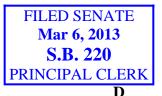
GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2013



SENATE DRS75130-LR-49B* (02/05)

Short Title:	State Minimum Wage/Inflation Increases.	(Public)
Sponsors:	Senators Parmon and D. Davis (Primary Sponsors).	
Referred to:		

A BILL TO BE ENTITLED 1 2 AN ACT PROVIDING FOR AUTOMATIC ADJUSTMENT OF THE STATE'S MINIMUM 3 WAGE BASED UPON INCREASES IN THE CONSUMER PRICE INDEX. 4 The General Assembly of North Carolina enacts: 5 SECTION 1. G.S. 95-25.3 reads as rewritten: 6 "§ 95-25.3. Minimum wage. 7 Every-Subject to the provisions of subsection (a1) of this section, every employer (a) shall pay to each employee who in any workweek performs any work, wages of at least six 8 9 dollars and fifteen cents (\$6.15) per hour or the minimum wage set forth in paragraph 1 of section 6(a) of the Fair Labor Standards Act, 29 U.S.C. 206(a)(1), as that wage may change 10 11 from time to time, whichever is higher, except as otherwise provided in this section. 12 The minimum wage required by subsection (a) of this section shall be increased on (a1) 13 January 1, 2014, and on January 1 of successive years by the increase in the cost of living. The 14 increase in the cost of living shall be measured by the percentage increase of the consumer 15 price index (all urban consumers, U.S. city average for all items), CPI-U, or its successor index, as calculated by the U.S. Department of Labor for the 12 months preceding the previous 16 17 September 1. The Commissioner shall calculate the indexed minimum wage rate. The indexed 18 minimum wage rate shall be calculated to the nearest cent (\$0.01). In order to prevent curtailment of opportunities for employment, the wage rate for 19 (b) 20 full-time students, learners, apprentices, and messengers, as defined under the Fair Labor 21 Standards Act, shall be ninety percent (90%) of the rate in effect under subsection (a) above, 22 rounded to the lowest nickel. 23 The Commissioner, in order to prevent curtailment of opportunities for employment, (c)24 may, by regulation, establish a wage rate less than the wage rate in effect under section (a) 25 which may apply to persons whose earning or productive capacity is impaired by age or physical or mental deficiency or injury, as such persons are defined under the Fair Labor 26 27 Standards Act. 28 (d) The Commissioner, in order to prevent curtailment of opportunities for employment 29 of the economically disadvantaged and the unemployed, may, by regulation, establish a wage 30 rate not less than eighty-five percent (85%) of the otherwise applicable wage rate in effect 31 under subsection (a) which shall apply to all persons (i) who have been unemployed for at least 32 15 weeks and who are economically disadvantaged, or (ii) who are, or whose families are, 33 receiving Work First Family Assistance or who are receiving supplemental security benefits 34 under Title XVI of the Social Security Act. 35 Pursuant to regulations issued by the Commissioner, certificates establishing eligibility for

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such subminimum wage shall be issued by the Division of Employment Security.



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1 The regulation issued by the Commissioner shall not permit employment at the 2 subminimum rate for a period in excess of 52 weeks.

3 (e) The Commissioner, in order to prevent curtailment of opportunities for employment, 4 and to not adversely affect the viability of seasonal establishments, may, by regulation, 5 establish a wage rate not less than eighty-five percent (85%) of the otherwise applicable wage 6 rate in effect under subsection (a) which shall apply to any employee employed by an 7 establishment which is a seasonal amusement or recreational establishment, or a seasonal food 8 service establishment.

9 Tips earned by a tipped employee may be counted as wages only up to the amount (f) 10 permitted in section 3(m) of the Fair Labor Standards Act, 29 U.S.C. 203(m), if the tipped 11 employee is notified in advance, is permitted to retain all tips and the employer maintains 12 accurate and complete records of tips received by each employee as such tips are certified by 13 the employee monthly or for each pay period. Even if the employee refuses to certify tips 14 accurately, tips may still be counted as wages when the employer complies with the other 15 requirements of this section and can demonstrate by monitoring tips that the employee 16 regularly receives tips in the amount for which the credit is taken. Tip pooling shall also be 17 permissible among employees who customarily and regularly receive tips; however, no 18 employee's tips may be reduced by more than fifteen percent (15%) under a tip pooling 19 arrangement.

20 21 (g) Repealed by Session Laws 2006-259, s. 18, effective August 23, 2006."

SECTION 2. This act is effective when it becomes law.