

Reprinted

House File 17

BUSINESS AND LABOR RELATIONS: Peterson, Chair; Gettings and Hultman

REPLACES HOUSE FILE 2-15-89 (p. 410)

JAN 11 1989

HOUSE FILE 17

LABOR & INDUSTRIAL RELATIONS

Amend per 3043 & Do Pass 1/24 (p. 248)

BY SHERZAN, JOCHUM, BISIGNANO, DVORSKY, OSTERBERG, BUHR (1/11/89)

Passed House, Date 1/31/89 (p. 290) Passed Senate, Date 2/17/89 (p. 369)

Vote: Ayes 61 Nays 36 Vote: Ayes 29 Nays 21

Approved 3-17-89

A BILL FOR

1 An Act relating to minimum wage requirements.

2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 17



1 This bill provides that the hourly wage rate stated in the  
2 Fair Labor Standards Act, 29 U.S.C. § 206, shall be increased  
3 fifty cents beginning each January 1 of 1990, 1991, and 1992.  
4 The bill requires employers to pay employees an hourly wage  
5 rate of not less than the federal minimum wage or the wage  
6 rate pursuant to the state yearly increases, whichever is  
7 greater. The bill further provides for exceptions to the  
8 minimum wage requirement.

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**HOUSE FILE 17  
FISCAL NOTE**

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A fiscal note for **HOUSE FILE 17** is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

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House File 17 provides that the hourly wage rate shall be \$3.85 on January 1, 1990, \$4.40 on January 1, 1991, and \$5.00 on January 1, 1992. Employers are required to pay the higher of the specified amounts or the federal minimum wage. The bill specifies exemptions to the minimum wage and requires the Labor Commissioner to resolve disputes between employers and employees.

**FISCAL IMPACT:**

No data is available to accurately estimate the number of employees and hours worked at the minimum wage in the private sector, however, the Department of Employment Services estimates that currently between 100,000 and 140,000 Iowans make at or below the minimum wage. Costs to employers would increase for some of these employees, but no breakdown of how many of these would fall into the exempted groups.

Costs to the Labor Division of the Department of Employment Services to monitor the program include salary and support for 16 FTE positions. This would result in costs to the General Fund of \$283,832 for FY 1990 (half of the fiscal year) and \$547,667 for FY 1991. Currently the federal government handles minimum wage problems, but this bill requires the Department of Employment Services to resolve such disputes.

Costs would also increase for salaries of certain classes of State employees. These include Legislative Pages (39 positions), Seasonal Aides in executive departments (12 positions), Nursery Worker 1 - participants in the Green Thumb Program (50 positions). The costs of these changes is estimated to be minimal.

Student employees and work study students would also be effected by this change. Currently students earning between \$3.85 and \$3.50 (lowest wage paid) per hour account for 475,000 hours worked at Iowa State University. At the University of Northern Iowa about one half this amount is estimated. No estimates are yet available from the University of Iowa. If one half the hours worked increase \$0.35 an hour, the cost in FY 1990 would be approximately \$81,250 at the two Universities. For FY 1990 the increase would be approximately \$390,000 (includes those making between \$3.85 and \$4.00 now). The Board of Regents cautions that costs could be much higher than this as a ripple effect may result and students at all levels would have to be increased if the minimum were increased.

(LSB 4021h, DPW)

FILED JANUARY 30, 1989

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 17

7-3051

Amend House File 17 as follows:

1. Page 1, line 4, by striking the word

"annually".

2. Page 1, by striking line 5 and inserting the

following: "to \$3.85 on January 1 of 1990, \$4.40 on

January 1 of 1991, and \$5.00 on January 1 of 1992."

3. Page 1, line 6, by inserting after the word

"employer" the following: ", as defined in the

federal Fair Labor Standards Act,".

4. Page 1, line 7, by inserting after the word

"employees" the following: ", as defined in the

federal Fair Labor Standards Act,".

5. Page 1, by striking lines 21 through 34 and

inserting the following:

"2. The exemptions from the minimum wage

requirements stated in 29 U.S.C. § 213 shall apply,

except for those exemptions in 29 U.S.C. § 213(a)(2),

(3), and (4).

3. The labor commissioner shall adopt rules to

implement and administer this section.

4. This section shall be enforced pursuant to

chapter 91A."

By SHERZAN of Polk

H-3051 FILED JANUARY 26, 1989

*Adopted 1/31/89 (p. 286, 287)*

HOUSE FILE 17

3052

Amend House File 17 as follows:

1. Page 1, by inserting after line 34 the follow-

ing new subsection:

"3. The hourly wage for attorneys shall not exceed

four times the hourly wage authorized in subsection 1,

paragraph "a"."

By HALVORSON of Clayton

H-3052 FILED JANUARY 26, 1989

*Adopted 1/21/89 (p. 287)*

HOUSE FILE 17

H-3053

Amend House File 17 as follows:

1. Page 1, line 23, by striking the words "as

defined in 29 U.S.C. § 213".

2. Page 1, line 26, by inserting after the word

"persons" the following: ", as defined in 29 U.S.C. §

213".

3. Page 1, line 30, by inserting after the word

"labor" the following: ", as defined in 29 U.S.C. §

213".

4. Page 1, line 34, by inserting after the word

"infirm" the following: ", as defined in 29 U.S.C. §

213".

By HALVORSON of Clayton

H-3053 FILED JANUARY 26, 1989

*Adopted 1/31/89 (p. 286)*

HOUSE FILE 17

H-3043

1 Amend House File 17 as follows:

2 1. Page 1, line 4, by striking the word

3 "annually".

30484  
30565 2. Page 1, by striking line 5 and inserting the  
5 following: "to \$3.85 on January 1 of 1990, \$4.40 on  
6 January 1 of 1991, and \$5.00 on January 1 of 1992."

7 3. Page 1, by striking line 31.

8 4. Page 1, by inserting after line 34 the

9 following:

10 "3. A dispute between an employer and employee  
11 concerning the amount of wages due shall be resolved  
12 pursuant to chapter 91A."

13 5. By renumbering as necessary.

By COMMITTEE ON LABOR AND INDUSTRIAL  
RELATIONS

SHERZAN of Polk, Chairperson

H-3043 FILED JANUARY 24, 1989

*2/15 11/31 (p. 259)*

HOUSE FILE 17

H-3048

1 Amend the amendment, H-3043, to House File 17, as  
2 follows:

3 1. Page 1, by striking lines 5 and 6, and  
4 inserting the following: "following: "to \$3.45 on  
5 January 1 of 1990, \$3.60 on January 1 of 1991, and  
6 \$3.80 on January 1 of 1992.""

By HERMANN of Scott

H-3048 FILED JANUARY 26, 1989

*2/22 1/31 (p. 295)*

HOUSE FILE 17

H-3049

1 Amend House File 17 as follows:

2 1. Page 1, by inserting after line 34 the  
3 following:

4 "e. Employees employed in a retail or service  
5 establishment whose annual gross volume of sales made  
6 or business done is less than three hundred sixty-two  
7 thousand five hundred dollars, exclusive of excise  
8 taxes at the retail level which are separately  
9 stated."

