
DIGEST

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Hunter

HB No. 969

Abstract: Provides for a minimum wage of \$10.10 per hour for federal contractors and subcontractors.

Proposed law mirrors the presidential executive order issued by President Obama on February 12, 2014, which requires that employers who are contractors or subcontractors with the federal government shall pay their employees a wage of \$10.10 per hour beginning Jan. 1, 2015.

Proposed law provides that beginning Jan. 1, 2016, and annually thereafter, the minimum wage will be raised annually by an amount determined by the secretary of the USDOL by using the Consumer Price Index (CPI).

Proposed law provides the procedure that the secretary is to use to calculate the annual raise of the minimum wage.

Proposed law requires that tipped employees shall earn \$4.90 per hour beginning Jan. 1, 2015.

Proposed law provides that the minimum wage rate for tipped employees shall rise annually by 70% or \$0.95, whichever is lesser, until it reaches an amount equal to 70% of the annual federal minimum wage required for federal contractors and subcontractors.

Proposed law provides that when tipped workers do not earn the required amount between the base pay and tips, the employer shall pay the difference.

Proposed law requires the secretary of the USDOL to issue regulations necessary for the implementation of the executive order.

Proposed law provides that proposed law does not create a right of action against the United States.

Proposed law provides that the wages of workers under the contracts or contract-like instruments are governed by the FLSA, the Service Contract Act, or the Davis-Bacon Act.

Proposed law provides that proposed law does not apply to grants, contracts and agreements with and grants to Indian Tribes.

Proposed law encourages independent agencies to comply with the provisions of the order.

(Adds R.S. 23:671-676)