By: Senator(s) Simmons (12th)

To: Labor; Accountability, Efficiency, Transparency

SENATE BILL NO. 2079

AN ACT TO ENACT A MINIMUM WAGE LAW FOR THE STATE OF MISSISSIPPI, WITH ANNUAL INCREMENTAL INCREASES OVER A THREE-YEAR PERIOD; TO DEFINE EMPLOYERS AND EMPLOYEES SUBJECT TO THE MINIMUM WAGE LAW; TO EMPOWER THE MISSISSIPPI DEPARTMENT OF EMPLOYMENT 5 SECURITY, OFFICE OF THE GOVERNOR, TO ENFORCE AND ADMINISTER THE 6 PROVISIONS OF THE MINIMUM WAGE LAW; TO PROVIDE CRIMINAL PENALTIES AND A CIVIL CAUSE OF ACTION AGAINST EMPLOYERS FOR VIOLATIONS OF 7 THE MINIMUM WAGE LAW; TO AMEND SECTION 17-1-51, MISSISSIPPI CODE 8 9 OF 1972, TO AUTHORIZE MUNICIPAL AND COUNTY GOVERNING AUTHORITIES, 10 IN THEIR DISCRETION, TO MANDATE A WAGE THAT IS MORE THAN THE STATE 11 MINIMUM WAGE; TO AMEND SECTION 25-3-40, MISSISSIPPI CODE OF 1972, 12 TO CONFORM; AND FOR RELATED PURPOSES.

- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:
- 14 **SECTION 1.** This act shall be known as the Mississippi
- 15 Minimum Wage Act.
- 16 **SECTION 2.** It is declared to be the public policy of the
- 17 State of Mississippi to establish fair minimum wages for workers
- 18 in order to safeguard their health, efficiency and general
- 19 well-being and to protect those workers as well as their employers
- 20 from the effects of unfair competition resulting from wage levels
- 21 detrimental to their health, efficiency and well-being.

- 22 **SECTION 3.** (1) Except as otherwise provided in this act,
- 23 every employer shall pay each of its employees a fair minimum wage
- 24 as provided in this section.
- 25 (2) The state minimum wage shall be as follows:
- 26 (a) Beginning January 1, 2022, the rate of not less
- 27 than Twelve Dollars (\$12.00) per hour; and
- 28 (b) Beginning January 1, 2024, the rate of not less
- 29 than Fifteen Dollars (\$15.00) per hour.
- 30 (3) Whenever the highest federal minimum wage is increased,
- 31 the minimum wage established under this section shall be increased
- 32 to the amount of the federal minimum wage plus one-half of one
- 33 percent (1/2 of 1%) more than the federal rate, rounded to the
- 34 nearest whole cent, effective on the same date as the increase in
- 35 the highest federal minimum wage, and shall apply to all wage
- 36 orders and administrative regulations then in force.
- 37 (4) The rates for learners, beginners, and persons under the
- 38 age of eighteen (18) years shall be not less than eighty-five
- 39 percent (85%) of the state minimum wage for the first two hundred
- 40 (200) hours of their employment and equal to the applicable state
- 41 minimum wage thereafter, except institutional training programs
- 42 specifically exempted by the director.
- 43 **SECTION 4.** As used in this act, unless the context otherwise
- 44 requires:
- 45 (a) "Director" means the Executive Director of the
- 46 Mississippi Department of Employment Security.

