SENATE BILL NO. 106–COMMITTEE ON COMMERCE, LABOR AND ENERGY

PREFILED FEBRUARY 7, 2017

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Revises provisions governing the minimum wage required to be paid to employees in private employment in this State. (BDR 53-865)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact. Effect on the State: Yes.

EXPLANATION - Matter in *bolded italics* is new; matter between brackets {omitted material} is material to be omitted.

AN ACT relating to employment; requiring certain increases in the minimum wage paid to employees in private employment in this State; revising provisions governing a civil action brought by an employee whose employer violates the requirement to pay the minimum wage; and providing other matters properly relating thereto.

## Legislative Counsel's Digest:

Existing law requires the Labor Commissioner, in accordance with federal law, to establish by regulation the minimum wage that may be paid per hour to an employee in private employment in this State. (NRS 608.250) **Section 1** of this bill requires the Labor Commissioner, in adopting those regulations, to ensure that the minimum wage for such an employee is increased by 75 cents each year for 5 years or until the minimum wage: (1) is \$12 or more, if the employer of the employee does not offer health insurance for the employee in accordance with regulations adopted by the Labor Commissioner; and (2) is \$11 or more, if the employer of the employee offers health insurance for the employee in accordance with regulations adopted by the Labor Commissioner.

11 Section 16 of Article 15 of the Nevada Constitution provides that an employee claiming that he or she was paid less than the minimum wage required by that provision may bring a civil action against his or her employer. Under this 12 13 14 constitutional provision, if the employee prevails in such a civil action, the 15 employee: (1) is entitled to all legal and equitable remedies appropriate to remedy 16 the violation, including back pay, damages, reinstatement or injunctive relief; and (2) must be awarded reasonable attorney's fees and costs. (Nev. Const. Art. 15, § 16) Section 1.5 of this bill would enact into statute the language of the minimum 17 18 19 wage provision of the Nevada Constitution: (1) authorizing an employee who 20 prevails in a civil action to recover all legal or equitable remedies appropriate to





21 22 23 remedy the violation, including back pay, damages, reinstatement or injunctive relief; and (2) requiring a court to award reasonable attorney's fees and costs to an employee who prevails in such a civil action.

24 Section 2 of this bill provides that this bill becomes effective on January 1, 25 2018.

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

Section 1. Chapter 608 of NRS is hereby amended by adding 1 2 thereto a new section to read as follows:

In adopting the regulations establishing the minimum wage 3 that may be paid per hour pursuant to NRS 608.250, the Labor 4 Commissioner shall ensure that the minimum wage for each 5 employee to whom those regulations apply is increased by 75 cents 6 each year until the minimum wage that may be paid per hour 7 pursuant to NRS 608.250 is: 8

9 1. If the employer of the employee does not offer health insurance for the employee in accordance with regulations 10 11 adopted by the Labor Commissioner, \$12 or more; and

2. If the employer of the employee offers health insurance for 12 the employee in accordance with regulations adopted by the Labor 13 Commissioner, \$11 or more. 14 15

Sec. 1.5. NRS 608.260 is hereby amended to read as follows:

608.260 1. If any employer pays any employee a lesser 16 amount than the minimum wage prescribed by regulation of the 17 Labor Commissioner pursuant to the provisions of NRS 608.250, 18 the employee may, at any time within 2 years, bring a civil action 19 Ito recover the difference between the amount paid to the employee 20 and the amount of the minimum wage.] against his or her 21 *employer.* A contract between the employer and the employee or 22 any acceptance of a lesser wage by the employee is not a bar to the 23 24 action.

25 2. If the employee prevails in a civil action brought pursuant 26 to subsection 1:

27 (a) The employee is entitled to all remedies available under the law or in equity appropriate to remedy the violation by the 28 employer, including, without limitation, back pay, damages, 29 reinstatement or injunctive relief; and 30

(b) The court must award the employee reasonable attorney's 31 32 fees and costs.

33 **Sec. 2.** This act becomes effective on January 1, 2018.





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