By LUNDBY of Linn

H-3049 FILED JANUARY 26, 1989

*2/15 1/31 (p. 259)*

HOUSE FILE 17

H-3050

1 Amend House File 17 as follows:

2 1. Page 1, by striking lines 27 through 30 and  
3 inserting the following:

4 "b. Employees employed in agriculture or employees  
5 employed in any seasonal occupation which customarily  
6 operates only during a recurring period or periods of  
7 less than forty weeks in a calendar year. The  
8 department of employment services shall adopt rules to  
9 define agriculture and seasonal occupations and to  
10 administer this paragraph."

By LUNDBY of Linn

H-3050 FILED JANUARY 26, 1989

*2/15 1/31 (p. 272)*

## HOUSE FILE 17

H-3058

1 Amend House File 17 as follows:  
 2 1. Page 1, line 23, by striking the following "as  
 3 defined in 29 U.S.C. § 213".  
 4 2. Page 1, line 26, by inserting after the word  
 5 "persons" the following: ", as defined in 29 U.S.C. §  
 6 213".  
 7 3. Page 1, line 30, by inserting after the word  
 8 "labor" the following: ", as defined in 29 U.S.C. §  
 9 213".  
 10 4. Page 1, line 34, by inserting after the word  
 11 "infirm" the following: ", as defined in 29 U.S.C. §  
 12 213".  
 13 5. Page 1, by inserting after line 34 the  
 14 following:  
 15 "e. Employees at a race track in a county with a  
 16 community of over two hundred thousand in population."  
 By TYRRELL of Iowa

H-3058 FILED JANUARY 26, 1989

*w/27 1/31 (p 266)*

## HOUSE FILE 17

H-3059

1 Amend House File 17 as follows:  
 2 1. Page 1, line 23, by inserting after the figure  
 3 "213" the following: "for paragraphs "a" through  
 4 "d".  
 5 2. Page 1, by inserting after line 34 the  
 6 following:  
 7 "e. Trainees and apprentices. The department of  
 8 employment services shall adopt rules to define  
 9 trainees and apprentices and to administer this  
 10 section."  
 By HARBOR of Mills

H-3059 FILED JANUARY 26, 1989

*w/27 1/31 (p 281)*

## HOUSE FILE 17

H-3060

1 Amend House File 17 as follows:  
 2 1. Page 1, by inserting after line 34 the follow-  
 3 ing:  
 4 "3. For purposes of this section there is estab-  
 5 lished a "training wage" for first time, new entrants  
 6 into the job market which shall be the equivalent of  
 7 seventy-five percent of the state minimum wage or  
 8 \$3.35 per hour, whichever is higher, for a maximum  
 9 period of one hundred twenty days from the date of  
 10 first employment with the first time, new entrant's  
 11 first employer."  
 By HARBOR of Mills

H-3060 FILED JANUARY 26, 1989

*w/27 1/31 (p 289)*

## HOUSE FILE 17

H-3054

1 Amend House File 17 as follows:

2 1. Page 1, by inserting after line 34 the fol-  
3 lowing:4 "3. Notwithstanding any other provision of this  
5 section, the amount that the state minimum wage  
6 established by this section exceeds the federal  
7 minimum wage established by 29 U.S.C. § 206 is not  
8 subject to overtime pay requirements."By HALVORSON of Clayton  
HARBOR of Mills

H-3054 FILED JANUARY 26, 1989

*1/26/89 (p. 281)*

## HOUSE FILE 17

H-3055

1 Amend House File 17 as follows:

2 1. Page 1, by inserting after line 34 the  
3 following:4 "3. This section does not become effective until  
5 all contiguous states have a minimum wage equal or  
6 greater than the Iowa minimum wage."

By HARBOR of Mills

H-3055 FILED JANUARY 26, 1989

*1/26/89 (p. 284)*

## HOUSE FILE 17

H-3056

1 Amend the amendment, H-3043, to House File 17, as  
2 follows:3 1. Page 1, by striking lines 5 and 6 and  
4 inserting the following: "following: "to \$3.55 on  
5 July 1, 1989, \$3.75 on July 1, 1990, and \$4.00 on July  
6 1, 1991.""

By HARBOR of Mills

H-3056 FILED JANUARY 26, 1989

*1/26/89 (p. 284)*

## HOUSE FILE 17

H-3057

1 Amend House File 17 as follows:

2 1. Page 1, line 23, by striking the words "as  
3 defined in 29 U.S.C. § 213".4 2. Page 1, line 26, by inserting after the word  
5 "persons" the following: ", as defined in 29 U.S.C. §  
6 213".7 3. Page 1, line 30, by inserting after the word  
8 "labor" the following: ", as defined in 29 U.S.C. §  
9 213".10 4. Page 1, by inserting after line 31 the  
11 following:12 "\_\_\_\_. Employees who are students in any public or  
13 private educational institution in the state."14 5. Page 1, line 34, by inserting after the word  
15 "infirm" the following: ", as defined in 29 U.S.C. §  
16 213".

17 6. By relettering as necessary.

By STROMER of Hancock

H-3057 FILED JANUARY 26, 1989

*1/26/89 (p. 286)*



## HOUSE FILE 17

H-3063

1 Amend House File 17 as follows:  
 2 1. Page 1, line 23, by striking the words and  
 3 figures "as defined in 29 U.S.C. § 213".  
 4 2. Page 1, line 26, by inserting after the word  
 5 "persons" the following: ", as defined in 29 U.S.C. §  
 6 213".  
 7 3. Page 1, line 30, by inserting after the word  
 8 "labor" the following: ", as defined in 29 U.S.C. §  
 9 213".  
 10 4. Page 1, line 34, by inserting after the word  
 11 "infirm" the following: ", as defined in 29 U.S.C. §  
 12 213".  
 13 5. Page 1, by inserting after line 34 the  
 14 following:  
 15 "e. Employees who are clients of a sheltered  
 16 workshop."

By HARBOR of Mills

H-3063 FILED JANUARY 26, 1989

*W/27 1/31/89 (p. 282)*

## HOUSE FILE 17

H-3064

1 Amend House File 17 as follows:  
 2 1. Page 1, by inserting after line 34 the follow-  
 3 ing:  
 4 "3. This section is not applicable to any employer  
 5 having gross annual sales of under five hundred thou-  
 6 sand dollars."

By CORBETT of Linn

H-3064 FILED JANUARY 26, 1989

*W/27 1/31 (p. 281)*

## HOUSE FILE 17

H-3065

1 Amend House File 17 as follows:  
 2 1. Page 1, line 23, by striking the words "as  
 3 defined in 29 U.S.C. § 213".  
 4 2. Page 1, line 26, by inserting after the word  
 5 "persons" the following: ", as defined in 29 U.S.C. §  
 6 213".  
 7 3. Page 1, line 30, by inserting after the word  
 8 "labor" the following: ", as defined in 29 U.S.C. §  
 9 213".  
 10 4. Page 1, line 31, by striking the word  
 11 "fifteen" and inserting the word "eighteen".  
 12 5. Page 1, line 34, by inserting after the word  
 13 "infirm" the following: ", as defined in 29 U.S.C. §  
 14 213".

