FIRST REGULAR SESSION

[PERFECTED]

HOUSE BILL NO. 258

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES JONES (89) (Sponsor), JONES (117), KINGERY, SCHAD BIVINS, SCHOELLER, SCHARNHORST AND GRISAMORE (Co-sponsors).

0283L.01P

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 290.502 and 290.512, RSMo, and to enact in lieu thereof three new sections relating to minimum wage law.

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

Section A. Sections 290.502 and 290.512, RSMo, are repealed and three new sections enacted in lieu thereof, to be known as sections 290.502, 290.512, and 290.531, to read as follows:

290.502. 1. Except as may be otherwise provided pursuant to sections 290.500 to 2 290.530, effective January 1, 2007, every employer shall pay to each employee wages at the rate 3 of \$6.50 per hour, or wages at the same rate or rates set under the provisions of federal law as 4 the prevailing federal minimum wage applicable to those covered jobs in interstate commerce, 5 whichever rate per hour is higher.

6 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 7 30, 2007, and on each September 30 of each successive year, the director shall measure the 8 9 increase or decrease in the cost of living by the percentage increase or decrease as of the 10 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 published 11 12 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. This subsection shall not apply to 13 14 employees who receive and retain compensation in the form of gratuities, except that any

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.

H.B. 258

15 modification of the minimum wage made under this subsection prior to July 24, 2009, shall

- 16 be used to calculate the minimum wage for those receiving and retaining compensation in
- 17 the form of gratuities pursuant to this section and section 290.512, RSMo.

290.512. 1. No employer of any employee who receives and retains compensation in the form of gratuities in addition to wages is required to pay wages in excess of fifty percent of the minimum wage rate specified in sections 290.500 to 290.530, however, total compensation for such employee shall total at least the minimum wage specified in sections 290.500 to 290.530, the difference being made up by the employer. However, the total compensation for such tipped employee shall not be less than the minimum wage specified in section 290.502.

7 2. If an employee receives and retains compensation in the form of goods or services as an incident of his employment and if he is not required to exercise any discretion in order to 8 9 receive the goods or services, the employer is required to pay only the difference between the fair market value of the goods and services and the minimum wage otherwise required to be paid by 10 11 sections 290.500 to 290.530. The fair market value of the goods and services shall be computed on a weekly basis. The director shall provide by regulation a method of valuing the goods and 12 13 services received by any employee in lieu of the wages otherwise required to be paid under the provisions of sections 290.500 to 290.530. He shall also provide by regulation a method of 14 determining those types of goods and services that are an incident of employment the receipt of 15 16 which does not require any discretion on the part of the employee.

290.531. The department of labor and industrial relations shall promulgate rules to implement the provisions of sections 290.500 to 290.530. Any rule or portion of a rule, 2 as that term is defined in section 536.010, RSMo, that is created under the authority 3 delegated in this section shall become effective only if it complies with and is subject to all 4 of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This 5 section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the 6 7 general assembly under chapter 536, RSMo, to review, to delay the effective date, or to 8 disapprove and annul a rule are subsequently held unconstitutional, then the grant of 9 rulemaking authority and any rule proposed or adopted after August 28, 2009, shall be invalid and void. 10

1