47 (b) "Department" means the Mississippi Department	t of
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- 48 Employment Security, Office of the Governor, established under
- 49 Section 71-5-101.
- 50 (c) "Wage" means compensation due to an employee by
- 51 reason of his or her employment, payable in legal tender of the
- 52 United States or checks on banks convertible into cash on demand
- 53 at full face value, subject to any deductions, charges or
- 54 allowances as may be permitted by this act or by regulations of
- 55 the department under this act.
- (d) "Employ" includes to suffer or to permit to work;
- 57 (e) "Employer" includes any individual, partnership,
- 58 association, corporation, business trust, or any person or group
- 59 of persons acting directly or indirectly in the interest of an
- 60 employer in relation to an employee. The term "employer" does not
- 61 include:
- 62 (i) Any individual, partnership, association,
- 63 corporation, business trust, or any person or group of persons
- 64 acting directly or indirectly in the interest of an employer in
- 65 relation to an employee that employs fewer than five (5) employees
- 66 in a regular employment relationship; or
- 67 (ii) Any person, firm or corporation, or other
- 68 entity subject to the provisions of the federal Fair Labor
- 69 Standards Act of 1938.
- 70 (f) "Independent contractor" means any individual who
- 71 contracts to perform certain work away from the premises of his or

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- 73 and is subject to the control of the employer only as to the
- 74 result of his or her work.
- 75 "Employee" includes any individual employed by an
- 76 employer but does not include:
- 77 (i) Any individual employed in a bona fide
- executive, administrative or professional capacity, or as an 78
- 79 outside commission-paid salesperson, who customarily performs his
- 80 or her services away from his or her employer's premises, taking
- 81 orders for goods or services;
- 82 (ii) Any student performing services for any
- school, college or university in which he or she is enrolled and 83
- 84 is regularly attending classes;
- 85 (iii) Any individual employed by the United States
- or by the state or any political subdivision of the state, except 86
- 87 public schools and school districts;
- 88 (iv) Any individual engaged in an activity of any
- educational, charitable, religious or nonprofit organization where 89
- 90 the employer/employee relationship does not in fact exist or where
- 91 the service is rendered to the organization gratuitously;
- 92 (∇) Any bona fide independent contractor;
- 93 (vi) Any individual employed by an agricultural
- employer who did not use more than five hundred (500) man-days of 94
- 95 agricultural labor in any calendar quarter of the preceding
- 96 calendar year;

97			(vii) '	The	parent,	spo	use,	child	or	other	member	of
98	an	agricultural	employ	er's	s immedia	ate	famil	у;				

- 99 (viii) An individual who:
- 100 1. Is employed as a hand harvest laborer and
- 101 is paid on a piece-rate basis in an operation that has been, and
- 102 is customarily and generally recognized as having been, paid on a
- 103 piece-rate basis in the region of employment;
- 104 2. Commutes daily from his or her permanent
- 105 residence to the farm on which he or she is so employed; and
- 106 3. Has been employed in agriculture less than
- 107 thirteen (13) weeks during the preceding calendar year;
- 108 (ix) A migrant who:
- 1. Is sixteen (16) years of age or under and
- 110 is employed as a hand harvest laborer;
- 111 2. Is paid on a piece-rate basis in an
- 112 operation which has been, and is customarily and generally
- 113 recognized as having been, paid on a piece-rate basis in the
- 114 region of employment;
- 115 3. Is employed on the same farm as his or her
- 116 parents; and
- 117 4. Is paid the same piece-rate as employees
- 118 over age sixteen (16) are paid on the same farm;
- 119 (x) Any employee principally engaged in the range
- 120 production of livestock; or

121 (xi) Any	emplovee	emploved	ın r	olanting	or	tendina

- 122 trees, cruising, surveying or felling timber, or in preparing or
- 123 transporting logs or other forestry products to the mill,
- 124 processing plants, or railroad or other transportation terminal if
- 125 the number of employees employed by his or her employer in the
- 126 forestry or lumbering operations does not exceed eight (8).
- (h) "Occupation" means any occupation, service, trade,
- 128 business, industry, or branch or group of industries or employment
- 129 or class of employment in which employees are gainfully employed.
- 130 (i) "Gratuities" means voluntary monetary contributions
- 131 received by an employee from a guest, patron or customer for
- 132 services rendered.
- 133 (j) "Man-day" means any day during any portion of which
- 134 an employee performs any agricultural labor.
- 135 **SECTION 5.** Nothing in this act shall be deemed to interfere
- 136 with, impede, or in any way diminish the right of employers and
- 137 employees to bargain collectively through representatives of their
- 138 own choosing in order to establish wages or other conditions of
- 139 work.
- 140 **SECTION 6.** (1) Any employer who willfully:
- 141 (a) Hinders or delays the department or its authorized
- 142 representative in the performance of its duties in the enforcement
- 143 of this act;
- 144 (b) Refuses to admit the department or its authorized
- 145 representative to any place of employment;