By HARBOR of Mills

H-3065 FILED JANUARY 26, 1989

*W/27 1/31 (p. 282)*

## HOUSE FILE 17

H-3061

- 1 Amend House File 17 as follows:  
 2 1. Page 1, line 23, by striking the words and  
 3 figures "as defined in 29 U.S.C. § 213".  
 4 2. Page 1, line 26, by inserting after the word  
 5 "persons" the following: ", as defined in 29 U.S.C. §  
 6 213".  
 7 3. Page 1, line 30, by inserting after the word  
 8 "labor" the following: ", as defined in 29 U.S.C. §  
 9 213".  
 10 4. Page 1, line 34, by inserting after the word  
 11 "infirm" the following: ", as defined in 29 U.S.C. §  
 12 213".  
 13 5. Page 1, by inserting after line 34 the  
 14 following:  
 15 "e. Employees of fair concessionaires."  
 By HARBOR of Mills

H-3061, FILED JANUARY 26, 1989

*after 1/24/89 (g. 213)*

## HOUSE FILE 17

H-3062

- 1 Amend House File 17 as follows:  
 2 1. Page 1, line 23, by striking the words and  
 3 figures "as defined in 29 U.S.C. § 213".  
 4 2. Page 1, line 26, by inserting after the word  
 5 "persons" the following: ", as defined in 29 U.S.C. §  
 6 213".  
 7 3. Page 1, line 30, by inserting after the word  
 8 "labor" the following: ", as defined in 29 U.S.C. §  
 9 213".  
 10 4. Page 1, line 34, by inserting after the word  
 11 "infirm" the following: ", as defined in 29 U.S.C. §  
 12 213".  
 13 5. Page 1, by inserting after line 34 the  
 14 following:  
 15 "e. Employees who are retired from previous full-  
 16 time employment where the retiree is drawing a private  
 17 pension in excess of five hundred dollars per month."  
 By HARBOR of Mills

H-3062, FILED JANUARY 26, 1989

*1/25/89 (g. 213)*

H-3069

1 Amend the amendment, H-3051, to House File 17, as  
2 follows:  
3 1. Page 1, by striking lines 5 and 6 and insert-  
4 ing the following: "following: "to \$3.55 on July 1,  
5 1989, \$3.75 on July 1, 1990, and \$4.00 on July 1,  
6 1991.""

By HARBOR of Mills  
HALVORSON of Clayton

H-3069 FILED JANUARY 30, 1989

*Low 1/31/89 (p. 286)*

HOUSE FILE 17

H-3072

1 Amend amendment, H-3052, to House File 17 as  
2 follows:  
3 1. Page 1, line 4, by inserting after the word  
4 "attorneys" the following: "and persons required to  
5 be licensed pursuant to chapter 522".

By JAY of Appanoose

H-3072 FILED JANUARY 30, 1989

*w/d 1/21 (p. 279)*

HOUSE FILE 17

H-3073

1 Amend amendment, H-3051, to House File 17 as  
2 follows:  
3 1. Page 1, by striking lines 5 and 6, and  
4 inserting the following: "following: "to \$3.45 on  
5 January 1 of 1990, \$3.60 on January 1 of 1991, and  
6 \$3.80 on January 1 of 1992.""

By HERMANN of Scott

H-3073 FILED JANUARY 30, 1989

LOST (p. 279)

HOUSE FILE 17

H-3075

1 Amend the amendment, H-3051, to House File 17 as  
2 follows:  
3 1. Page 1, by striking lines 13 through 22 and  
4 inserting the following:  
5 "\_\_\_\_. Page 1, line 23, by inserting after the  
6 figure "213" the following: "for paragraphs "a"  
7 through "d"  
8 \_\_\_\_\_. Page 1, by inserting after line 34 the  
9 following:  
10 "e. Trainees and apprentices. The department of  
11 employment services shall adopt rules to define  
12 trainees and apprentices and to administer this  
13 section.  
14 3. For purposes of this section there is estab-  
15 lished a "training wage" for first time, new entrants  
16 into the job market which shall be the equivalent of  
17 seventy-five percent of the state minimum wage or  
18 \$3.35 per hour, whichever is higher, for a maximum  
19 period of one hundred twenty days from the date of  
20 first employment with the first time, new entrant's  
21 first employer.""

By HARBOR of Mills  
HALVORSON of Clayton

H-3075 FILED JANUARY 30, 1989

*w/d 1/31 (p. 288)*

## HOUSE FILE 17

E-3066

- 1 Amend House File 17 as follows:  
 2 1. Page 1, line 23, by striking the words "as  
 3 defined in 29 U.S.C. § 213".  
 4 2. Page 1, line 26, by inserting after the word  
 5 "persons" the following: ", as defined in 29 U.S.C. §  
 6 213".  
 7 3. Page 1, line 30, by inserting after the word  
 8 "labor" the following: ", as defined in 29 U.S.C. §  
 9 213".  
 10 4. Page 1, line 34, by inserting after the word  
 11 "infirm" the following: ", as defined in 29 U.S.C. §  
 12 213".  
 13 5. Page 1, by inserting after line 34 the  
 14 following:  
 15 "e. Employees in communities with a state educa-  
 16 tional institution of higher learning."

By HARBOR of Mills

H-3066 FILED JANUARY 26, 1989

*W/S 1/21/89 (p. 256)*

## HOUSE FILE 17

H-3067

- 1 Amend House File 17 as follows:  
 2 1. Page 1, by inserting after line 20 the  
 3 following:  
 4 "d. In administering and enforcing this section  
 5 the labor commissioner shall recognize any and all  
 6 exceptions, interpretations, and regulations  
 7 applicable to 29 U.S.C. § 206."

By CORBETT of Linn

H-3067 FILED JANUARY 26, 1989

*W/S 1/21/89 (p. 256)*

## HOUSE FILE 17

H-3068

- 1 Amend House File 17 as follows:  
 2 1. Page 1, line 23, by striking the words "as  
 3 defined in 29 U.S.C. § 213".  
 4 2. Page 1, line 26, by inserting after the word  
 5 "persons" the following: ", as defined in 29 U.S.C. §  
 6 213".  
 7 3. Page 1, line 30, by inserting after the word  
 8 "labor" the following: ", as defined in 29 U.S.C. §  
 9 213".  
 10 4. Page 1, line 34, by inserting after the word  
 11 "infirm" the following: ", as defined in 29 U.S.C. §  
 12 213".  
 13 5. Page 1, by inserting after line 34 the  
 14 following:  
 15 "e. Employees of dog and horse tracks."

By HARBOR of Mills

H-3068 FILED JANUARY 26, 1989

*W/S 1/21/89 (p. 256)*

## HOUSE FILE 17

H-3071

1 Amend the amendment, H-3051, to House File 17 as  
2 follows:

3 1. Page 1, by striking lines 5 and 6 and  
A 4 inserting the following: "following: "to \$3.55 on  
5 January 1, 1990, \$3.75 on January 1, 1991, and \$4.00  
6 on January 1, 1992.""

7 2. Page 1, by inserting after line 22 the  
8 following:

9 "\_\_\_\_\_. Page 1, by inserting after line 34 the  
10 following:  
11 "Sec. 100. NEW SECTION. 422.12B EARNED INCOME  
12 CREDIT.

