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Senate Bill 314

By: Senators James of the 35th, Fort of the 39th, Orrock of the 36th, Henson of the 41st, Tate of the 38th and others

A BILL TO BE ENTITLED AN ACT

- 1 To amend Chapter 4 of Title 34 of the Official Code of Georgia Annotated, relating to
- 2 minimum wage, so as to provide for a substantive and comprehensive reform of provisions
- 3 regarding the minimum wage law; to provide for an increase in the minimum wage; to
- 4 provide for annual minimum wage increases to match the rising cost of living; to provide a
- 5 credit toward the minimum wage for employers of tipped workers; to provide for related
- 6 matters; to provide an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 SECTION 1.

- 9 Chapter 4 of Title 34 of the Official Code of Georgia Annotated, relating to minimum wage,
- 10 is amended by revising Code Section 34-4-3, relating to amount of minimum wage to be paid
- 11 by employers, as follows:
- 12 "34-4-3.

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- 13 (a) Except as otherwise provided in this Code section, every employer, whether a person,
- 14 firm, or corporation, shall pay to all covered employees a minimum wage which shall be
- not less than \$5.15 \(\)\frac{\$10.10}{2}\) per hour for each hour worked in the employment of such
- employer. On January 1, 2015, and on January 1 of each successive year thereafter, the
- 17 minimum wage shall be increased by the increase in the cost of living, if any. On
- September 30, 2014, and on September 20 of each successive year thereafter, the Georgia
- 19 Department of Labor shall measure the increase in the cost of living as being the
- 20 percentage increase as of the preceding July over the July level of the immediately
- 21 preceding year according to the Consumer Price Index for Urban Wage Earners and
- 22 <u>Clerical Workers (CPI-W) or its successor index as published by the United States</u>
- 23 Department of Labor or its successor agency. Each adjusted minimum wage rate
- 24 <u>calculated shall be published and take effect on the following January 1.</u>
- 25 (b) Employers of employees who meet the eligibility requirements for the tip credit under
- 26 <u>the federal Fair Labor Standards Act, 29 U.S.C. Section 203(t), may credit tips towards the</u>
- 27 <u>satisfaction of up to 50 percent of the minimum wage provided by this Code section.</u>

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- 28 $\frac{\text{(b)}(c)}{\text{(c)}}$ This chapter shall not apply with respect to:
- 29 (1) Any employer that has sales of \$40,000.00 per year or less;
- 30 (2) Any employer having five employees or less;
- 31 (3) Any employer of domestic employees;
- 32 (4) Any employer who is a farm owner, sharecropper, or land renter;
- 33 (5) Any employee whose compensation consists wholly or partially of gratuities;
- 34 (6) Any employee who is a high school or college student;
- 35 (7) Any individual who is employed as a newspaper carrier; or
- 36 (8) Any individual who is employed by a nonprofit child-caring institution or long-term
- 37 care facility serving children or mentally disabled adults who are enrolled in such
- institution and reside in residential facilities of the institution, if such employee resides
- in such facilities, receives without cost board and lodging from such institution, and is
- 40 compensated on a cash basis at an annual rate of not less than \$10,000.00.
- 41 (c)(d) This chapter shall not apply to any employer who is subject to the minimum wage
- provisions of any act of Congress as to employees covered thereby if such act of Congress
- provides for a minimum wage which is greater than the minimum wage which is provided
- 44 for in this Code section."

45 SECTION 2.

- 46 This Act shall become effective 60 days after its approval by the Governor or upon its
- 47 becoming law without such approval.

48 SECTION 3.

49 All laws and parts of laws in conflict with this Act are repealed.