HOUSE BILL 258

47th legislature - STATE OF NEW MEXICO - second session, 2006

INTRODUCED BY

Ben Lujan

 AN ACT

RELATING TO PAYMENT OF WAGES; INCREASING THE STATE MINIMUM WAGE.

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 by Laws 2005, Chapter 302, Section 1 and by Laws 2005, Chapter 306, Section 1) is amended to read:

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

A. An employer [except as provided in Section 50-4-21 NMSA 1978] shall pay the minimum wage rate of [five dollars fifteen cents (\$5.15)] seven dollars fifty cents (\$7.50) an hour, except that an employer furnishing food, utilities, supplies or housing to an employee who is engaged in agriculture may deduct the reasonable value of such furnished .160275.3

items from any wages due to the employee.

B. An employee [subject to Subsection A of this section] who customarily and regularly receives more than [thirty dollars (\$30.00)] forty-five dollars (\$45.00) a month in tips shall be paid a minimum hourly wage of [two dollars thirteen cents (\$2.13)] three dollars ten cents (\$3.10). The employer may consider tips as part of wages, but the tips combined with the employer's cash wage shall not equal less than [five dollars sixty cents (\$5.60) per hour] the minimum wage rate as provided in Subsection A of this section. 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.

C. An employee [subject to the provisions of
Subsection A of this section] shall not be required to work
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
hours. 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
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rate be less than the federal minimum wage.

D. On January 1, 2008 and on January 1 of each successive year, the minimum wage rate shall be increased by the increase in the cost of living. The increase in the cost of living shall be measured by the lesser of three percent or the percentage increase as of August of the immediately preceding year over the level as of August of the previous year of the consumer price index for all urban consumers, United States city average for all items, or its successor index as published by the United States department of labor or its successor agency, with the amount of the minimum wage increase rounded to the nearest multiple of five cents (\$.05). The labor and industrial division of the labor department shall publish by November 1 of each year the adjusted minimum wage rates that shall take effect the following January 1."

Section 2. EFFECTIVE DATE.--The effective date of the provisions of this act is January 1, 2007.

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