

HCS HB 1792 -- MINIMUM WAGE LAW

SPONSOR: Jones, 89 (Parson)

COMMITTEE ACTION: Voted "do pass" by the Special Committee on General Laws by a vote of 9 to 2.

In lieu of the established minimum wage rate, this substitute allows an employer to pay an employee who is younger than 18 years of age a rate that is not less than 75% of the required minimum wage rate if it is not lower than the applicable minimum wage established by the Fair Labor Standards Act of 1938, as amended, 29 U.S.C. Section 201, et seq. The reduced rate may only be paid during the first 90 days of employment and will not apply to a returning seasonal employee who works for the same employer within an 18-month period.

An employer is prohibited from displacing an employee or reducing his or her hours, wages, or benefits in order to hire an individual at the lower wage rate. Anyone who knowingly violates this provision will be guilty of a class D felony; and the Attorney General or an employee injured by a violation may bring a civil action to recover actual damages, punitive damages, and attorney fees. A court may also provide equitable relief as it deems necessary.

The provisions of the substitute will expire three years from the effective date.

FISCAL NOTE: No impact on state funds in FY 2011, FY 2012, and FY 2013.

PROPOSERS: Supporters of the bill say that it will encourage the employment and training of young persons in a manner similar to the federal minimum wage requirements.

Testifying for the bill were Representative Parson; Missouri Chamber of Commerce and Industry; Missouri Restaurant Association; Missouri Retailers Association; Missouri Grocers' Association; Ron Calzone; and McDonalds Corporation.

OPPOSERS: Those who oppose the bill say that it will undermine wage increases enacted under Proposition B and could result in older workers being replaced or not hired in preference for younger workers.

Testifying against the bill were the Department of Labor and Industrial Relations; Missouri AFL-CIO; Missouri National Education Association; David Morton, Hotel Employees Union in St. Louis; Service Employees' International Union; Lara Granich, Jobs

with Justice; and James Mizes.