

HOUSE BILL NO. 152

INTRODUCED BY HARRINGTON, LYNCH, D. BROWN, DRISCOLL,
REAM, BACHINI, GALVIN, PAVLOVICH, DAILY, KILPATRICK,
DAVIS, SCHYE, WYATT, QUILICI, MENAHAN, MCCARTHY

IN THE HOUSE

JANUARY 11, 1991 INTRODUCED AND REFERRED TO COMMITTEE
ON LABOR & EMPLOYMENT RELATIONS.

JANUARY 12, 1991 FIRST READING.

JANUARY 30, 1991 COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

JANUARY 31, 1991 PRINTING REPORT.

FEBRUARY 1, 1991 SECOND READING, DO PASS.

FEBRUARY 2, 1991 ENGROSSING REPORT.

FEBRUARY 4, 1991 THIRD READING, PASSED.
AYES, 80; NOES, 18.

TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 4, 1991 INTRODUCED AND REFERRED TO COMMITTEE
ON LABOR & EMPLOYMENT RELATIONS.

FIRST READING.

APRIL 1, 1991 COMMITTEE RECOMMEND BILL BE
CONCURRED IN AS AMENDED. REPORT
ADOPTED.

APRIL 4, 1991 SECOND READING, CONCURRED IN.

APRIL 5, 1991 THIRD READING, CONCURRED IN.
AYES, 47; NOES, 3.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 9, 1991 RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS
CONCURRED IN.

APRIL 10, 1991

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *House* BILL NO. *152*
 2 INTRODUCED BY *House* *David Brown* *Irwin*
 3 *David Brown* *Irwin* *Carlmin* *Alvord* *Davis* *Lehys*
 4 BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE THE STATE
 5 MINIMUM WAGE LAW TO REQUIRE THAT THE STATE MINIMUM WAGE BE
 6 SET IN ACCORDANCE WITH FEDERAL LAW; TO REPEAL THE NEW HIRE
 7 WAGE STATUTE; AMENDING SECTION 39-3-409, MCA; REPEALING
 8 SECTION 39-3-410, MCA; AND PROVIDING AN EFFECTIVE DATE."
 9

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 **Section 1.** Section 39-3-409, MCA, is amended to read:

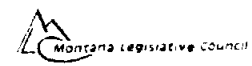
12 "39-3-409. Adoption of minimum wage rates. The
 13 commissioner shall adopt rules to establish a minimum wage
 14 that must be the same minimum hourly wage rate as provided
 15 under the federal Fair Labor Standards Act (29 U.S.C. 206)
 16 but-not-to-exceed-\$4-an-hour."

17 NEW SECTION. **Section 2.** Repealer. Section 39-3-410,
 18 MCA, is repealed.

19 NEW SECTION. **Section 3.** Effective date. [This act] is
 20 effective July 1, 1991.

-End-

INTRODUCED BILL
HB 152



STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0152, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

A bill to revise the state minimum wage law to require that the state minimum wage be set in accordance with federal law, eliminating the ceiling of \$4.00 per hour.

ASSUMPTIONS:

1. The minimum hourly wage rate established under the federal Fair Labor Standards Act will increase from \$4.00 to \$4.25 per hour effective April 1, 1991.
2. No class in the state pay matrix would be affected by the increase in the minimum wage.
3. No change would occur in the scope of current wage compliance activities.
4. The state university system would increase wage levels for work-study programs consistent with the federal minimum wage irrespective of the state minimum wage.
5. Most state employers are either subject to federal labor standards or would voluntarily offer the federal minimum wage in order to remain competitive in labor markets.

FISCAL IMPACT:

Expenditures:

No effect on administrative costs. Impact on means-tested benefit payments can not be determined but is expected to be negligible.

Revenues:

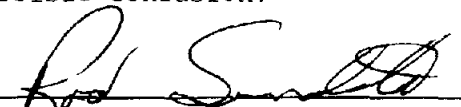
Can not be determined but is expected to be negligible.

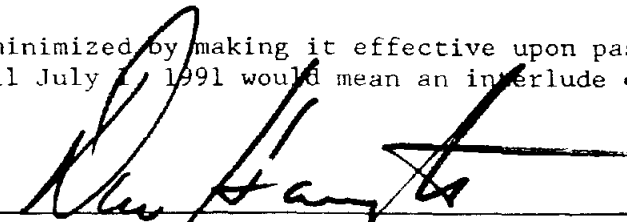
EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Can not be determined but is expected to be negligible.

