SYNOPSIS

Increases minimum wage to $8.50, then makes annual adjustments based on CPI increases.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on November 19, 2012, with amendments.
AN ACT increasing the minimum wage and amending P.L.1966, c.113.

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

1. Section 5 of P.L.1966, c.113 (C.34:11-56a4) is amended to read as follows:
   5. Every employer shall pay to each of his employees wages at a rate of not less than $5.05 per hour as of April 1, 1992 and, after January 1, 1999 the federal minimum hourly wage rate set by section 6(a)(1) of the federal "Fair Labor Standards Act of 1938" (29 U.S.C. s.206(a)(1)), and, as of October 1, 2005, $6.15 per hour, and as of October 1, 2006, $5.05 per hour as of April 1, 1992 and, after January 1, 1999 the federal minimum hourly wage rate set by section 6 of the federal "Fair Labor Standards Act of 1938" (29 U.S.C. s.206), and, as of October 1, 2005, $6.15 per hour, and $7.15 per hour as of October 1, 2006, and not less than $8.50 per hour as of July 1, 2012 for 40 hours of working time in any week and 1 1/2 times such employee's regular hourly wage for each hour of working time in excess of 40 hours in any week, except this overtime rate shall not include any individual employed in a bona fide executive, administrative, or professional capacity or, if an applicable wage order has been issued by the commissioner under section 17 (C.34:11-56a16) of this act, not less than the wages prescribed in said order. Commencing with calendar year 2013, the commissioner shall, no later than March 31 of each year, adjust the minimum hourly wage rate set forth in this section in direct proportion to any increase which occurs during the preceding calendar year in the Consumer Price Index for all urban consumers in the New York City and the Philadelphia areas, as reported by the United States Department of Labor, and the adjustment shall become effective on July 1 of each year. On September 30, 2013, and on September 30 of each subsequent year, the commissioner shall increase the minimum hourly wage rate set forth in this section in direct proportion to any increase which occurs during the one year prior to that September 30 in the consumer price index for all urban wage earners and clerical workers (CPI-W) as calculated by the federal government, and the increase shall become effective on the following January 1. If, at any time, the federal minimum hourly wage rate set by section 6 of the federal "Fair Labor Standards Act of 1938" (29 U.S.C. s.206), or a successor federal law, is raised to a level higher than the State minimum wage rate, then the State minimum wage rate shall be

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.

Matter enclosed in superscript numerals has been adopted as follows:

1Senate SBA committee amendments adopted November 19, 2012.
increased to the level of the federal minimum wage rate and all subsequent increases based on increases in the CPI-W pursuant to this section shall be applied to the State minimum wage rate as increased to match the federal minimum wage rate. The wage rates fixed in this section shall not be applicable to part-time employees primarily engaged in the care and tending of children in the home of the employer, to persons under the age of 18 not possessing a special vocational school graduate permit issued pursuant to section 15 of P.L.1940, c.153 (C.34:2-21.15), or to persons employed as salesmen of motor vehicles, or to persons employed as outside salesmen as such terms shall be defined and delimited in regulations adopted by the commissioner, or to persons employed in a volunteer capacity and receiving only incidental benefits at a county or other agricultural fair by a nonprofit or religious corporation or a nonprofit or religious association which conducts or participates in that fair.

The provisions of this section for the payment to an employee of not less than 1 1/2 times such employee's regular hourly rate for each hour of working time in excess of 40 hours in any week shall not apply to employees engaged to labor on a farm or employed in a hotel or to an employee of a common carrier of passengers by motor bus or to a limousine driver who is an employee of an employer engaged in the business of operating limousines or to employees engaged in labor relative to the raising or care of livestock.

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

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

Notwithstanding the provisions of this section to the contrary, every trucking industry employer shall pay to all drivers, helpers, loaders and mechanics for whom the Secretary of Transportation may prescribe maximum hours of work for the safe operation of vehicles, pursuant to section 31502(b) of the federal Motor Carrier Act, 49 U.S.C.s.31502(b), an overtime rate not less than 1 1/2 times the minimum wage required pursuant to this section [and N.J.A.C. 12:56-3.1]. Employees engaged in the trucking industry shall be paid no less than the minimum wage rate as provided in this section [and N.J.A.C. 12:56-3.1]. As used in this section, "trucking industry employer" means any business or establishment primarily operating for the purpose of conveying property from one place to another by road or highway, including the storage and warehousing of goods and property. Such an employer shall also be subject to the jurisdiction of the Secretary of Transportation pursuant to the federal Motor Carrier Act, 49 U.S.C.s.31501 et seq., whose employees are exempt under section 213(b)(1) of the federal "Fair

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

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

2. This act shall take effect immediately.