

January 22, 1998

HOUSE BILL No. 1015

DIGEST OF HB 1015 (Updated January 21, 1998 8:27 pm - DI 44)

Citations Affected: IC 22-2.

Synopsis: Indiana minimum wage. Increases the state minimum wage to \$4.25 per hour for work weeks beginning on and after October 1, 1998, and to \$5.15 per hour for work weeks beginning on and after March 1, 1999. Provides an exception to the minimum wage amount for employees providing companionship services to the aged and infirm.

Effective: July 1, 1998.

Day

January 6, 1998, read first time and referred to Committee on Labor and Employment.
January 21, 1998, amended, reported — Do Pass.

HB 1015—LS 6275/DI 79



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January 22, 1998

Second Regular Session 110th General Assembly (1998)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1997 General Assembly.

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HOUSE BILL No. 1015

A BILL FOR AN ACT to amend the Indiana Code concerning labor and industrial safety.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 22-2-2-4 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 1998]: Sec. 4. (a) Every employer employing
3 four (4) or more employees during a work week shall:
4 (1) in any work week beginning on or after July 1, 1968, in which
5 he is subject to the provisions of this chapter, pay each of his
6 employees wages of not less than one dollar and twenty-five cents
7 (\$1.25) per hour;
8 (2) in any work week beginning on or after July 1, 1977, in which
9 he is subject to this chapter, pay each of his employees wages of
10 not less than one dollar and fifty cents (\$1.50) per hour;
11 (3) in any work week beginning on or after January 1, 1978, in
12 which he is subject to this chapter, pay each of his employees
13 wages of not less than one dollar and seventy-five cents (\$1.75)
14 per hour; and
15 (4) in any work week beginning on or after January 1, 1979, in
16 which he is subject to this chapter, pay each of his employees
17 wages of not less than two dollars (\$2) per hour.

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1 (b) Except as provided in subsection (c), every employer employing
2 at least two (2) employees during a work week shall, in any work week
3 in which the employer is subject to this chapter, pay each of the
4 employees in any work week beginning on and after July 1, 1990, **and**
5 **before October 1, 1998**, wages of not less than three dollars and
6 thirty-five cents (\$3.35) per hour.

7 (c) An employer subject to subsection (b) is permitted to apply a "tip
8 credit" of up to forty percent (40%) of the applicable minimum wage
9 in determining the amount of cash wage paid to tipped employees. An
10 employer is responsible for supporting the amount of tip credit taken
11 through reported tips by the employees.

12 (d) No employer having employees subject to any provisions of this
13 section shall discriminate, within any establishment in which
14 employees are employed, between employees on the basis of sex by
15 paying to employees in such establishment a rate less than the rate at
16 which he pays wages to employees of the opposite sex in such
17 establishment for equal work on jobs the performance of which
18 requires equal skill, effort, and responsibility, and which are performed
19 under similar working conditions, except where such payment is made
20 pursuant to:

- 21 (1) a seniority system;
22 (2) a merit system;
23 (3) a system which measures earnings by quantity or quality of
24 production; or
25 (4) a differential based on any other factor other than sex.

26 (e) An employer who is paying a wage rate differential in violation
27 of subsection (d) shall not, in order to comply with subsection (d),
28 reduce the wage rate of any employee, and no labor organization, or its
29 agents, representing employees of an employer having employees
30 subject to subsection (d) shall cause or attempt to cause such an
31 employer to discriminate against an employee in violation of
32 subsection (d).

33 (f) **Except as provided in subsection (c), every employer**
34 **employing at least two (2) employees during a work week shall, in**
35 **any work week in which the employer is subject to this chapter,**
36 **pay each of the employees in any work week beginning on or after**
37 **October 1, 1998, and before March 1, 1999, wages of not less than**
38 **four dollars and twenty-five cents (\$4.25) per hour.**

39 (g) **Except as provided in subsection (c), every employer**
40 **employing at least two (2) employees during a work week shall, in**
41 **any work week in which the employer is subject to this chapter,**
42 **pay each of the employees in any work week beginning on or after**

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1 **March 1, 1999, wages of not less than five dollars and fifteen cents**
2 **(\$5.15) per hour.**

3 **(h) This section does not apply if an employee:**
4 **(1) provides companionship services to the aged and infirm**
5 **(as defined in 29 CFR 552.6); and**
6 **(2) is employed by an employer or agency other than the**
7 **family or household using the companionship services, as**
8 **provided in 29 CFR 552.109 (a).**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1015, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, after line 42, begin a new paragraph and insert:

"(h) This section does not apply if an employee:

- (1) provides companionship services to the aged and infirm (as defined in 29 CFR 552.6); and**
- (2) is employed by an employer or agency other than the family or household using the companionship services, as provided in 29 CFR 552.109 (a)."**

and when so amended that said bill do pass.

(Reference is to House Bill 1015 as introduced.)

LIGGETT, Chair

Committee Vote: yeas 9, nays 5.

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