146	(C)	Fails to make,	keep and preserve	e any records as
147	required under	the provisions	of this act or to	make the record
148	accessible to	the department	or its authorized	representative upon
149	demand;			

- 150 (d) Refuses to furnish a sworn statement of the record 151 or any other information required for the proper enforcement of 152 this act to the department or its authorized representative upon 153 demand; or
- 154 Fails to post a summary of this act or a copy of 155 any applicable regulations as required by this act shall be deemed in violation of this act and shall, upon conviction, be fined not 156 157 less than One Hundred Dollars (\$100.00) nor more than Four Hundred 158 Dollars (\$400.00). For the purposes of this subsection, each 159 violation shall constitute a separate offense.
- 160 Any employer who pays or agrees to pay minimum wages at 161 a rate less than the rate applicable under this act shall be 162 quilty of a felony and the employer shall:
- 163 Be fined not less than Four Thousand Dollars (a) 164 (\$4,000.00) nor more than Ten Thousand Dollars (\$10,000.00) for 165 each offense if the total amount of all unpaid wages owed to an 166 employee is more than Two Thousand Dollars (\$2,000.00);
- 167 Be fined not less than Two Thousand Dollars (b) 168 (\$2,000.00) nor more than Four Thousand Dollars (\$4,000.00) or the 169 agent or officer of the employer shall be imprisoned not more than one (1) year, or both, for each offense if the total amount of all 170

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171	unpaid	wages	owed to	o an	employee	is	more	than	One	Thousand	Dollars
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- 172 (\$1,000.00) but not more than Two Thousand Dollars (\$2,000.00);
- 173 (c) Be fined not less than One Thousand Dollars
- 174 (\$1,000.00) nor more than Two Thousand Dollars (\$2,000.00) or the
- 175 agent or officer of the employer shall be imprisoned not more than
- 176 six (6) months, or both, for each offense if the total amount of
- 177 all unpaid wages owed to an employee is more than Five Hundred
- 178 Dollars (\$500.00) but not more than One Thousand Dollars
- 179 (\$1,000.00); or
- 180 (d) Be fined not less than Four Hundred Dollars
- 181 (\$400.00) nor more than One Thousand Dollars (\$1,000.00) or the
- 182 agent or officer of the employer shall be imprisoned not more than
- 183 three (3) months, or both, for each offense if the total amount of
- 184 all unpaid wages owed to an employee is Five Hundred Dollars
- 185 (\$500.00) or less.
- 186 (3) Any employer who willfully discharges or in any other
- 187 manner willfully discriminates against any employee because:
- 188 (a) The employee has made any complaint to his or her
- 189 employer, to the department, or to the director or his authorized
- 190 representative that he or she has not been paid minimum wages in
- 191 accordance with the provisions of this act;
- 192 (b) The employee has caused to be instituted or is
- 193 about to cause to be instituted any proceeding under or related to
- 194 this act; or



195	(c) The employee has testified or is about to testify
196	in any such proceeding, shall be deemed in violation of this act
197	and shall, upon conviction, be fined not more than One Hundred
1 9 8	Dollars (\$100 00)