TECHNICAL NOTE:

Confusion on implementation of this legislation could be somewhat minimized by making it effective upon passage because the federal wage rate schedule changes April 15, 1991, and waiting until July 1, 1991 would mean an interlude of "mixed" rates and possible confusion.


ROD SUNDSTED, BUDGET DIRECTOR 1-16-91 DATE
Office of Budget and Program Planning


DAN HARRINGTON, PRIMARY SPONSOR 1/18/91 DATE

Fiscal Note for HB0152, as introduced.

HB 152

APPROVED BY COMMITTEE
ON LABOR & EMPLOYMENT
RELATIONS

1 HOUSE BILL NO. 152
2 INTRODUCED BY HARRINGTON, LYNCH, D. BROWN, DRISCOLL,
3 REAM, BACHINI, GALVIN, PAVLOVICH, DAILY, KILPATRICK,
4 DAVIS, SCHYE, WYATT, QUILICI, MENAHAN, MCCARTHY
5

1 effective ~~July-17-1991~~ ON PASSAGE AND APPROVAL.

-End-

6 A BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE THE STATE
7 MINIMUM WAGE LAW TO REQUIRE THAT THE STATE MINIMUM WAGE BE
8 SET IN ACCORDANCE WITH FEDERAL LAW; TO PROVIDE AN EXCEPTION
9 FOR CERTAIN BUSINESSES; TO REPEAL THE NEW HIRE WAGE STATUTE;
10 AMENDING SECTION 39-3-409, MCA; REPEALING SECTION 39-3-410,
11 MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."
12

13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

14 **Section 1.** Section 39-3-409, MCA, is amended to read:

15 **"39-3-409. Adoption of minimum wage rates -- EXCEPTION.**

16 (1) The commissioner shall adopt rules to establish a
17 minimum wage that, EXCEPT AS PROVIDED IN SUBSECTION (2),
18 must be the same minimum hourly wage rate as provided under
19 the federal Fair Labor Standards Act (29 U.S.C. 206), ~~but~~
20 ~~not-to-exceed-\$4-an-hour.~~

21 (2) THE MINIMUM WAGE RATE FOR A BUSINESS WHOSE ANNUAL
22 GROSS SALES ARE \$110,000 OR LESS IS \$4 AN HOUR."

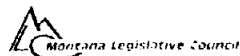
23 NEW SECTION. Section 2. Repealer. Section 39-3-410,
24 MCA, is repealed.

25 NEW SECTION. Section 3. Effective date. [This act] is

SECOND READING

HB 152

-2-



1 HOUSE BILL NO. 152
 2 INTRODUCED BY HARRINGTON, LYNCH, D. BROWN, DRISCOLL,
 3 REAM, BACHINI, GALVIN, PAVLOVICH, DAILY, KILPATRICK,
 4 DAVIS, SCHYE, WYATT, QUILICI, MENAHAN, MCCARTHY

1 effective July-17-1991 ON PASSAGE AND APPROVAL.

-End-

5
 6 A BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE THE STATE
 7 MINIMUM WAGE LAW TO REQUIRE THAT THE STATE MINIMUM WAGE BE
 8 SET IN ACCORDANCE WITH FEDERAL LAW; TO PROVIDE AN EXCEPTION
 9 FOR CERTAIN BUSINESSES; TO REPEAL THE NEW HIRE WAGE STATUTE;
 10 AMENDING SECTION 39-3-409, MCA; REPEALING SECTION 39-3-410,
 11 MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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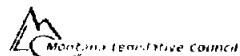
14 **Section 1.** Section 39-3-409, MCA, is amended to read:
 15 "39-3-409. Adoption of minimum wage rates -- EXCEPTION.
 16 (1) The commissioner shall adopt rules to establish a
 17 minimum wage that, EXCEPT AS PROVIDED IN SUBSECTION (2),
 18 must be the same minimum hourly wage rate as provided under
 19 the federal Fair Labor Standards Act (29 U.S.C. 206) --but
 20 not-to-exceed-\$4-an-hour.

21 (2) THE MINIMUM WAGE RATE FOR A BUSINESS WHOSE ANNUAL
 22 GROSS SALES ARE \$110,000 OR LESS IS \$4 AN HOUR."

