

HB 2055 -- MINIMUM WAGE

SPONSOR: Rizzo

This bill specifies that the provisions regarding minimum wage are to be known as the Minimum Wage Act. The bill increases the minimum wage rate, effective January 1, 2015, to the higher of \$10 per hour or the federal minimum wage rate. Regardless of which wage rate is in effect, it must be increased or decreased on January 1, 2016, and January 1 of successive years, by the increase or decrease in the cost of living as determined by the Director of the Department of Labor and Industrial Relations on September 30, 2015, and September 30 of each successive year.

The bill also increases, from 50% to 60% of the minimum wage rate, the compensation that an employer must pay to an employee who receives tips as compensation in addition to wages.

The amount of liquidated damages that an employee may be awarded if an employer pays less than the required wages is increased from an amount equal to the required wages to an amount equal to twice the unpaid wages. The time within which an action for the collection of any deficiency in wages must be commenced is increased from within two to within three years.

The bill contains a referendum clause and will not become law unless approved by the qualified voters in November 2014.