13 1. For a taxpayer whose income does not exceed  
14 thirteen thousand five hundred dollars, the taxes  
15 imposed under this division, less credits allowed  
16 under sections 422.10 through 422.12 shall be reduced  
B 17 by an earned income credit equal to the applicable  
18 percentage of the federal earned income credit  
19 received by the taxpayer under section 32 of the  
20 Internal Revenue Code. Any credit in excess of the  
21 tax liability shall be refunded.

22 The combined earned income of married taxpayers  
23 electing to file separate returns or filing separately  
24 on a combined return may qualify for the earned income  
25 credit by allocating the earned income credit to each  
26 spouse in the proportion that each spouse's respective  
27 earned income bears to the total combined earned  
28 income. Taxpayers affected by the allocation  
29 provisions of section 422.8 shall be permitted a  
30 deduction for the credit only in the amount fairly and  
31 equitably allocable to Iowa under rules prescribed by  
32 the director.

33 2. "Applicable percentage" means the percent  
34 determined as follows:

35 a. If the taxpayer has income equal to or less  
36 than nine thousand eight hundred fifty dollars, the  
37 percent is as follows:

- 38 (1) Twenty percent, if one qualifying child.  
39 (2) Forty percent, if two qualifying children.  
40 (3) Sixty percent, if three qualifying children.

41 b. If the taxpayer has income in excess of nine  
42 thousand eight hundred fifty dollars, the percent is  
43 as follows:

- 44 (1) Twelve percent, if one qualifying child.  
45 (2) Twenty-four percent, if two qualifying  
46 children.  
47 (3) Forty-eight percent, if three qualifying  
48 children.

49 "Qualifying child" means as defined in section  
50 32(c)(3) of the Internal Revenue Code.

H-3071

Page 2

1 Sec. \_\_\_\_\_. Section 422.21, unnumbered paragraph 5,  
2 Code 1989, is amended to read as follows:

3 The department shall provide on income tax forms or  
4 in the instruction booklets in a manner that will be  
5 noticeable to the taxpayers a statement that, even  
6 though the taxpayer may not have any federal or state  
7 income tax liability, the taxpayer may be eligible for  
8 the state and federal earned income tax credit. The  
9 statement shall also contain notice of where the  
10 taxpayer may check on the taxpayer's eligibility for  
11 ~~this credit~~ these credits.

12 Sec. \_\_\_\_\_. Section 442.15, unnumbered paragraph 2,  
13 Code 1989, is amended to read as follows:

14 The school district income surtax ~~shall be~~ is  
15 imposed on the state individual income tax for the  
16 calendar year during which the school's budget year  
17 begins, or for a taxpayer's fiscal year ending during  
18 the second half of that calendar year or the first  
19 half of the succeeding calendar year, and ~~shall be~~ is  
20 imposed on all individuals residing in the school  
B 21 district on the last day of the applicable tax year.  
22 As used in this section, "state individual income tax"  
23 means the tax computed under section 422.5, less the  
24 deductions allowed in sections 422.10, ~~422.11 and~~  
25 through 422.12, and 422.12B.

26 Sec. \_\_\_\_\_. Notwithstanding section 96.7, subsection  
27 12, paragraph "c", there is appropriated from the  
28 administrative contribution surcharge fund to the  
29 general fund of the state for the fiscal year  
30 beginning July 1, 1989, and ending June 30, 1990, the  
31 sum of four million dollars to offset the cost of the  
32 new state earned income credit provided for in this  
33 Act.

34 Sec. \_\_\_\_\_. Section 100 of this Act applies  
35 retroactively to January 1, 1989, for tax years  
36 beginning on or after that date."

37 3. Title page, line 1, by inserting after the  
38 word "requirements" the following: ", providing a tax  
39 credit, and making an appropriation, and providing for  
40 an applicability date."

By TRENT of Muscatine

CORBETT of Linn

PLASIER of Sioux

HESTER of Pottawattamie

SIEGRIST of Pottawattamie

BEAMAN of Clarke

LUNDBY of Linn

KISTLER of Jefferson

BANKS of Plymouth

PELLETT of Cass

HALVORSON of Clayton

HARBOR of Mills

EDDIE of Buena Vista

HANSON of Delaware

HERMANN of Scott

PETERSEN of Muscatine

McKEAN of Jones

TYRRELL of Iowa (Added 1/31/89)

H-3071 FILED JANUARY 30, 1989

A- Last 1/31 (p. 285)

HOUSE FILE 17

H-3076

1 Amend the amendment, H-3051, to House File 17 as  
2 follows:  
3 1. Page 1, by striking lines 17 and 18, and  
4 inserting the following: "except for those exemptions  
5 in 29 U.S.C. §213(a)(2) and (4)."

By BENNETT of Ida

H-3076 FILED JANUARY 31, 1989

LOST (p 288)

HOUSE FILE 17

H-3078

1 Amend the amendment, H-3051, to House File 17 as  
2 follows:  
3 1. Page 1, by striking lines 13 through 20 and  
4 inserting the following:  
5 "\_\_\_\_. Page 1, line 23, by inserting after the  
6 figure "213" the following: "for paragraphs "a"  
7 through "d".  
8 \_\_\_\_\_. Page 1, by inserting after line 34 the  
9 following:  
10 "e. Trainees and apprentices. The department of  
11 employment services shall adopt rules to define  
12 trainees and apprentices and to administer this  
13 section.  
14 3. For purposes of this section there is estab-  
15 lished a "training wage" for first time, new entrants  
16 into the job market which shall be the equivalent of  
17 seventy-five percent of the state minimum wage or  
18 \$3.35 per hour, whichever is higher, for a maximum  
19 period of one hundred twenty days from the date of  
20 first employment with the first time, new entrant's  
21 first employer.""

By HARBOR of Mills  
HALVORSON of Clayton

H-3078 FILED JANUARY 31, 1989

LOST (p 288)

HOUSE FILE 17  
BY SHERZAN

(As Amended and Passed by the House, January 31, 1989)

Passed House, Date 2-14-89 (p. 41) Passed Senate, Date 2-13-89 (369)  
Vote: Ayes 61 Nays 34 Vote: Ayes 29 Nays 21  
repassed Approved 3-17-89 (p. 838) repassed in  
3-13-89 (p. 767) Senate 3-13-89 (p. 750)  
Ayes 62 Nays 31 A BILL FOR Ayes 27 Nays 22

1 An Act relating to minimum wage requirements.  
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

House Amendments \_\_\_\_\_  
Deleted Language \*

\* Conference Committee \*

Report Signed by

Senator John Peterson, chair, Senator Don Gettings,  
Senator George Kunkley, Representative Gary Whelan,  
chair, Representative Phil Brammer,  
Rep. John Connors. (p. 684) 3-8-89  
accepted 3-13-89 (p. 750)



*So as amendments all*

1 Section 1. NEW SECTION. 91D.1 MINIMUM WAGE REQUIREMENTS  
2 -- EXCEPTIONS.

3 1. a. The hourly wage stated in the federal minimum wage  
\* 4 law, pursuant to 29 U.S.C. § 206, shall be increased to \$3.85  
5 on January 1 of 1990, \$4.40 on January 1 of 1991, and \$5.00 on  
6 January 1 of 1992.

7 b. Every employer, as defined in the federal Fair Labor  
8 Standards Act, shall pay to each of the employer's employees,  
9 as defined in the federal Fair Labor Standards Act, wages of  
10 not less than the current federal minimum wage, pursuant to 29  
11 U.S.C. § 206, or the wage rate stated in paragraph "a",

*So 71* 12 whichever is greater.

