FIRST REGULAR SESSION

HOUSE BILL NO. 625

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE CATON.

1457H.01I

6

13 14

15

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 290.502, RSMo, and to enact in lieu thereof one new section relating to a minimum wage exemption for certain employees.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 290.502, RSMo, is repealed and one new section enacted in lieu 2 thereof, to be known as section 290.502, to read as follows:

- 290.502. 1. Except as may be otherwise provided pursuant to sections 290.500 to 290.530, effective January 1, 2007, every employer shall pay to each employee wages at the rate of \$6.50 per hour, or wages at the same rate or rates set under the provisions of federal law as the prevailing federal minimum wage applicable to those covered jobs in interstate commerce, whichever rate per hour is higher.
- 2. The minimum wage shall be increased or decreased on January 1, 2008, and on January 1 of successive years, by the increase or decrease in the cost of living. On September 30, 2007, and on each September 30 of each successive year, the director shall measure the 9 increase or decrease in the cost of living by the percentage increase or decrease as of the preceding July over the level as of July of the immediately preceding year of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) or successor index as 11 published by the U.S. Department of Labor or its successor agency, with the amount of the minimum wage increase or decrease rounded to the nearest five cents.
- 3. (1) Except as may be otherwise provided pursuant to sections 290.500 to 290.530 and under subdivision (2) of this subsection, and notwithstanding subsection 1 of this 16 section, effective January 1, 2025, every employer shall pay to each employee wages at the rate of not less than \$13.75 per hour, or wages at the same rate or rates set under the

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

HB 625

provisions of federal law as the prevailing federal minimum wage applicable to those covered jobs in interstate commerce, whichever rate per hour is higher. Thereafter, the minimum wage established by this subsection shall be increased by \$1.25 per hour, to \$15.00 per hour, effective January 1, 2026. Thereafter, the minimum wage established by this subsection shall be increased or decreased on January 1, 2027, and on January 1 of successive years, per the method set forth in subsection 2 of this section. If at any time the federal minimum wage rate is above or is thereafter increased above the minimum wage then in effect under this subsection, the minimum wage required by this subsection shall continue to be increased pursuant to this subsection, but the higher federal rate shall immediately become the minimum wage required by this subsection and shall be increased or decreased per the method set forth in subsection 2 for so long as it remains higher than the state minimum wage required and increased pursuant to this subsection.

- (2) (a) Except where otherwise required by federal law, beginning on and after the effective date of this section, any increase in the minimum wage under this section beginning on or after January 1, 2025, shall not apply to any employee who is under twenty years of age.
- (b) The minimum wage rate in effect on December 31, 2024, shall be the applicable rate for employees under twenty years of age, notwithstanding any other exemptions, lower wage rates, prevailing wage rates, or other exceptions or preemptions of the state minimum wage law that are allowed under this chapter, general law, or federal law.
- (c) Employers employing employees under twenty years of age who are exempt under this subdivision shall still be subject to the remaining applicable provisions of sections 290.500 to 290.530 as applied to the minimum wage rate in effect on December 31, 2024.
- (d) The exemption provided under this subdivision shall apply only to employment compensation paid or accrued on or after the effective date of this section and shall not be retroactive in effect.
- (e) The department may promulgate all necessary rules and regulations for the administration of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2025, shall be invalid and void.

HB 625

4. For purposes of this section, the term "public employer" means an employer that is the state or a political subdivision of the state, including a department, agency, officer, bureau, division, board, commission, or instrumentality of the state, or a city, county, town, village, school district, or other political subdivision of the state. Subsection 3 of this section shall not apply to a public employer with respect to its employees. Any public employer that is subject to subsections 1 and 2 of this section shall continue to be subject to those subsections.

✓