

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE MINIMUM HOURLY WAGE TO \$7.75 AN HOUR
5 OR TO A RATE SET UNDER FEDERAL LAW, WHICHEVER IS GREATER; PROVIDING FOR AN ANNUAL
6 ADJUSTMENT TO THE STATE RATE BASED ON THE CONSUMER PRICE INDEX FOR INFLATION;
7 PROVIDING THAT THE PROPOSED ACT BE SUBMITTED TO THE QUALIFIED ELECTORS OF MONTANA;
8 AMENDING SECTION 39-3-409, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY
9 DATE."

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

12
13 **Section 1.** Section 39-3-409, MCA, is amended to read:

14 **"39-3-409. Adoption of minimum wage rates -- exception.** (1) The commissioner shall adopt rules
15 to establish a minimum wage that, except as provided in ~~subsection~~ subsections (2) and (3), must be the ~~same~~
16 greater of either:

17 (a) the minimum hourly wage rate as provided under the federal Fair Labor Standards Act of 1938 (29
18 U.S.C. 206(a)(1)); or

19 (b) \$7.75 an hour, increased on July 1 of each year by an amount equal to the consumer price index
20 for urban wage earners and clerical workers (CPI-W), U.S. city average, all items, 1982-84 base of 100, as
21 published by the bureau of labor statistics of the U.S. department of labor or its successor agency.

22 (2) The rates established under subsection (1) exclude ~~excluding~~ the value of tips received by the
23 employee and the special provisions for a training wage.

24 ~~(2)~~(3) The minimum wage rate for a business whose annual gross sales are \$110,000 or less is \$4 an
25 hour."

26
27 NEW SECTION. Section 2. Effective date -- applicability. If approved by the electorate, this act is
28 effective January 1, 2007, and applies to work performed on or after January 1, 2007.

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30 NEW SECTION. Section 3. Submission to electorate. This amendment shall be submitted to the



