

By: Burnam

H.B. No. 3740

A BILL TO BE ENTITLED

AN ACT

relating to adjusting the minimum wage based on the consumer price index.

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

SECTION 1. Section 62.051, Labor Code, is amended to read as follows:

Sec. 62.051. ADJUSTED MINIMUM WAGE. (a) In this section:

(1) "Adjusted minimum wage" means the federal minimum wage under Section 6, Fair Labor Standards Act of 1938 (29 U.S.C. Section 206), as adjusted under Subsection (c).

(2) "Consumer price index" means the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), published by the Bureau of Labor Statistics of the United States Department of Labor.

(b) Except as provided by Subsection (e) [~~Section 62.057~~], an employer shall pay to each employee the adjusted [~~federal~~] minimum wage [~~under Section 6, Fair Labor Standards Act of 1938 (29 U.S.C. Section 206)~~].

(c) On December 1 of each year, the commission shall determine the adjusted minimum wage to be paid under Subsection (b) for the next calendar year by increasing the adjusted minimum wage for that calendar year by the percentage increase, if any, in the consumer price index, for the 12 months preceding that date. The commission shall compute the adjusted minimum wage to the nearest

1 cent.

2 (d) The adjusted minimum wage may not be decreased under
3 this section on the basis of any decrease in the consumer price
4 index.

5 (e) This section does not apply to compensation paid to a
6 person under Section 62.057.

7 (f) A reference in this code or another law to the minimum
8 wage established by state law means the adjusted minimum wage.

9 SECTION 2. Section 62.151, Labor Code, is repealed.

10 SECTION 3. (a) On November 1, 2013, the Texas Workforce
11 Commission shall set the adjusted minimum wage for purposes of
12 Section 62.051, Labor Code, as amended by this Act, at an amount
13 equal to the amount of the federal minimum wage under Section 6,
14 Fair Labor Standards Act of 1938 (29 U.S.C. Section 206), in effect
15 on that date.

16 (b) On December 1, 2013, the Texas Workforce Commission
17 shall determine the first increase in the adjusted minimum wage, if
18 any, as required by Section 62.051(c), Labor Code, as added by this
19 Act.

20 SECTION 4. (a) Except as provided by Subsections (b) and
21 (c) of this section, this Act takes effect September 1, 2013.

22 (b) Section 62.051(b), Labor Code, as added by this Act,
23 takes effect January 1, 2014.

24 (c) Section 2 of this Act takes effect January 1, 2014.