides that the state minimum wage shall be adjusted annually to allow for inflation, beginning July 1, 2017, and the increase shall be determined by the Consumer Price Index.

Proposed law provides that the executive director of the Louisiana Workforce Commission (LWC) determine the annual increase amount and provides the method by which the determination is made.

Proposed law requires that if the federal minimum wage is raised, the state minimum wage shall also be raised and the annual increase based on the Consumer Price Index shall continue based on the increased amount.

Proposed law provides a fine of not less than $500 and not more than $1,000 per employee for failure to pay minimum wage.

Proposed law further requires that an employer who fails to pay his employee minimum wage shall pay the employee the difference between what the employee was paid, and minimum wage.

Proposed law provides that LWC shall be in charge of enforcement of the minimum wage laws and authorizes the agency to promulgate rules and regulations necessary in its implementation.

Proposed law provides the procedure for the executive director of LWC to impose penalties.

<u>Proposed law</u> excludes student workers employed with the state and with state colleges and universities from the minimum wage requirement.

(Adds R.S. 23:671-674)