SENATE FILE 235 BY DONAHUE

A BILL FOR

- 1 An Act increasing the state minimum hourly wage and providing
- 2 for subsequent increases by the same percentage as the
- 3 increase in federal social security benefits.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 91D.1, subsection 1, paragraphs a and d,
Code 2023, are amended to read as follows:

3 *a.* <u>(1)</u> The state hourly wage shall be at least \$6.20 as of 4 April 1, 2007, and \$7.25 as of January 1, 2008, and \$15.00 as of 5 July 1, 2023.

6 (2) The state hourly wage, including the state hourly wage 7 for the first ninety calendar days of employment provided in 8 paragraph "d", shall be increased annually on July 1, beginning 9 July 1, 2024, by the same percentage as the cost-of-living 10 increase, if any, in federal social security benefits 11 authorized during the previous state fiscal year by the federal 12 social security administration pursuant to section 215 of the 13 federal Social Security Act, 42 U.S.C. §415. In no case shall 14 the state hourly wage be decreased.

15 d. An employer is not required to pay an employee the 16 applicable state hourly wage provided in paragraph "a" until the 17 employee has completed ninety calendar days of employment with 18 the employer. An employer shall pay an employee who has not 19 completed ninety calendar days of employment with the employer 20 an hourly wage of at least \$5.30 as of April 1, 2007, and \$6.35 21 as of January 1, 2008, and \$14.10 as of July 1, 2023. EXPLANATION

23The inclusion of this explanation does not constitute agreement with24the explanation's substance by the members of the general assembly.

This bill increases the state minimum hourly wage to \$15.00 as of July 1, 2023. The bill increases the state minimum hourly wage for employees employed for less than 90 days to \$14.10 as of July 1, 2023.

The bill also increases the state minimum hourly wage, including the minimum hourly wage established for employees employed for less than 90 days, annually on July 1, beginning July 1, 2024, by the same percentage as the cost-of-living increase, if any, in social security benefits effective as of the previous December, as authorized by the federal social security administration. In no case shall the state hourly

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1 wage be decreased.

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