

ASSEMBLY BILL NO. 185—ASSEMBLYMEN MCARTHUR, MATTHEWS, WHEELER, TITUS, DICKMAN; BLACK, ELLISON, HANSEN, HARDY, KRASNER, LEAVITT, O’NEILL AND ROBERTS

MARCH 4, 2021

JOINT SPONSORS: SENATORS GOICOECHEA AND HANSEN

Referred to Committee on Commerce and Labor

SUMMARY—Eliminates certain scheduled increases in the minimum wage. (BDR 53-688)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to wages; eliminating certain scheduled increases to the minimum wage; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Section 16 of Article 15 of the Nevada Constitution requires private employers
2 to pay a minimum wage of \$5.15 per hour worked if the employer provides certain
3 health benefits or \$6.15 per hour worked if the employer does not provide such
4 benefits. The Nevada Constitution also requires the minimum wage to be adjusted
5 each year by the amount of any increase in the federal minimum wage over \$5.15
6 per hour or, if greater, by the cumulative increase in the cost of living measured by
7 the Consumer Price Index (CPI), except the CPI adjustment for any 1-year period
8 may not be greater than 3 percent. (Nev. Const. Art. 15, § 16) Since 2009, the Fair
9 Labor Standards Act of 1938 has set the federal minimum wage at \$7.25 per hour.
10 (29 U.S.C. § 206)

11 The Nevada Supreme Court has recognized that the savings clause of the Fair
12 Labor Standards Act of 1938 “evidences congressional intent to leave room for
13 state law to establish higher minimum wages than those set” by the Fair Labor
14 Standards Act of 1938. (*Dancer v. Golden Coin, Ltd.*, 124 Nev. 28, 33 (2008); 29
15 U.S.C. § 218(a))

16 Existing law requires each employer to pay to each employee, beginning on
17 July 1, 2020, a wage that is not less than: (1) \$9 per hour worked, if the employer
18 does not offer health benefits to the employee in the manner described in Section
19 16 of Article 15 of the Nevada Constitution; and (2) \$8 per hour worked, if the



20 employer offers health benefits to the employee in the manner described in Section
21 16 of Article 15 of the Nevada Constitution. Existing law also provides that the
22 minimum wage must be increased by 75 cents on July 1 of each year until 2024
23 when the minimum wage reaches: (1) \$12 per hour worked, if the employer does
24 not offer health benefits to the employee in the manner described in Section 16 of
25 Article 15 of the Nevada Constitution; and (2) \$11 per hour worked if the employer
26 offers health benefits to the employee in the manner described in Section 16 of
27 Article 15 of the Nevada Constitution. (NRS 608.250) As a result, the minimum
28 wage in Nevada is currently \$8 per hour if the employer provides certain health
29 benefits and \$9 per hour if the employer does not provide such benefits. This bill
30 eliminates these scheduled increases in the minimum wage in Nevada so that the
31 minimum wage in Nevada will remain at its current rate unless the minimum wage
32 must be increased above that rate in accordance with Section 16 of Article 15 of the
33 Nevada Constitution.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 608.250 is hereby amended to read as follows:
2 608.250 1. Each employer shall pay to each employee of the
3 employer a wage of not less than:

4 (a) Beginning July 1, 2019:

5 (1) If the employer offers health benefits to the employee in
6 the manner described in Section 16 of Article 15 of the Nevada
7 Constitution, \$7.25 per hour worked.

8 (2) If the employer does not offer health benefits to the
9 employee in the manner described in Section 16 of Article 15 of the
10 Nevada Constitution, \$8.25 per hour worked.

11 (b) Beginning July 1, 2020:

12 (1) If the employer offers health benefits to the employee in
13 the manner described in Section 16 of Article 15 of the Nevada
14 Constitution, \$8.00 per hour worked.

15 (2) If the employer does not offer health benefits to the
16 employee in the manner described in Section 16 of Article 15 of the
17 Nevada Constitution, \$9.00 per hour worked.

18 ~~(c) Beginning July 1, 2021:~~

19 ~~— (1) If the employer offers health benefits to the employee in~~
20 ~~the manner described in Section 16 of Article 15 of the Nevada~~
21 ~~Constitution, \$8.75 per hour worked.~~

22 ~~— (2) If the employer does not offer health benefits to the~~
23 ~~employee in the manner described in Section 16 of Article 15 of the~~
24 ~~Nevada Constitution, \$9.75 per hour worked.~~

25 ~~(d) Beginning July 1, 2022:~~

26 ~~— (1) If the employer offers health benefits to the employee in~~
27 ~~the manner described in Section 16 of Article 15 of the Nevada~~
28 ~~Constitution, \$9.50 per hour worked.~~



1 ~~—— (2) If the employer does not offer health benefits to the~~
2 ~~employee in the manner described in Section 16 of Article 15 of the~~
3 ~~Nevada Constitution, \$10.50 per hour worked.~~

4 ~~—— (e) Beginning July 1, 2023:~~

5 ~~—— (1) If the employer offers health benefits to the employee in~~
6 ~~the manner described in Section 16 of Article 15 of the Nevada~~
7 ~~Constitution, \$10.25 per hour worked.~~

8 ~~—— (2) If the employer does not offer health benefits to the~~
9 ~~employee in the manner described in Section 16 of Article 15 of the~~
10 ~~Nevada Constitution, \$11.25 per hour worked.~~

11 ~~—— (f) Beginning July 1, 2024:~~

12 ~~—— (1) If the employer offers health benefits to the employee in~~
13 ~~the manner described in Section 16 of Article 15 of the Nevada~~
14 ~~Constitution, \$11.00 per hour worked.~~

15 ~~—— (2) If the employer does not offer health benefits to the~~
16 ~~employee in the manner described in Section 16 of Article 15 of the~~
17 ~~Nevada Constitution, \$12.00 per hour worked.]~~

18 2. It is unlawful for any person to employ, cause to be
19 employed or permit to be employed, or to contract with, cause to be
20 contracted with or permit to be contracted with, any person for a
21 wage less than that established by this section.

22 **Sec. 2.** This act becomes effective upon passage and approval.



