

JAN 29 2001

LABOR & INDUSTRIAL RELATIONS

HOUSE FILE 124

BY T. TAYLOR, D. TAYLOR, HATCH,
SMITH, GREIMANN, LARKIN, COHOON,
FALLON, SHOULTZ, MASCHER,
OSTERHAUS, SCHRADER, STEVENS,
TREMMELE, MURPHY, FALCK,
ATTEBERRY, FOEGE, KUHN, MAY,
BELL, and CHIODO

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

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 124

1 Section 1. Section 91D.1, Code 2001, is amended by
2 striking the section and inserting in lieu thereof the
3 following:

4 91D.1 MINIMUM WAGE REQUIREMENTS -- EXCEPTIONS.

5 1. Every employer, as defined in the federal Fair Labor
6 Standards Act, shall pay to each of the employer's employees,
7 as defined in the federal Fair Labor Standards Act, the
8 following:

9 a. For the fiscal year beginning July 1, 2001, and ending
10 June 30, 2002, wages of not less than the current hourly wage
11 stated in the federal minimum wage law, pursuant to 29 U.S.C.
12 § 206.

13 b. For the fiscal year beginning July 1, 2002, and ending
14 June 30, 2003, wages of not less than fifty cents more per
15 hour than the current federal minimum wage, pursuant to 29
16 U.S.C. § 206.

17 c. For the fiscal year beginning July 1, 2003, and each
18 succeeding fiscal year, wages of not less than fifty cents
19 more per hour than the current federal minimum wage, pursuant
20 to 29 U.S.C. § 206, indexed to the midwest region consumer
21 price index as determined by the United States department of
22 labor, bureau of labor statistics.

23 2. For purposes of determining whether an employee of a
24 restaurant, hotel, motel, inn, or cabin, who customarily and
25 regularly receives more than thirty dollars a month in tips is
26 receiving the minimum hourly wage rate prescribed by this
27 section, the amount paid the employee by the employer shall be
28 deemed to be increased on account of the tips by an amount
29 determined by the employer, not to exceed forty percent of the
30 applicable minimum wage provided in subsection 1. An employee
31 may file a written appeal with the labor commissioner if the
32 amount of tips received by the employee is less than the
33 amount determined by the employer under this subsection.

34 3. The exemptions from the minimum wage requirements
35 stated in 29 U.S.C. § 213 shall apply, except that the

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

7 4. The labor commissioner shall adopt rules to implement
8 and administer this section.

9 5. This section shall be enforced pursuant to chapter 91A.

10 EXPLANATION

11 This bill requires every employer, as defined in the
12 federal Fair Labor Standards Act, to pay to each of the
13 employer's employees, as defined in the federal Fair Labor
14 Standards Act, for fiscal year 2001-2002, wages of not less
15 than the current hourly wage stated in the federal minimum
16 wage law; for fiscal year 2002-2003, wages of not less than 50
17 cents more per hour than the current federal minimum wage; and
18 for fiscal year 2003-2004, and each succeeding fiscal year,
19 wages of not less than 50 cents more per hour than the current
20 federal minimum wage, indexed to the midwest region consumer
21 price index.

22 Current law requires every employer, as defined in the
23 federal Fair Labor Standards Act, to pay to each of the
24 employer's employees, as defined in the federal Fair Labor
25 Standards Act, wages of not less than the current federal
26 minimum wage. The bill strikes a provision that requires an
27 employer to pay an hourly wage of \$4.25 to an employee who has
28 worked for the employer less than 90 days.

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