- SECTION 7. (1) For any occupation, the department shall
 make and revise any administrative regulations, including
 definitions of terms, as it may deem appropriate to carry out the
 purposes of this act or necessary to prevent the circumvention or
 evasion of those purposes and to safeguard the minimum wage rates
 established.
- 205 (2) The regulations may include, but are not limited to, 206 regulations governing:
- 207 (a) Outside or commission salespeople;
- 208 (b) Learners and apprentices, their number, proportion 209 or length of service;
- 210 (c) Part-time pay, bonuses or fringe benefits;
- 211 (d) Special pay for special or extra work;
- (e) Permitted charges to employees or allowances for
- 213 board, lodging, apparel, or other facilities or services
- 214 customarily furnished by employers to employees;
- 215 (f) Allowances for gratuities; or
- 216 (g) Allowances for other special conditions or
- 217 circumstances that may be usual in a particular employer/employee
- 218 relationship.



219	(3) Regulations or revisions issued by the department under
220	this section shall be made only after a public hearing, at which
221	any person may be heard by the department, at least ten (10) days
222	subsequent to publication of notice of the hearing in a newspaper
223	of general circulation throughout the State of Mississippi.

224 <u>SECTION 8.</u> The director or his or her authorized 225 representatives shall:

- (a) Have authority to enter and inspect the place of business or employment of any employer in the state for the purpose of examining and inspecting any or all books, registers, payrolls and other records of any employer that in any way relate to or have a bearing upon the question of wages, hours or other conditions of employment of any employees; copy any or all of the books, registers, payrolls or other records as he or she may deem necessary or appropriate; and question employees for the purpose of ascertaining whether the provisions of this act and regulations issued under this act have been and are being complied with;
- (b) Have authority to require from the employer full and correct statements in writing, including sworn statements, with respect to wages, hours, names, addresses and any information pertaining to his or her employees as the director or his or her authorized representative may deem necessary or appropriate;
 - (c) Publish all regulations made by the department; and
- 242 (d) Otherwise implement and enforce the regulations and decisions of the department.

244	SECTION 9. (1) Except as otherwise provided in this
245	section, no employer shall employ any of his or her employees for
246	a workweek longer than forty (40) hours unless the employee
247	receives compensation for his or her employment in excess of the
248	hours above specified at a rate not less than one and one-half
249	(1-1/2) times the regular rate of pay at which he is employed.

- 250 The provisions regarding the payment of wages at one and (2) one-half (1-1/2) times the regular rate of pay for overtime 251 252 services shall not be applicable with respect to agricultural 253 employees.
 - SECTION 10. (1) Every employer of an employee engaged in any occupation in which gratuities have been customarily and usually constituted and have been recognized as a part of remuneration for hiring purposes shall be entitled to an allowance for gratuities as a part of the hourly wage rate provided in Section 3 of this act in an amount not to exceed fifty percent (50%) of the minimum wage established by Section 3 of this act, provided that the employee actually received that amount in gratuities and that the application of the foregoing gratuity allowances results in payment of wages other than gratuities to tipped employees, including full-time students, subject to the provisions of this act, of not less than fifty percent (50%) of the minimum wage prescribed by this act.
 - In determining whether an employee received in (2) gratuities the amount claimed, the director may require the

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269	employee to show to the satisfaction of the director that the
270	actual amount of gratuities received by him or her during any
271	workweek was less than the amount determined by the employer as
272	the amount by which the wage paid the employee was deemed to be
273	increased under this section.

- 274 **SECTION 11.** (1) Every employer subject to any provisions of this act shall keep a summary of this act, approved by the department, and copies of any applicable regulations issued under this act posted in a conspicuous and accessible place in or about the premises where any person subject to this act is employed.
- (2) Employers shall be furnished copies of the summaries of this statute and regulations by the director on request without charge.
 - SECTION 12. (1) Every employer subject to any provision of this act or of any regulation issued under this act shall make and keep for a period of not less than three (3) years, in or about the premises where any employee is employed, a record of the name, address and occupation of each of his or her employees, the rate of pay and the amount paid each pay period to each employee and any other information as the department prescribes by regulation as necessary or appropriate for the enforcement of the provisions of this act or of the regulations under this act.
- 291 (2) The records shall be open for inspection or 292 transcription by the director or his or her authorized 293 representative at any reasonable time.