13 c. For purposes of determining whether an employee of a  
14 restaurant, hotel, motel, inn, or cabin, who customarily and  
15 regularly receives more than thirty dollars a month in tips is  
16 receiving the minimum hourly wage rate prescribed by this  
17 section, the amount paid the employee by the employer shall be  
18 deemed to be increased on account of the tips by an amount  
19 determined by the employer, not to exceed forty percent of the  
20 applicable minimum wage. An employee may file a written  
21 appeal with the labor commissioner if the amount of tips  
22 received by the employee is less than the amount determined by  
23 the employer under this subsection.

*So 57,  
3061, 3060*

24 2. The exemptions from the minimum wage requirements  
25 stated in 29 U.S.C. § 213 shall apply, except for those  
26 exemptions in 29 U.S.C. § 213(a)(2), (3), and (4).

27 3. The labor commissioner shall adopt rules to impiement  
28 and administer this section.

*So 70, 3065*

29 4. This section shall be enforced pursuant to chapter 91A.  
30  
31  
32  
33  
34  
35

## HOUSE FILE 17

## FISCAL NOTE

REQ. BY SEN. PETERSON

A fiscal note for HOUSE FILE 17 AS PASSED BY THE HOUSE is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 17 provides that the hourly wage rate shall be \$3.85 on January 1, 1990, \$4.40 on January 1, 1991, and \$5.00 on January 1, 1992. Employers are required to pay the higher of the specified amounts or the federal minimum wage. The bill specifies exemptions to the minimum wage and requires the Labor Commissioner to resolve disputes between employers and employees.

**FISCAL IMPACT:**

No data is available to accurately estimate the number of employees and hours worked at the minimum wage in the private sector, however, the Department of Employment Services estimates that currently between 100,000 and 140,000 Iowans make at or below the minimum wage. Costs to employers would increase for some of these employees, but no breakdown of how many of these would fall into the listed groups.

Costs to the Labor Division of the Department of Employment Services to monitor the program include salary and support for 16 FTE positions. This would result in costs to the General Fund of \$283,832 for FY 1990 (half of the fiscal year) and \$547,667 for FY 1991. Currently the federal government handles minimum wage problems, but this bill requires the Department of Employment Services to resolve such disputes.

Costs would also increase for salaries of certain classes of State employees. These include Legislative Pages (39 positions), Seasonal Aides in executive departments (12 positions), Nursery Worker 1 - participants in the Green Thumb Program (50 positions). The costs of these changes is estimated to be minimal.

Student employees and work study students would also be effected by this change. Currently students earning between \$3.85 and \$3.50 (lowest wage paid) per hour account for 475,000 hours worked at Iowa State University. At the University of Northern Iowa about one half this amount is estimated. No estimates are yet available from the University of Iowa. If one half the hours worked increase \$0.35 an hour, the cost in FY 1990 would be approximately \$81,250 at the two Universities. For FY 1990 the increase would be approximately \$390,000 (includes those making between \$3.85 and \$4.00 now). The Board of Regents cautions that costs could be much higher than this as a ripple effect may result and students at all levels would have to be increased if the minimum were increased.

Costs to Iowa nursing homes may increase by \$2.6 million in FY 1991. No increase would be evidenced in FY 1990 as reimbursements rates are established based on the previous six months of actual costs. Similar cost increases could

---

-2-

be expected for the following two fiscal years, as well as some additional increases based on upward pressure for those jobs not at minimum wage. This would be a cost to the General Fund to maintain nursing homes at the 74th percentile of reimbursements.

(Sources: Department of Employment Services  
Department of Personnel  
Department of Human Services)

(LSB 402h.2, DPW)

FILED FEBRUARY 13, 1989

BY DENNIS PROUTY, FISCAL DIRECTOR

## HOUSE FILE 17

3068

1 Amend House File 17, as amended, passed, and re-  
2 printed by the House, as follows:

3 1. By striking everything after the enacting  
4 clause and inserting the following:

5 "Section 1. NEW SECTION. 91D.1 MINIMUM WAGE  
6 REQUIREMENTS -- EXCEPTIONS.

7 1. a. The hourly wage stated in the federal  
8 minimum wage law, pursuant to 29 U.S.C. § 206, shall  
9 be increased to \$3.85 on January 1 of 1990, \$4.40 on  
10 January 1 of 1991, and \$5.00 on January 1 of 1992.

11 b. Every employer, as defined in the federal Fair  
12 Labor Standards Act, shall pay to each of the  
13 employer's employees, as defined in the federal Fair  
14 Labor Standards Act, wages of not less than the  
15 current federal minimum wage, pursuant to 29 U.S.C. §  
16 206, or the wage rate stated in paragraph "a",  
17 whichever is greater.

18 c. For purposes of determining whether an employee  
19 of a restaurant, hotel, motel, inn, or cabin, who  
20 customarily and regularly receives more than thirty  
21 dollars a month in tips is receiving the minimum  
22 hourly wage rate prescribed by this section, the  
23 amount paid the employee by the employer shall be  
24 deemed to be increased on account of the tips by an  
25 amount determined by the employer, not to exceed forty  
26 percent of the applicable minimum wage. An employee  
27 may file a written appeal with the labor commissioner  
28 if the amount of tips received by the employee is less  
29 than the amount determined by the employer under this  
30 subsection.

31 2. The exemptions from the minimum wage  
32 requirements stated in 29 U.S.C. § 213 shall apply,  
33 except for those exemptions in 29 U.S.C. § 213(a)(2),  
34 (3), and (4).

35 3. The labor commissioner shall adopt rules to  
36 implement and administer this section.

37 4. This section shall be enforced pursuant to  
38 chapter 91A.

39 Sec. 2. NEW SECTION. 91D.2 PART-TIME EMPLOYEE  
40 BENEFITS.

41 An employer shall provide, on a pro rata basis, to  
42 a permanent, part-time employee working an average of  
43 twenty hours or more per week, all employment-related  
44 benefits which the employer provides to full-time  
45 employees.

46 Sec. 3. NEW SECTION. 91D.3 DISCHARGE OF  
47 EMPLOYEES.

48 1. As used in this section:

49 a. "Discharge" means termination of an employee's  
50 employment for reasons other than the cessation of an

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Page 2

1 employer's business operations or a general cutback in  
2 the employer's work force due to economic hardship.

3 b. "Employee" means an employee as defined in  
4 section 91A.2.

5 c. "Employer" means an employer as defined in  
6 section 91A.2.

7 2. Unless modified by contract, an employer shall  
8 only discharge an employee for one or more of the  
9 following reasons:

10 a. The employee performs work assignments in a  
11 negligent manner.

12 b. The employee's continuous absences from the  
13 place of employment affect the interest of the  
14 employer.

15 c. The employee is incompetent or inefficient,  
16 thereby impairing the employee's usefulness to the  
17 employer.

18 d. The employee's use of intoxicants or controlled  
19 substances interferes with the proper discharge of the  
20 employee's duties, provided the employer complies with  
21 section 730.5.

22 e. The employee willfully and intentionally  
23 disobeys reasonable and lawful rules, orders, or  
24 instructions of the employer.

