

House File 2002 - Introduced

HOUSE FILE _____
BY R. OLSON

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

A BILL FOR

1 An Act relating to exemptions to state minimum wage requirements.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
3 TLSB 5121YH 82
4 kh/rj/8

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1 1 Section 1. Section 91D.1, subsection 2, Code Supplement
1 2 2007, is amended to read as follows:
1 3 2. a. The exemptions from the minimum wage requirements
1 4 stated in 29 U.S.C. } 213, as amended to January 1, 2007,
1 5 shall apply, except that the exemption in 29 U.S.C. }
~~1 6 213(a)(2) shall only apply to an enterprise which is comprised~~
~~1 7 of one or more retail or service establishments whose annual~~
~~1 8 gross volume of sales made or business done is less than sixty~~
~~1 9 percent of the amount stated in 29 U.S.C. } 203(s)(2),~~
~~1 10 exclusive of excise taxes at the retail level that are~~
~~1 11 separately stated as otherwise provided in this subsection.~~
1 12 b. Except as provided in paragraph "c", the minimum wage
1 13 requirements set forth in this section shall not apply to an
1 14 enterprise whose annual gross volume of sales made or business
1 15 done, exclusive of excise taxes at the retail level which are
1 16 separately stated, is less than three hundred thousand
1 17 dollars.
1 18 c. The minimum wage requirements set forth in this section
1 19 shall apply to the following without regard to gross volume of
1 20 sales or business done:
1 21 (1) An enterprise engaged in the business of laundering,
1 22 cleaning, or repairing clothing or fabrics.
1 23 (2) An enterprise engaged in construction or
1 24 reconstruction.
1 25 (3) An enterprise engaged in the operation of a hospital;
1 26 an institution primarily engaged in the care of the sick, the
1 27 aged, or the mentally ill or persons who have symptoms of
1 28 mental illness who reside on the premises of such institution;
1 29 a school for persons with mental or physical disabilities or
1 30 for gifted children; a preschool, elementary or secondary
1 31 school, or an institution of higher education. This
1 32 subparagraph applies regardless of whether any such described
1 33 hospital, institution, or school is public or private or
1 34 operated for profit or not for profit.

1 35 (4) A public agency.

EXPLANATION

2 1 This bill replaces minimum wage requirement exemptions in
2 2 the Code which are tied to the federal Fair Labor Standards
2 3 Act.
2 4 Currently, the Code adopts by reference exemptions to the
2 5 federal Fair Labor Standards Act which were in place when
2 6 Iowa's minimum wage law was enacted in 1989, but which were
2 7 repealed from the United States Code on November 17, 1989.
2 8 The federal provision allowed a retail or service
2 9 establishment to pay employees engaged in certain services
2 10 less than the federal minimum wage if more than 50 percent of
2 11 the establishment's annual dollar volume of sales of goods or
2 12 services is made in the state in which the establishment is
2 13 located and 75 percent of whose annual dollar volume of sales
2 14 of goods or services is not for resale.
2 15 The bill provides that the state's minimum wage
2 16 requirements do not apply to an enterprise whose annual gross
2 17 volume of sales or business done, exclusive of excise taxes at
2 18 the retail level which are separately stated, is less than
2 19 \$300,000, unless the enterprise is engaged in the business of
2 20 laundering, cleaning, or repairing clothing or fabrics; is

2 22 engaged in construction or reconstruction; is engaged in the
2 23 operation of hospitals, facilities serving the elderly or
2 24 persons with mental or physical illnesses or disabilities, or
2 25 educational institutions; or is a public agency.
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