

By: Eckhardt

S.B. No. 389

A BILL TO BE ENTITLED

AN ACT

relating to authorization for a county or municipality to establish a local minimum wage.

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

SECTION 1. Section 62.0515, Labor Code, is amended to read as follows:

Sec. 62.0515. ~~[APPLICATION OF]~~ MINIMUM WAGE ESTABLISHED BY
~~[TO]~~ CERTAIN GOVERNMENTAL ENTITIES; CERTAIN AGREEMENTS WITH
GOVERNMENTAL ENTITIES. (a) Notwithstanding Section 62.151:

(1) a municipality may adopt a minimum wage that is greater than the minimum wage established by Section 62.051 to be paid by an employer to each employee for services performed in the municipality; and

(2) a county may adopt a minimum wage that is greater than the minimum wage established by Section 62.051 to be paid by an employer to each employee for services performed in the unincorporated areas of the county, including areas located within the extraterritorial jurisdiction of a municipality. ~~[Except as otherwise provided by this section, the minimum wage provided by this chapter supersedes a wage established in an ordinance, order, or charter provision governing wages in private employment, other than wages under a public contract.]~~

(b) ~~[This section does not apply to any state or federal job training or workforce development program.]~~

1 ~~[(c) This section does not apply to a minimum wage~~
2 ~~established by a governmental entity that applies to a contract or~~
3 ~~agreement, including a non-annexation agreement, entered into by a~~
4 ~~governmental entity and a private entity.]~~ A private entity that
5 enters into a contract or agreement, including a non-annexation
6 agreement, with a governmental entity, under the terms of which the
7 private entity agrees to comply with a minimum wage that is greater
8 than the minimum wage established by Section 62.051 or, if
9 applicable, Subsection (a) of this section ~~[the governmental~~
10 ~~entity]~~, is subject to the terms of that contract or agreement, and
11 those terms apply to and may be enforced against a general
12 contractor, subcontractor, developer, and other person with which
13 the private entity contracts in order to comply with the provisions
14 of the original contract or agreement.

15 ~~[(d)]~~ For purposes of this subsection ~~[section]~~,
16 "governmental entity" includes a municipality, a county, a special
17 district or authority, a junior college district, or another
18 political subdivision of this state.

19 SECTION 2. Section 62.151, Labor Code, is amended to read as
20 follows:

21 Sec. 62.151. PERSON COVERED BY FEDERAL ACT. This chapter
22 does ~~[and a municipal ordinance or charter provision governing~~
23 ~~wages in private employment, other than wages under a public~~
24 ~~contract, do]~~ not apply to a person covered by the Fair Labor
25 Standards Act of 1938 (29 U.S.C. Section 201 et seq.).

26 SECTION 3. This Act takes effect September 1, 2021.