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294	(3) Every employer shall furnish to the director or to his
295	or her authorized representative on demand a sworn statement of
296	the records and information upon forms prescribed or approved by
297	the director

- 298 SECTION 13. (1) Any employer who pays any employee less
 299 than minimum wages to which the employee is entitled under or by
 300 virtue of this act shall be liable to the employee affected for
 301 the full amount of the wages, less any amount actually paid to the
 302 employee by the employer, and for costs and reasonable attorney's
 303 fees as may be allowed by the court.
- 304 (2) Any agreement between the employee and employer to work 305 for less than minimum wages shall be no defense to the action.
- 306 (3) The venue of the action shall lie in the circuit court of any county in which the services which are the subject of the 308 employment were performed.
- 309 (4) The director shall have the authority to fully enforce 310 this act by instituting legal action to recover any wages which he 311 or she determines to be due to employees under this act.
- 312 **SECTION 14.** Section 17-1-51, Mississippi Code of 1972, is 313 amended as follows:
- 17-1-51. (1) No county, board of supervisors of a county,
 municipality or governing authority of a municipality is
 authorized to establish a mandatory, minimum living wage rate
 lower than the rate provided in Section 3 of this act, minimum
 number of vacation or sick days, whether paid or unpaid, that

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- 319 would regulate how a private employer pays its employees. Each
- 320 county, board of supervisors of a county, municipality or
- 321 governing authority of a municipality shall be prohibited from
- 322 establishing a mandatory, minimum living wage rate lower than the
- 323 rate provided in Section 3 of this act, minimum number of vacation
- 324 or sick days, whether paid or unpaid, that would regulate how a
- 325 private employer pays its employees.
- 326 (2) The Legislature finds that the prohibitions of
- 327 subsection (1) of this section are necessary to ensure an economic
- 328 climate conducive to new business development and job growth in
- 329 the State of Mississippi while protecting the health and
- 330 well-being of workers. * * *
- 331 * * *
- 332 (* * *3) The Legislature concludes from * * * this finding
- 333 that, in order for a business to remain competitive and yet
- 334 attract and retain the highest possible caliber of employees, and
- 335 thereby remain sound, an enterprise must work in * * * an
- 336 environment * * * that respects * * * $\underline{\text{its workers and that}}$
- 337 encourages the payment of fair minimum wage rates * * *. The net
- 338 impact of any local * * * wages * * * greater than the rate
- 339 provided in Section 3 of this act will be economically * * \star
- 340 stable and create a * * * rise and increase in the standard of
- 341 living for the citizens of the state. * * *
- 342 **SECTION 15.** Section 25-3-40, Mississippi Code of 1972, is
- 343 amended as follows:

344	25-3-40. On July 1, 1978, and each year thereafter, the
345	Mississippi Compensation Plan shall be amended to provide salary
346	increases in such amounts and percentages as might be recommended
347	by the Legislative Budget Office and as may be authorized by funds
348	appropriated by the Legislature for the purpose of granting
349	incentive salary increases as deemed possible dependent upon the
350	availability of general and special funds.
351	It is hereby declared to be the intent of the Mississippi
352	Legislature to implement the minimum wage as enacted by statutory
353	law of the United States Congress subject to funds being available
354	for that purpose.
355	implement the state minimum wage as provided in Section 3 of this
356	act. It is the intent and purpose of this section to maximize
357	annual salary increases consistent with the availability of funds
358	as might be determined by the Mississippi Legislature at its
359	regular annual session and that all salary increases hereafter be
360	made consistent with the provisions of this section.
361	SECTION 16. This act shall take effect and be in force from

and after July 1, 2021.