

[First Reprint]

ASSEMBLY, No. 2162

STATE OF NEW JERSEY

215th LEGISLATURE

INTRODUCED JANUARY 30, 2012

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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.

(Sponsorship Updated As Of: 11/30/2012)

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

3

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

6

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
10 a 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 (29 U.S.C. s.206(a)(1)), and, as of October 1, 2005, \$6.15 per hour,
14 and as of October 1, 2006,] '\$5.05 per hour as of April 1, 1992 and,
15 after January 1, 1999 the federal minimum hourly wage rate set by
16 section 6 of the federal "Fair Labor Standards Act of 1938" (29
17 U.S.C. s.206), and, as of October 1, 2005, \$6.15 per hour, and'
18 \$7.15 per hour as of October 1, 2006, and not less than \$8.50 per
19 hour as of 'July 1, 2012' March 1, 2013', for 40 hours of working
20 time in any week and 1 1/2 times such employee's regular hourly
21 wage for each hour of working time in excess of 40 hours in any
22 week, except this overtime rate shall not include any individual
23 employed in a bona fide executive, administrative, or professional
24 capacity or, if an applicable wage order has been issued by the
25 commissioner under section 17 (C.34:11-56a16) of this act, not less
26 than the wages prescribed in said order. 'Commencing with
27 calendar year 2013, the commissioner shall, no later than March 31
28 of each year, adjust the minimum hourly wage rate set forth in this
29 section in direct proportion to any increase which occurs during the
30 preceding calendar year in the Consumer Price Index for all urban
31 consumers in the New York City and the Philadelphia areas, as
32 reported by the United States Department of Labor, and the
33 adjustment shall become effective on July 1 of each year.] On
34 September 30, 2013, and on September 30 of each subsequent year,
35 the commissioner shall increase the minimum hourly wage rate set
36 forth in this section in direct proportion to any increase which
37 occurs during the one year prior to that September 30 in the
38 consumer price index for all urban wage earners and clerical
39 workers (CPI-W) as calculated by the federal government, and the
40 increase shall become effective on the following January 1. If, at
41 any time, the federal minimum hourly wage rate set by section 6 of
42 the federal "Fair Labor Standards Act of 1938" (29 U.S.C. s.206), or
43 a successor federal law, is raised to a level higher than the State
44 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.

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

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

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

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

32 Notwithstanding the provisions of this section to the contrary,
33 every trucking industry employer shall pay to all drivers, helpers,
34 loaders and mechanics for whom the Secretary of Transportation
35 may prescribe maximum hours of work for the safe operation of
36 vehicles, pursuant to section 31502(b) of the federal Motor Carrier
37 Act, 49 U.S.C.s.31502(b), an overtime rate not less than 1 1/2 times
38 the minimum wage required pursuant to this section **[and N.J.A.C.**
39 **12:56-3.1].** Employees engaged in the trucking industry shall be
40 paid no less than the minimum wage rate as provided in this section
41 **[and N.J.A.C. 12:56-3.1].** As used in this section, "trucking
42 industry employer" means any business or establishment primarily
43 operating for the purpose of conveying property from one place to
44 another by road or highway, including the storage and warehousing
45 of goods and property. Such an employer shall also be subject to the
46 jurisdiction of the Secretary of Transportation pursuant to the
47 federal Motor Carrier Act, 49 U.S.C.s.31501 et seq., whose
48 employees are exempt under section 213(b)(1) of the federal "Fair

1 Labor Standards Act of 1938," 29 U.S.C. s.213(b)(1), which
2 provides an exemption to employees regulated by section 207 of the
3 federal "Fair Labor Standards Act of 1938," 29 U.S.C.s.207, and the
4 Interstate Commerce Act, 49 U.S.C.s.501 et al.

5 The provisions of this section shall not be construed as
6 prohibiting any political subdivision of the State from adopting an
7 ordinance, resolution, regulation or rule, or entering into any
8 agreement, establishing any standard for vendors, contractors and
9 subcontractors of the subdivision regarding wage rates or overtime
10 compensation which is higher than the standards provided for in
11 this section, and no provision of any other State or federal law
12 establishing a minimum standard regarding wages or other terms
13 and conditions of employment shall be construed as preventing a
14 political subdivision of the State from adopting an ordinance,
15 resolution, regulation or rule, or entering into any agreement,
16 establishing a standard for vendors, contractors and subcontractors
17 of the subdivision which is higher than the State or federal law or
18 which otherwise provides greater protections or rights to employees
19 of the vendors, contractors and subcontractors of the subdivision,
20 unless the State or federal law expressly prohibits the subdivision
21 from adopting the ordinance, resolution, regulation or rule, or
22 entering into the agreement.

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

24

25 2. This act shall take effect immediately.