

House Bill 845

By: Representatives McKillip of the 115th, Heard of the 114th, Hugley of the 133rd, Abrams of the 84th, Mumford of the 95th, and others

**A BILL TO BE ENTITLED
AN ACT**

1 To amend Title 34 of the Official Code of Georgia Annotated, relating to labor and industrial
2 relations, so as to provide for a substantive and comprehensive reform of provisions
3 regarding the minimum wage law; to provide for legislative findings; to provide for an
4 increase in the minimum wage; to provide for annual minimum wage increases to match the
5 rising cost of living; to provide a credit toward the minimum wage for employers of tipped
6 workers; to eliminate various eligibility exemptions from the minimum wage; to provide for
7 related matters; to provide for severability; to provide an effective date and applicability; to
8 repeal conflicting laws; and for other purposes.

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

10 **SECTION 1.**

11 The General Assembly finds that all Georgians who are working full time should earn
12 enough money to take care of their families. The General Assembly further finds that today,
13 too many of Georgia's working families are struggling to make ends meet. The real value
14 of the minimum wage has fallen to a 50 year low, and too many workers are excluded from
15 the protection of the minimum wage altogether. The General Assembly finds that it is
16 important to establish a minimum wage that broadly covers working families in Georgia and
17 that keeps pace with inflation even when the federal minimum wage does not.

18 **SECTION 2.**

19 Title 34 of the Official Code of Georgia Annotated, relating to labor and industrial relations,
20 is amended by revising Code Section 34-4-3, relating to amount of minimum wage to be paid
21 by employers, as follows:

22 "34-4-3.

23 (a) Except as otherwise provided in this Code section, every employer, whether a person,
24 firm, or corporation, shall pay to all covered employees a minimum wage which shall be
25 not less than \$5.15 \$6.20 per hour for each hour worked in the employment of such

1 employer. As of January 1, 2008, the minimum wage shall be not less than \$7.25 per hour
2 for each hour worked in the employment of such employer. On January 1, 2009, and on
3 January 1 of each successive year thereafter, the minimum wage shall be increased by the
4 increase in the cost of living, if any. On September 30, 2008, and on September 20 of each
5 successive year thereafter, the Georgia Department of Labor shall measure the increase in
6 the cost of living as being the percentage increase as of the preceding July over the July
7 level of the immediately preceding year according to the Consumer Price Index for Urban
8 Wage Earners and Clerical Workers (CPI-W) or such successor index as published by the
9 United States Department of Labor or its successor agency. Each adjusted minimum wage
10 rate calculated shall be published and take effect on the following January 1.

11 (b) Employers of employees who meet the eligibility requirements for the tip credit under
12 the federal Fair Labor Standards Act, 29 U.S.C. Section 203(t), may credit tips towards the
13 satisfaction of up to 50 percent of the minimum wage provided by this Code section.

14 (b) (c) This chapter shall not apply with respect to:

- 15 (1) Any employer that has sales of \$40,000.00 per year or less;
- 16 (2) Any employer having five employees or less;
- 17 (3) Any employer of domestic employees;
- 18 (4) Any employer who is a farm owner, sharecropper, or land renter;
- 19 (5) Any employee whose compensation consists wholly or partially of gratuities;
- 20 (6)(3) Any employee who is a high school or college student;
- 21 (7)(4) Any individual who is employed as a newspaper carrier; or
- 22 (8)(5) Any individual who is employed by a nonprofit child-caring institution or
23 long-term care facility serving children or mentally disabled adults who are enrolled in
24 such institution and reside in residential facilities of the institution, if such employee
25 resides in such facilities, receives without cost board and lodging from such institution,
26 and is compensated on a cash basis at an annual rate of not less than \$10,000.00.

27 (c) This chapter shall not apply to any employer who is subject to the minimum wage
28 provisions of any act of Congress as to employees covered thereby if such act of Congress
29 provides for a minimum wage which is greater than the minimum wage which is provided
30 for in this Code section."

31 SECTION 3.

32 In the event any section, subsection, sentence, clause, or phrase of this Act is declared or
33 adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect
34 the remaining portions of this Act, which shall remain of full force and effect as if such
35 portion so declared or adjudged invalid or unconstitutional were not originally a part of this
36 Act. The General Assembly declares that it would have enacted the remaining parts of this

- 1 Act if it had known that such portion hereof would be declared or adjudged invalid or
2 unconstitutional.

3 SECTION 4.

- 4 This Act shall become effective 60 days after its approval by the Governor or upon its
5 becoming law without such approval.

6 SECTION 5.

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