SENATE BILL 36

53rd Legislature - STATE OF NEW MEXICO - FIRST SESSION, 2017

INTRODUCED BY

William P. Soules

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AN ACT

RELATING TO LABOR; RAISING THE MINIMUM WAGE; PROVIDING

ALTERNATIVES; REQUIRING COST-OF-LIVING ADJUSTMENTS; ALLOWING

LOCAL GOVERNMENT MINIMUM WAGE ENACTMENTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 50-4-22 NMSA 1978 (being Laws 1955, Chapter 200, Section 3, as amended) is amended to read:

"50-4-22. MINIMUM WAGES.--

[A. An employer shall pay an employee the minimum wage rate of six dollars fifty cents (\$6.50) an hour. As of January 1, 2009, an employer shall pay the minimum wage rate of seven dollars fifty cents (\$7.50) an hour.]

A. Except as provided in Subsections B and C of this section, an employer shall pay an employee the minimum wage of eight dollars forty-five cents (\$8.45) an hour adjusted .205279.2

annually on January 1 for the increase, if any, in the cost of living pursuant to Subsection D of this section.

- B. An employer employing ten or fewer employees
 shall pay the minimum wage of seven dollars fifty cents (\$7.50)
 an hour adjusted annually on January 1 for the increase, if
 any, in the cost of living pursuant to Subsection D of this
 section.
- C. An employer employing ten or more employees and also employing trainee employees shall pay a trainee employee during the training period the minimum wage rate of seven dollars fifty cents (\$7.50) per hour adjusted annually on January 1 for the increase, if any, in the cost of living pursuant to Subsection D of this section; provided that after six months from the date of hire, the employer shall pay a trainee employee the minimum wage set forth in Subsection A of this section.
- D. Beginning on January 1, 2018 and then on January 1 of each subsequent year, an employer shall pay an employee the prior year's minimum wage increased by a percentage equal to the percentage increase, if any, in the cost of living calculated pursuant to Subsection E of this section with the amount of the minimum wage increase rounded to the nearest multiple of five cents (\$.05).
- E. No later than September 30 of each year,
 beginning in 2017, the workforce solutions department shall
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calculate a percentage increase, if any, in the cost of living based upon the percentage increase, if any, from August of the preceding year to August of the year in which the calculation is made in the United States city average consumer price index for all urban consumers for all items as prepared by the bureau of labor statistics of the United States department of labor or its successor. The workforce solutions department shall publish no later than November 1 of each year the adjusted minimum wage rates that shall take effect the following January 1. Minimum wage rates shall not be adjusted downward as a result of a decrease in the cost of living.

F. Nothing in this section shall:

- (1) be construed to authorize or require an employer to lower the hourly wage of an employee; or
- (2) replace or preempt the enactment of a local governing body that sets a minimum wage rate higher than a minimum wage rate set pursuant to this section.
- [B.] G. An employer furnishing food, utilities, supplies or housing to an employee who is engaged in agriculture may deduct the reasonable value of such furnished items from any wages due to the employee.
- [G.] H. An employee who customarily and regularly receives more than thirty dollars (\$30.00) a month in tips shall be paid a minimum hourly wage of [two dollars thirteen cents (\$2.13)] two dollars sixty-five cents (\$2.65) per hour .205279.2

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adjusted annually on January 1 for the increase, if any, in the $[\underline{\mathsf{D}}_{\bullet}]$ $\underline{\mathsf{I}}_{\bullet}$ An employee shall not be required to work

cost of living pursuant to Subsection D of this section. The employer may consider tips as part of wages, but the tips combined with the employer's cash wage shall not equal less than the minimum wage rate as provided in Subsection A of this All tips received by such employees shall be retained by the employee, except that nothing in this section shall prohibit the pooling of tips among employees.

more than forty hours in any week of seven days, unless the employee is paid one and one-half times the employee's regular hourly rate of pay for all hours worked in excess of forty For an employee who is paid a fixed salary for fluctuating hours and who is employed by an employer a majority of whose business in New Mexico consists of providing investigative services to the federal government, the hourly rate may be calculated in accordance with the provisions of the federal Fair Labor Standards Act of 1938 and the regulations pursuant to that act; provided that in no case shall the hourly rate be less than the federal minimum wage."

SECTION 2. EFFECTIVE DATE. -- The effective date of the provisions of this act is July 1, 2017.

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