

HOUSE BILL NO. 492

INTRODUCED BY D. HIMMELBERGER

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE MINIMUM WAGE FOR EMPLOYEES WHO CUSTOMARILY RECEIVE TIPS OR GRATUITIES IN THEIR EMPLOYMENT; AMENDING SECTION 39-3-409, MCA; AND PROVIDING AN 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 minimum wage, except as provided in subsection (3), must be the greater of either:

(a) the minimum hourly wage rate as provided under the federal Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)), excluding the value of tips received by the employee and the special provisions for a training wage; or

(b) \$6.15 an hour, excluding ~~the value of tips received by the employee and~~ the special provisions for a training wage.

(2) (a) The minimum wage is subject to a cost-of-living adjustment, as provided in subsection (2)(b).

(b) No later than September 30 of each year, an adjustment of the wage amount specified in subsection (1) must be made based upon the increase, if any, from August of the preceding year to August of the year in which the calculation is made in the consumer price index, U.S. city average, all urban consumers, for all items, as published by the bureau of labor statistics of the United States department of labor.

(c) The wage amount established under this subsection (2):

(i) must be rounded to the nearest 5 cents; and

(ii) becomes effective as the new minimum wage, replacing the dollar figure specified in subsection (1), on January 1 of the following year.

(3) The minimum wage rate for:

(a) a business whose annual gross sales are \$110,000 or less is \$4 an hour;

(b) employees who customarily receive tips or gratuities in their employment is \$6.15 an hour."

NEW SECTION. **Section 2. Effective date.** [This act] is effective July 1, 2007.

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