25 f. The employee is dishonest.

26 3. An employee who was discharged for a reason  
27 other than those stated in subsection 1 may file a  
28 written complaint with the labor commissioner within  
29 thirty days after discharge. The commissioner shall  
30 serve upon the employer a copy of the complaint  
31 stating the charges and a written notice of hearing  
32 before the commissioner which shall be held ten days  
33 after service of the complaint. The commissioner  
34 shall provide written notice of hearing to the  
35 employee filing the complaint. The employer may file  
36 an answer to the complaint. The employer and employee  
37 may give testimony at the hearing, and rules of  
38 evidence prescribed by the commissioner shall apply.  
39 The employer has the burden of proving that the  
40 employee was not wrongfully discharged.

41 If the commissioner determines that the employer  
42 wrongfully discharged the employee, the commissioner  
43 shall state the findings, order the employer to  
44 reinstate the employee with back pay, and award to the  
45 employee reasonable attorney's fees and costs relating  
46 to the administrative proceeding. If the commissioner  
47 determines that the employer did not wrongfully  
48 discharge the employee, the commissioner shall state  
49 the findings and dismiss the complaint.

50 The commissioner's decision may be appealed by any

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Page 3

1 party to the employment appeal board created in  
2 section 10A.601. The decision of the appeal board is  
3 the final agency action and an appeal of the decision  
4 shall be made directly to the district court.

5 4. In addition to the remedies provided in  
6 subsection 3, any wrongfully discharged employee may  
7 bring a civil action for compensatory and punitive  
8 damages against an employer who has violated this  
9 section.

10 Sec. 4. NEW SECTION. 91D.4 EMPLOYEE PARENTAL  
11 LEAVE.

12 1. For purposes of this section, unless the  
13 context otherwise requires:

14 a. "Employee" means an employee as defined under  
15 section 91A.2.

16 b. "Employer" means an employer as defined under  
17 section 91A.2.

18 2. An employer shall make available to an employee  
19 a parental leave of absence. An additional unpaid  
20 leave of absence may be granted to an employee with  
21 the approval of the employee's employer. The  
22 provisions of collective bargaining agreements  
23 negotiated under chapter 20 shall at least meet the  
24 minimum standard for parental leave established under  
25 this section. Parental leave, required by this  
26 section, is subject to each of the following  
27 conditions:

28 a. Parental leave shall be limited to a maximum of  
29 sixteen weeks within any two-year period due to the  
30 birth or adoption of a child by the employee.  
31 Parental leave shall begin at a time requested by the  
32 employee which cannot be later than six weeks  
33 following the birth or adoption of a child.

34 b. Notwithstanding the requirement to commence  
35 parental leave within six weeks of the birth or  
36 adoption of a child in paragraph "a", an employee who  
37 takes leave for a disability related to pregnancy as  
38 provided under section 601A.6 may commence a parental  
39 leave immediately following the termination of the  
40 disability leave. The length of parental leave which  
41 is required to be made available by this section to an  
42 employee is sixteen weeks, and includes any period of  
43 disability leave related to pregnancy following the  
44 birth of a child.

45 c. If accrued leave benefits are available to an  
46 employee, the employee may use a combination of  
47 accrued sick leave, accrued vacation leave, or unpaid  
48 leave of absence during a parental leave. For  
49 employees of the state, the department of personnel  
50 and the state board of regents shall adopt rules

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Page 4

1 requiring the use of accrued sick leave and vacation  
2 leave during parental leaves; however, the rules shall  
3 allow an employee of the state to retain at least ten  
4 days of accrued sick leave and five days of accrued  
5 vacation leave.

6 d. At the end of the parental leave, the employee  
7 shall have the right to be returned to the employee's  
8 position from which the parental leave was provided if  
9 available or, if not available, to a position of like  
10 nature with the equivalent pay.

11 e. If both parents are permanent employees of an  
12 employer, unpaid parental leave shall be available to  
13 only one parent. Unless an employer provides  
14 otherwise, an employee shall not accrue sick leave or  
15 vacation leave during a period of unpaid parental  
16 leave.

17 f. If made available to an employee through the  
18 employee's employer, health insurance or benefits  
19 coverage shall continue to be available during a  
20 period of unpaid parental leave. For employees of the  
21 state, the state shall pay the state portion of the  
22 costs of the health insurance coverage during the  
23 period of unpaid parental leave.

24 Sec. 5. Section 96.5, subsection 4, Code 1989, is  
25 amended by adding the following new unnumbered  
26 paragraph:

27 NEW UNNUMBERED PARAGRAPH. A lockout is not a labor  
28 dispute.

29 Sec. 6. Section 246.903, Code 1989, is amended to  
30 read as follows:

31 246.903 AGREEMENT BY INMATE.

32 An inmate approved to participate in the work  
33 release program shall sign a work release agreement.  
34 The agreement shall include a statement that the  
35 inmate agrees to abide by all terms and conditions of  
36 the particular plan adopted for the inmate by the  
37 board of parole, shall state the name and address of  
38 the proposed employer, if any, and contain terms and  
39 conditions the board of parole deems necessary and  
40 proper. The agreement shall contain a provision  
41 prohibiting an inmate who is placed pursuant to  
42 section 246.904 from accepting or engaging in  
43 employment involved in a labor boycott or strike. The  
44 plan shall be signed by the inmate prior to  
45 participation in the program. Approval may be revoked  
46 for any reason by a member of the board of parole at  
47 any time after being granted.

48 Sec. 7. Section 356.28, Code 1989, is amended to  
49 read as follows:

50 356.28 EMPLOYMENT -- RESTRICTIONS.

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Page 5

The sheriff or any suitable person or agency designated by the court may endeavor to secure employment for unemployed prisoners granted privileges under sections 356.26 to through 356.35. However, no prisoner shall accept or engage in any employment involved in a labor boycott or strike.

Sec. 8. NEW SECTION. 517.7 WORKERS' COMPENSATION PREMIUMS.

The insurance division of the department of commerce shall adopt rules providing that a workers' compensation insurance premium paid by an employer shall consist of two parts, one part relating to payment of medical costs based on hours worked and one part relating to payment of all other workers' compensation-related benefits based on payroll.

Sec. 9. Section 732.6, subsections 1 and 2, Code 1989, are amended to read as follows:

1. Unless directly involved in a labor dispute, to knowingly recruit, procure, supply or refer for employment in the place of employees involved in such labor dispute any person or persons who customarily or repeatedly offer themselves as replacements for employees involved in labor disputes or who are inmates participating in a work release program pursuant to sections 246.901 through 246.909 or granted leave privileges pursuant to sections 356.26 through 356.35.

2. If directly involved in a labor dispute, to knowingly employ in place of employees involved in such dispute persons who customarily or repeatedly offer themselves as replacements for employees involved in labor disputes or who are inmates participating in a work release program pursuant to sections 246.901 through 246.909 or granted leave privileges pursuant to sections 356.26 through 356.35."

2. Title page, by striking lines 1 and 2 and inserting the following: "An Act relating to employment rights and benefits."