23 NEW SECTION. Section 2. Repealer. Section 39-3-410,
 24 MCA, is repealed.

25 NEW SECTION. Section 3. Effective date. (This act) is

THIRD READING



SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 1, 1991

MR. PRESIDENT:

We, your committee on Labor and Employment Relations having had under consideration House Bill No. 152 (third reading copy -- blue), respectfully report that House Bill No. 152 be amended and as so amended be concurred in:

1. Page 1, line 19.

Following: "206"

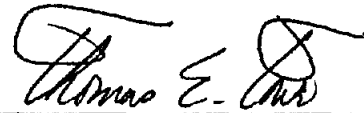
Insert: "(a)(1)"

2. Page 1, line 20.

Following: "hour"

Insert: ", excluding the value of tips received by the employee and the special provisions for a training wage"

Signed: _____



Thomas E. Towe, Vice-Chairman

LB 4/1/91
Amd. Coord.

Sec. of Senate

HB 152

SENATE

1 HOUSE BILL NO. 152
 2 INTRODUCED BY HARRINGTON, LYNCH, D. BROWN, DRISCOLL,
 3 REAM, BACHINI, GALVIN, PAVLOVICH, DAILY, KILPATRICK,
 4 DAVIS, SCHYE, WYATT, QUILICI, MENAHAN, MCCARTHY
 5
 6 A BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE THE STATE
 7 MINIMUM WAGE LAW TO REQUIRE THAT THE STATE MINIMUM WAGE BE
 8 SET IN ACCORDANCE WITH FEDERAL LAW; TO PROVIDE AN EXCEPTION
 9 FOR CERTAIN BUSINESSES; TO REPEAL THE NEW HIRE WAGE STATUTE;
 10 AMENDING SECTION 39-3-409, MCA; REPEALING SECTION 39-3-410,
 11 MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."
 12
 13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 14 **Section 1.** Section 39-3-409, MCA, is amended to read:
 15 **"39-3-409. Adoption of minimum wage rates -- EXCEPTION.**
 16 **(1)** The commissioner shall adopt rules to establish a
 17 minimum wage that, EXCEPT AS PROVIDED IN SUBSECTION (2),
 18 must be the same minimum hourly wage rate as provided under
 19 the federal Fair Labor Standards Act (29 U.S.C. 206(A)(1))
 20 but-not-to-exceed-\$4-an-hour, EXCLUDING THE VALUE OF TIPS
 21 RECEIVED BY THE EMPLOYEE AND THE SPECIAL PROVISIONS FOR A
 22 TRAINING WAGE.
 23 **(2)** THE MINIMUM WAGE RATE FOR A BUSINESS WHOSE ANNUAL
 24 GROSS SALES ARE \$110,000 OR LESS IS \$4 AN HOUR."
 25 **NEW SECTION. Section 2.** Repealer. Section 39-3-410,

1 MCA, is repealed.
 2 **NEW SECTION. Section 3. Effective date.** [This act] is
 3 effective ~~July-17-1991~~ ON PASSAGE AND APPROVAL.

-End-

GOVERNOR'S AMENDMENTS TO
HOUSE BILL 152
(REFERENCE COPY, AS AMENDED)
April 20, 1991

1. Page 1, line 24.
Strike: "\$110,000"
Insert: "\$250,000"



AN ACT TO REVISE THE STATE MINIMUM WAGE LAW TO REQUIRE THAT THE STATE MINIMUM WAGE BE SET IN ACCORDANCE WITH FEDERAL LAW; TO PROVIDE AN EXCEPTION FOR CERTAIN BUSINESSES; TO REPEAL THE NEW HIRE WAGE STATUTE; AMENDING SECTION 39-3-409, MCA; REPEALING SECTION 39-3-410, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 39-3-409, MCA, is amended to read:

"39-3-409. Adoption of minimum wage rates -- exception. (1)
The commissioner shall adopt rules to establish a minimum wage that, except as provided in subsection (2), must be the same minimum hourly wage rate as provided under the federal Fair Labor Standards Act (29 U.S.C. 206(a)(1)) r-but-not-to-exceed-\$4-an-hour, excluding the value of tips received by the employee and the special provisions for a training wage.

(2) The minimum wage rate for a business whose annual gross sales are \$110,000 or less is \$4 an hour."

Section 2. Repealer. Section 39-3-410, MCA, is repealed.

Section 3. Effective date. [This act] is effective on passage and approval.