

ASSEMBLY, No. 2108

STATE OF NEW JERSEY 213th LEGISLATURE

INTRODUCED FEBRUARY 25, 2008

Sponsored by:
Assemblyman REED GUSCIORA
District 15 (Mercer)

SYNOPSIS

Raises minimum wage to \$7.40, then makes annual adjustments based on CPI increases.

CURRENT VERSION OF TEXT

As introduced.



A2108 GUSCIORA

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1 AN ACT increasing the minimum wage and amending P.L.1966,
2 c.113.

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4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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7 1. Section 5 of P.L.1966, c.113 (C.34:11-56a4) is amended to
8 read as follows:

9 5. Every employer shall pay to each of his employees wages at a
10 rate of not less than **[\$5.05 per hour as of April 1, 1992 and, after**
11 **January 1, 1999 the federal minimum hourly wage rate set by**
12 **section 6(a)(1) of the federal "Fair Labor Standards Act of 1938"**
13 **(29U.S.C. s.206(a)(1)), and, as of October 1, 2005, \$6.15 per hour,**
14 **and as of October 1, 2006,] \$7.15 per hour as of October 1, 2006,**
15 **and not less than \$7.40 per hour as of December 31, 2008,** for 40
16 hours of working time in any week and 1 1/2 times such employee's
17 regular hourly wage for each hour of working time in excess of 40
18 hours in any week, except this overtime rate shall not include any
19 individual employed in a bona fide executive, administrative, or
20 professional capacity or, if an applicable wage order has been
21 issued by the commissioner under section 17 (C.34:11-56a16) of
22 this act, not less than the wages prescribed in said order.
23 Commencing with calendar year 2009, the commissioner shall, no
24 later than July 1 of each year, adjust the minimum hourly wage rate
25 set forth in this section in direct proportion to any rise which occurs
26 during the preceding calendar year in the Consumer Price Index for
27 all urban consumers in the New York City and the Philadelphia
28 areas as reported by the United States Department of Labor and the
29 adjustment shall become effective on October 1 of each year. The
30 wage rates fixed in this section shall not be applicable to part-time
31 employees primarily engaged in the care and tending of children in
32 the home of the employer, to persons under the age of 18 not
33 possessing a special vocational school graduate permit issued
34 pursuant to section 15 of P.L.1940, c.153 (C.34:2-21.15), or to
35 persons employed as salesmen of motor vehicles, or to persons
36 employed as outside salesmen as such terms shall be defined and
37 delimited in regulations adopted by the commissioner, or to persons
38 employed in a volunteer capacity and receiving only incidental
39 benefits at a county or other agricultural fair by a nonprofit or
40 religious corporation or a nonprofit or religious association which
41 conducts or participates in that fair.

42 The provisions of this section for the payment to an employee of
43 not less than 1 1/2 times such employee's regular hourly rate for
44 each hour of working time in excess of 40 hours in any week shall
45 not apply to employees engaged to labor on a farm or employed in a

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 hotel or to an employee of a common carrier of passengers by motor
2 bus or to a limousine driver who is an employee of an employer
3 engaged in the business of operating limousines or to employees
4 engaged in labor relative to the raising or care of livestock.

5 Employees engaged on a piece-rate or regular hourly rate basis to
6 labor on a farm shall be paid for each day worked not less than the
7 minimum hourly wage rate multiplied by the total number of hours
8 worked.

9 Full-time students may be employed by the college or university
10 at which they are enrolled at not less than 85% of the effective
11 minimum wage rate.

12 Notwithstanding the provisions of this section to the contrary,
13 every trucking industry employer shall pay to all drivers, helpers,
14 loaders and mechanics for whom the Secretary of Transportation
15 may prescribe maximum hours of work for the safe operation of
16 vehicles, pursuant to section 31502(b) of the federal Motor Carrier
17 Act, 49 U.S.C.s.31502(b), an overtime rate not less than 1 1/2 times
18 the minimum wage required pursuant to this section [and N.J.A.C.
19 12:56-3.1]. Employees engaged in the trucking industry shall be
20 paid no less than the minimum wage rate as provided in this section
21 [and N.J.A.C. 12:56-3.1]. As used in this section, "trucking
22 industry employer" means any business or establishment primarily
23 operating for the purpose of conveying property from one place to
24 another by road or highway, including the storage and warehousing
25 of goods and property. Such an employer shall also be subject to the
26 jurisdiction of the Secretary of Transportation pursuant to the
27 federal Motor Carrier Act, 49 U.S.C.s.31501 et seq., whose
28 employees are exempt under section 213(b)(1) of the federal "Fair
29 Labor Standards Act of 1938," 29U.S.C. s.213(b)(1), which
30 provides an exemption to employees regulated by section 207 of the
31 federal "Fair Labor Standards Act of 1938," 29 U.S.C.s.207, and the
32 Interstate Commerce Act, 49 U.S.C.s.501 et al.

33 The provisions of this section shall not be construed as
34 prohibiting any political subdivision of the State from adopting an
35 ordinance, resolution, regulation or rule, or entering into any
36 agreement, establishing any standard for vendors, contractors and
37 subcontractors of the subdivision regarding wage rates or overtime
38 compensation which is higher than the standards provided for in
39 this section, and no provision of any other State or federal law
40 establishing a minimum standard regarding wages or other terms
41 and conditions of employment shall be construed as preventing a
42 political subdivision of the State from adopting an ordinance,
43 resolution, regulation or rule, or entering into any agreement,
44 establishing a standard for vendors, contractors and subcontractors
45 of the subdivision which is higher than the State or federal law or
46 which otherwise provides greater protections or rights to employees
47 of the vendors, contractors and subcontractors of the subdivision,
48 unless the State or federal law expressly prohibits the subdivision

A2108 GUSCIORA

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1 from adopting the ordinance, resolution, regulation or rule, or
2 entering into the agreement.

3 (cf: P.L.2005, c.70, s.1)

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5 2. This act shall take effect immediately.

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STATEMENT

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10 This bill increases New Jersey's hourly minimum wage rate to
11 \$7.40 on December 31, 2007 and then requires that, starting in
12 calendar year 2009, the minimum wage rate be adjusted annually,
13 based on any increase in the Consumer Price Index (CPI), with the
14 adjustment taking effect on October 1 of each year.