By JACK RIFE

S-3068 FILED FEBRUARY 13, 1989

RULED OUT OF ORDER

21359 (p. 365)  
NBT Germane



HOUSE FILE 17

S-3065

- 1 Amend House File 17 as follows:
- 2 1. Page 1, by inserting after line 29 the
- 3 following:
- 4 "5. This section shall not go into effect until
- 5 federal legislation is enacted which establishes a
- 6 minimum wage at least equal to or greater than the
- 7 minimum wage established in this Act."

By RICHARD F. DRAKE  
CALVIN O. HULTMAN

S-3065 FILED FEBRUARY 13, 1989  
LOST 2-13-89 (p. 367)

HOUSE FILE 17

S-3060

- 1 Amend House File 17 as amended, passed and re-
- 2 printed by the House as follows:
- 3 1. Page 1, by striking lines 25 and 26 and inserting
- 4 the following: "stated in 29 U.S.C. § 213 shall apply."

By CALVIN O. HULTMAN

S-3060 FILED FEBRUARY 13, 1989  
ADOPTED 2-13-89 (p. 367)

HOUSE FILE 17

S-3061

- 1 Amend House File 17, as amended, passed, and re-
- 2 printed by the House, as follows:
- 3 1. Page 1, by striking lines 25 and 26 and in-
- 4 serting the following: "stated in 29 U.S.C. § 213
- 5 shall apply."

By BERL E. PRIEBE

S-3061 FILED FEBRUARY 13, 1989  
RULED OUT OF ORDER 2-13-89 (p. 367)

HOUSE FILE 17

S-3064

- 1 Amend amendment, S-3057, to House File 17 as
- 2 amended, passed, and reprinted by the House as
- 3 follows:
- 4 1. Page 1, line 11, by striking the word and
- 5 figure "subsection 1" and inserting the following:
- 6 "paragraph "a"".

By JOHN A. PETERSON

S-3064 FILED FEBRUARY 13, 1989  
ADOPTED 2-13-89 (p. 366)

## HOUSE FILE 17

3070

Amend House File 17, as amended, passed, and reprinted by the House, as follows:

1. Page 1, by inserting after line 29 the following:

"Sec. \_\_\_\_ . EMPLOYEE-EMPLOYER IMPACT STUDY.

1. The department of employment services shall conduct an employee-employer impact study of the effects of this Act. The results of the study shall be reported to the general assembly and the governor by July 1, 1990. The study shall examine the period of time between October 1, 1989, and March 31, 1990, and shall include a statistically valid survey of all employers whose employment levels have increased or decreased by ten percent or more. The department may conduct similar studies for the periods of time between October 1, 1990, and March 31, 1991, and between October 1, 1991, and March 31, 1992, with the results of the studies to be reported to the general assembly and the governor by July 1, 1991, and July 1, 1992, respectively. All employers regulated in any way by the department of employment services shall respond to the survey and shall make other necessary data available to the department as required to complete the study. The department shall not make available to the public any employee-specific or employer-specific data under the study. The study shall examine, but shall not be limited to, all of the following:

a. The effects of this Act on employment levels in this state.

b. The effects of this Act by different demographic factors.

c. The effects of this Act, including any disproportionate impact, on women, minorities, and young adults.

d. The effects of this Act on full-time and part-time employment.

e. The effects of this Act on employers by size of employer, number of employees, amounts of gross sales, and other relevant determinants such as economic and seasonality factors.

f. The effects of this Act relating to jobs transferred out of state.

2. The state, including the state board of regents, and its political subdivisions shall establish programs for governmental employees who are terminated due to the effects of this Act. The programs shall give a preference to qualified persons previously employed by the state, the state board of regents, or a political subdivision when hiring to

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Page 2

1 fill vacant employee positions. The programs shall  
2 provide retraining for other positions with the state,  
3 the state board of regents, and its political  
4 subdivisions.

5 3. All state agencies, the state board of regents,  
6 and political subdivisions of this state shall  
7 cooperate fully in providing any data requested by the  
8 department of employment services and shall make  
9 employee records available to the department of  
10 employment services which are relevant to the study  
11 required to be performed under this section."

By JIM LIND

RICHARD F. DRAKE

MAGGIE TINSMAN

JOHN E. SOORHOLTZ

S-3070 FILED FEBRUARY 13, 1989

LOST 2-13-89 (p 368)

HOUSE FILE 17

S-3071

1 Amend House File 17 as amended, passed, and  
2 reprinted by the House as follows:

3 1. Page 1, line 12, by inserting after the word  
4 "greater." the following: "If an employer, as defined  
5 in the federal Fair Labor Standards Act, contracts  
6 with another employer for services in a written  
7 contract fully executed prior to the legislature's  
8 passage of an increase in the minimum wage under  
9 paragraph "a", the other employer shall be exempt from  
10 paying the applicable minimum wage until the  
11 expiration of the contract or for a period of six  
12 months following the execution of the contract,  
13 whichever occurs first. A six-month exemption shall  
14 also apply to profit and non-profit businesses that  
15 receive Title XIX funding."

By JOE WELSH

S-3071 FILED FEBRUARY 13, 1989

WITHDRAWN 2-13-89 (p. 367)

HOUSE FILE 17

S-3069

1 Amend amendment S-3057 to House File 17 as amended,  
2 passed and reprinted by the House, as follows:

3 1. Page 1, by striking lines 10 through 16 and  
4 inserting the following:  
5 "'d. An employer is not required to pay an  
6 employee the applicable minimum wage provided in  
7 paragraph "a" until the employee has completed ninety  
8 days of employment with the employer, but the employer  
9 shall pay at least eighty-five percent of the  
10 applicable minimum wage. An employee who has  
11 completed ninety days of employment with the employer  
12 prior to January 1 of 1990, 1991, or 1992, shall earn  
13 the applicable minimum wage.'"

By JIM LIND

S-3069 FILED FEBRUARY 13, 1989

LOST 2-13-89 (p. 366)

HOUSE AMENDMENT TO  
SENATE AMENDMENT TO  
HOUSE FILE 17

S-3081

- 1 Amend the Senate amendment, H-3150, to House File  
2 17, as amended, passed, and reprinted by the House as  
3 follows:  
4 1. Page 1, by striking lines 17 through 19.  
5 2. By renumbering as necessary.

RECEIVED FROM THE HOUSE

S-3081 FILED FEBRUARY 15, 1989

REFUSED TO CONCUR 2-15-89 (p 501) 410)

House insists 2-16-89 (p 501)

HOUSE FILE 17

S-3057

- 1 Amend House File 17 as amended and passed by the  
2 House, as follows:  
3 i. Page 1, by striking lines 4 through 6, and  
4 inserting the following: "law, pursuant to 29 U.S.C.  
5 § 206, shall be increased to \$3.85 on January 1 of  
6 1990, \$4.25 on January 1 of 1991, and \$4.65 on January  
7 1 of 1992."  
8 2. Page 1, by inserting after line 23 the  
9 following:

30010 "d. An employer is not required to pay an employee  
30011 the applicable minimum wage provided in subsection i  
12 until the employee has completed ninety calendar days  
13 of employment with the employer. An employee who has  
14 completed ninety calendar days of employment with the  
15 employer prior to January 1 of 1990, 1991, or 1992,  
16 shall earn the applicable minimum wage."

By JOHN A. PETERSON

AL STURGEON

DON E. GETTINGS

RICHARD RUNNING

TOM MANN, JR.

