

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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HOUSE BILL 360

Short Title: Raise Minimum Wage/Set COLA. (Public)

Sponsors: Representatives Harrison, Carney, and D. Hall (Primary Sponsors).

For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Rules, Calendar, and Operations of the House.

March 26, 2015

1 A BILL TO BE ENTITLED
2 AN ACT AMENDING THE WAGE AND HOUR ACT TO RAISE THE STATE MINIMUM
3 WAGE AND PROVIDE FOR AUTOMATIC ADJUSTMENT TO REFLECT
4 INCREASES IN THE COST OF LIVING.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 95-25.3 reads as rewritten:

7 **"§ 95-25.3. Minimum wage.**

8 (a) ~~Every~~ Subject to the provisions of subsection (a1) of this section, every employer
9 shall pay to each employee who in any workweek performs any work, wages of at least ~~six~~
10 ~~dollars and fifteen cents (\$6.15)~~ ten dollars and ten cents (\$10.10) per hour effective on Labor
11 Day 2015, or the minimum wage set forth in paragraph 1 of section 6(a) of the Fair Labor
12 Standards Act, 29 U.S.C. 206(a)(1), as that wage may change from time to time, whichever is
13 higher, except as otherwise provided in this section.

14 (a1) The minimum wage required by subsection (a) of this section shall be increased on
15 January 1, 2016, and on January 1 of successive years by the increase in the cost of living. The
16 increase in the cost of living shall be measured by the percentage increase of the consumer
17 price index (all urban consumers, U.S. city average for all items), CPI-U, or its successor index,
18 as calculated by the U.S. Department of Labor for the 12 months preceding the previous
19 September 1. The Commissioner shall calculate the indexed minimum wage rate. The indexed
20 minimum wage rate shall be calculated to the nearest cent (\$0.01).

21 (b) In order to prevent curtailment of opportunities for employment, the wage rate for
22 full-time students, learners, apprentices, and messengers, as defined under the Fair Labor
23 Standards Act, shall be ninety percent (90%) of the rate in effect under subsection (a) above,
24 rounded to the lowest nickel.

25 (c) The Commissioner, in order to prevent curtailment of opportunities for employment,
26 may, by regulation, establish a wage rate less than the wage rate in effect under section (a)
27 which may apply to persons whose earning or productive capacity is impaired by age or
28 physical or mental deficiency or injury, as such persons are defined under the Fair Labor
29 Standards Act.

30 (d) The Commissioner, in order to prevent curtailment of opportunities for employment
31 of the economically disadvantaged and the unemployed, may, by regulation, establish a wage
32 rate not less than eighty-five percent (85%) of the otherwise applicable wage rate in effect
33 under subsection (a) which shall apply to all persons (i) who have been unemployed for at least
34 15 weeks and who are economically disadvantaged, or (ii) who are, or whose families are,



1 receiving Work First Family Assistance or who are receiving supplemental security benefits
2 under Title XVI of the Social Security Act.

3 Pursuant to regulations issued by the Commissioner, certificates establishing eligibility for
4 such subminimum wage shall be issued by the Division of Employment Security.

5 The regulation issued by the Commissioner shall not permit employment at the
6 subminimum rate for a period in excess of 52 weeks.

7 (e) The Commissioner, in order to prevent curtailment of opportunities for employment,
8 and to not adversely affect the viability of seasonal establishments, may, by regulation,
9 establish a wage rate not less than eighty-five percent (85%) of the otherwise applicable wage
10 rate in effect under subsection (a) which shall apply to any employee employed by an
11 establishment which is a seasonal amusement or recreational establishment, or a seasonal food
12 service establishment.

13 (f) Tips earned by a tipped employee may be counted as wages only up to the amount
14 permitted in section 3(m) of the Fair Labor Standards Act, 29 U.S.C. 203(m), if the tipped
15 employee is notified in advance, is permitted to retain all tips and the employer maintains
16 accurate and complete records of tips received by each employee as such tips are certified by
17 the employee monthly or for each pay period. Even if the employee refuses to certify tips
18 accurately, tips may still be counted as wages when the employer complies with the other
19 requirements of this section and can demonstrate by monitoring tips that the employee
20 regularly receives tips in the amount for which the credit is taken. Tip pooling shall also be
21 permissible among employees who customarily and regularly receive tips; however, no
22 employee's tips may be reduced by more than fifteen percent (15%) under a tip pooling
23 arrangement.

24 (g) Repealed by Session Laws 2006-259, s. 18, effective August 23, 2006."

25 **SECTION 2.** This act is effective when it becomes law.