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

CURRENT VERSION OF TEXT
As introduced.
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, $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. 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

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.
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
provides an exemption to employees regulated by section 207 of the
Interstate Commerce Act, 49 U.S.C.s.501 et al.

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.

STATEMENT

This bill increases New Jersey's hourly minimum wage rate to $8.50 on July 1, 2012 and then requires that, starting in calendar year 2013, the minimum wage rate be adjusted annually, based on any increase in the Consumer Price Index (CPI) in the previous calendar year, with the adjustment taking effect on July 1 of each year.