WILLIAM D. PALMER

S-3057 FILED FEBRUARY 9, 1989

submitted 2-15-89 (p. 3166)

SENATE AMENDMENT TO HOUSE FILE 17

H-3150

1 Amend House File 17 as amended, passed and  
2 reprinted by the House, as follows:

3 1. Page 1, by striking lines 4 through 6, and  
4 inserting the following: "law, pursuant to 29 U.S.C.  
5 § 206, shall be increased to \$3.85 on January 1 of  
6 1990, \$4.25 on January 1 of 1991, and \$4.65 on January  
7 1 of 1992."

3154

8 2. Page 1, by inserting after line 23 the  
9 following:

10 "d. An employer is not required to pay an employee  
11 the applicable minimum wage provided in paragraph "a"  
12 until the employee has completed ninety calendar days  
13 of employment with the employer. An employee who has  
14 completed ninety calendar days of employment with the  
15 employer prior to January 1 of 1990, 1991, or 1992,  
16 shall earn the applicable minimum wage."

3154,308

17 3. Page 1, by striking lines 25 and 26 and  
18 inserting the following: "stated in 29 U.S.C. § 213  
19 shall apply."

20 4. By renumbering, relettering, or redesignating  
21 and correcting internal references as necessary.

RECEIVED FROM THE SENATE

H-3150 FILED FEBRUARY 14, 1989

CONCURRED AS AMENDED 2-14-89 (p. 441)

HOUSE FILE 17

H-3152

1 Amend the Senate amendment, H-3150, to House File  
2 17, as amended, passed, and reprinted by the House as  
3 follows:

4 1. Page 1, by striking lines 17 through 19.

5 2. By renumbering as necessary.

By SHERZAN of Polk

BUHR of Polk

CONNORS of Polk

JOCHUM of Dubuque

H-3152 FILED FEBRUARY 14, 1989

ADOPTED 2-14-89 (p. 441)

HOUSE FILE 17

H-3154

1 Amend the Senate amendment, H-3150, to House File  
2 17, as amended, passed, and reprinted by the House, as  
3 follows:

4 1. Page 1, line 7, by inserting after the figure  
5 "1992." the following: "However, the applicable  
6 hourly wage specified in this paragraph shall not take  
7 effect until the federal minimum wage law in 29 U.S.C.  
8 § 206 is equal to or exceeds the applicable hourly  
9 wage specified in this paragraph."

By HALVORSON of Clayton

HARBOR of Mills

H-3154 FILED FEBRUARY 14, 1989

LOST 2-14-89 (p. 440)

CORRECTEDREPORT OF THE CONFERENCE COMMITTEE  
ON HOUSE FILE 17

To the Speaker of the House of Representatives and the President of the Senate:

We, the undersigned members of the conference committee appointed to resolve the differences between the House of Representatives and the Senate on House File 17, a bill for an Act relating to minimum wage requirements, respectfully make the following report:

1. That the House recedes from its amendment, S-3081.
2. That the Senate recedes from its amendment, H-3150.
3. That House File 17, as amended, passed, and reprinted by the House, is amended as follows:

1. Page 1, by striking lines 4 through 6, and inserting the following: "law, pursuant to 29 U.S.C. § 206, shall be increased to \$3.85 on January 1 of 1990, \$4.25 on January 1 of 1991, and \$4.65 on January 1 of 1992."

2. Page 1, by inserting after line 23 the following:

"d. An employer is not required to pay an employee the applicable minimum wage provided in paragraph "a" until the employee has completed ninety calendar days of employment with the employer. An employee who has completed ninety calendar days of employment with the employer prior to January 1 of 1990, 1991, or 1992, shall earn the applicable hourly minimum wage. An employer shall pay an employee who has not completed ninety calendar days of employment with the employer an hourly wage of at least \$3.35 as of January 1 of 1990, \$3.85 as of January 1 of 1991, and \$4.25 as of January 1 of 1992."

3. Page 1, by striking lines 25 and 26, and inserting the following: "stated in 29 U.S.C. § 213 shall apply, except

that the exemption in 29 U.S.C. § 213(a)(2) shall only apply to an enterprise which is comprised of one or more retail or service establishments whose annual gross volume of sales made or business done is less than sixty percent of the amount stated in 29 U.S.C. § 203(s)(2), exclusive of excise taxes at the retail level that are separately stated."

4. By renumbering as necessary.

ON THE PART OF THE HOUSE:

ON THE PART OF THE SENATE:

GARY SHERZAN, CHAIR  
PHIL BRAMMER  
JOHN CONNORS

JOHN PETERSON, CHAIR  
DON GETTINGS  
GEORGE KINLEY

FILED MARCH 8, 1989

*adopted 3-13-89 (p. 750)  
by senate*

*adopted by House 3-13-89 (p. 766)*

b. Every employer, as defined in the federal Fair Labor Standards Act, shall pay to each of the employer's employees, as defined in the federal Fair Labor Standards Act, wages of not less than the current federal minimum wage, pursuant to 29 U.S.C. § 206, or the wage rate stated in paragraph "a", whichever is greater.

c. For purposes of determining whether an employee of a restaurant, hotel, motel, inn, or cabin, who customarily and regularly receives more than thirty dollars a month in tips is receiving the minimum hourly wage rate prescribed by this section, the amount paid the employee by the employer shall be deemed to be increased on account of the tips by an amount determined by the employer, not to exceed forty percent of the applicable minimum wage. An employee may file a written appeal with the labor commissioner if the amount of tips received by the employee is less than the amount determined by the employer under this subsection.

d. An employer is not required to pay an employee the applicable minimum wage provided in paragraph "a" until the employee has completed ninety calendar days of employment with the employer. An employee who has completed ninety calendar days of employment with the employer prior to January 1 of 1990, 1991, or 1992, shall earn the applicable hourly minimum wage. An employer shall pay an employee who has not completed ninety calendar days of employment with the employer an hourly wage of at least \$3.35 as of January 1 of 1990, \$3.85 as of January 1 of 1991, and \$4.25 as of January 1 of 1992.

2. The exceptions from the minimum wage requirements stated in 29 U.S.C. § 213 shall apply, except that the exemption in 29 U.S.C. § 213(a)(2) shall only apply to an enterprise which is comprised of one or more retail or service establishments whose annual gross volume of sales made or business done is less than sixty percent of the amount stated in 29 U.S.C. § 203(s)(2), exclusive of excise taxes at the retail level that are separately stated.

HOUSE FILE 17

AN ACT

RELATING TO MINIMUM WAGE REQUIREMENTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NEW SECTION. 91D.1 MINIMUM WAGE REQUIREMENTS  
- EXCEPTIONS.

1. a. The hourly wage stated in the federal minimum wage law, pursuant to 29 U.S.C. § 206, shall be increased to \$3.85 on January 1 of 1990, \$4.25 on January 1 of 1991, and \$4.65 on January 1 of 1992.



3. The labor commissioner shall adopt rules to implement and administer this section.

4. This section shall be enforced pursuant to chapter 91A.

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DONALD D. AVENSON  
Speaker of the House

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JO ANN ZIMMERMAN  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 17, Seventy-third General Assembly.

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JOSEPH O'HERN  
Chief Clerk of the House

Approved March 17, 1989

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TERRY E. BRANSTAD  
Governor