

Senate Bill 495

By: Senators Johnson of the 1st and Balfour of the 9th

AS PASSED SENATE

**A BILL TO BE ENTITLED
AN ACT**

1 To amend Chapter 4 of Title 34 of the Official Code of Georgia Annotated, the "Georgia
2 Minimum Wage Law," so as to preempt certain wage and employment benefit mandates by
3 local government entities; to provide exceptions; to define certain terms; to provide
4 legislative findings and declarations; to provide an effective date; to repeal conflicting laws;
5 and for other purposes.

6 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

7 **SECTION 1.**

8 The General Assembly finds and declares that:

- 9 (1) Economic stability and growth are among the most important factors affecting the
10 general welfare of the people of this state, and that economic stability and growth are
11 therefore among the most important matters for which the General Assembly is
12 responsible;
- 13 (2) Mandated wage rates and employment benefits comprise a major cost component for
14 private enterprises and are among the chief factors affecting the economic stability and
15 growth of this state;
- 16 (3) Local variations in mandated wage rates and employment benefits threaten many
17 businesses with a loss of employees to areas which require higher mandated wage rates
18 and employment benefits, threaten many other businesses with the loss of patrons to areas
19 which allow lower mandated wage rates and employment benefits, and are therefore
20 detrimental to the business environment of the state and to the citizens, businesses, and
21 governments of the various political subdivisions as well as local labor markets;
- 22 (4) In order for businesses to remain competitive and yet attract and retain the highest
23 possible caliber of employees, private enterprises in this state must be allowed to function
24 in a uniform environment with respect to mandated wage rates and employment benefits;
25 and

1 (5) Legislated wage and employment benefit disparity between local government entities
 2 of this state creates an anticompetitive marketplace that fosters job and business
 3 relocation.

4 SECTION 2.

5 Chapter 4 of Title 34 of the Official Code of Georgia Annotated, the "Georgia Minimum
 6 Wage Law," is amended by adding a new Code section to read as follows:

7 "34-4-3.1.

8 (a) As used in this Code section, the term:

9 (1) 'Employee' means any individual employed by an employer.

10 (2) 'Employer' means any person or entity that employs one or more employees.

11 (3) 'Employment benefits' means anything of value that an employee may receive from
 12 an employer in addition to wages and salary. This term includes, but is not limited to,
 13 any health benefits, disability benefits, death benefits, group accidental death and
 14 dismemberment benefits, paid days off for holidays, sick leave, vacation, and personal
 15 necessity, retirement benefits, and profit-sharing benefits.

16 (4) 'Local government entity' means a county, municipal corporation, consolidated
 17 government, authority, board of education, or other local public board, body, or
 18 commission.

19 (5) 'Person' means an individual, partnership, association, corporation, business trust,
 20 legal representative, or any other organized group of persons.

21 (6) 'Wage or employment benefit mandate' means any requirement adopted by a local
 22 government entity which requires an employer to pay any or all of its employees a wage
 23 rate or provide employment benefits not otherwise required under this Code or federal
 24 law.

25 (b)(1) Except as provided in paragraph (2) of this subsection and subsection (c) of this
 26 Code section, any and all wage or employment benefit mandates adopted by any local
 27 government entity are hereby preempted.

28 (2) Except as provided in subsection (c) of this Code section, no local government entity
 29 may adopt, maintain, or enforce by charter, ordinance, purchase agreement, contract,
 30 regulation, rule, or resolution, either directly or indirectly, a wage or employment benefit
 31 mandate.

32 (c) The prohibitions in subsection (b) of this Code section shall not:

33 (1) Prohibit a local government entity from adopting, maintaining, or enforcing through
 34 a collective bargaining agreement or other means minimum wage or employment benefit
 35 requirements governing compensation paid or provided by that local government entity
 36 to employees of that local government entity; or

1 (2) Apply to a collective bargaining agreement negotiated between a local government
2 entity and the bargaining representative of the employees of the local government entity."

3 **SECTION 3.**

4 This Act shall become effective upon its approval by the Governor or upon its becoming law
5 without such approval.

6 **SECTION 4.**

7 All laws and parts of laws in conflict with this Act are repealed.