

By: Representatives Moss, Cummings

To: Labor

HOUSE BILL NO. 1478

1 AN ACT TO CREATE THE MISSISSIPPI WORKING PERSON'S ACT; TO
2 REQUIRE THAT A CERTAIN WAGE BE PAID BY EMPLOYERS DOING BUSINESS IN
3 THE STATE TO ANY EMPLOYEE WITHIN THEIR EMPLOYMENT; TO PROVIDE HOW
4 THE HOURLY RATE INCREASE SHALL BE CALCULATED; TO REQUIRE THE STATE
5 ECONOMIST TO ANNOUNCE THE HOURLY WAGE RATE INCREASE; TO AMEND
6 SECTION 25-3-40, MISSISSIPPI CODE OF 1972, TO CONFORM TO THE
7 PRECEDING SECTION; AND FOR RELATED PURPOSES.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

9 **SECTION 1.** This act shall be known as the "Mississippi
10 Working Person's Act."

11 **SECTION 2.** The Legislature finds that there is a need for
12 gainful employment that allows the citizens of this state to be
13 compensated at a living wage. The intent of the Legislature is to
14 increase the minimum wage for citizens of this state above the
15 minimum wage established by federal law. The Legislature
16 recognizes and supports that whenever federal law increases the
17 federal minimum wage above the wage established by this act, such
18 federal wage increase shall supersede the wage established by this
19 act.

20 **SECTION 3.** (1) (a) Except as otherwise provided in this
21 section, any employer doing business in the state shall pay any
22 employee within his employment at least: (i) Six Dollars and
23 Twenty-five Cents (\$6.25) per hour beginning on the effective date
24 of this act; and (ii) Seven Dollars and Twenty-five Cents (\$7.25)
25 per hour beginning six (6) months after the effective date of this
26 act.

27 On and after January 15, 2009, and January 15 of each
28 succeeding calendar year, the hourly wage required by this section
29 shall be increased by applying the United States inflation rate

30 for the previous calendar year to the hourly wage established for
31 the previous calendar year and shall be effective on the date
32 announced by the State Economist as provided under paragraph (b)
33 of this subsection (1). The United States inflation rate for a
34 calendar year shall be the Consumer Price Index for the calendar
35 year for all urban consumers as calculated by the Bureau of Labor
36 Statistics of the United States Department of Labor.

37 (b) The State Economist shall: (i) make an official
38 announcement of the hourly wage rate increase on January 15 of
39 each calendar year, or as soon thereafter as possible; (ii) cause
40 the dissemination of such announcement to the news media in such
41 manner as such economist deems appropriate; and (iii) file the
42 same with the Mississippi Department of Employment Security. The
43 hourly wage rate shall be effective from the date of the official
44 announcement by the State Economist.

45 (2) Subject to the provisions of this subsection (2), an
46 employer of a tipped employee shall be entitled to an allowance
47 as a part of the hourly wage required by subsection (1) of this
48 section. The allowance shall be in an amount equal to the tips
49 received by such employee. However, the amount of the allowance
50 authorized under this subsection (2) shall not exceed fifty
51 percent (50%) of the hourly wage required by subsection (1) of
52 this section, and the application of the allowance must result in
53 payment of wages other than tips to such employees of no less than
54 fifty percent (50%) of the hourly wage required by subsection (1)
55 of this section. For the purposes of this subsection (2), "tipped
56 employee" means an employee engaging in an occupation in which he
57 or she customarily and regularly receives more than Thirty Dollars
58 (\$30.00) per month in tips. Additionally, the term "tip" means
59 voluntary monetary contributions received by an employee from a
60 guest, patron or customer for services rendered.

61 **SECTION 4.** Section 25-3-40, Mississippi Code of 1972, is
62 amended as follows:

63 25-3-40. * * * The Mississippi Compensation Plan shall be
64 amended to provide salary increases in such amounts and
65 percentages as might be recommended by the Legislative Budget
66 Office and as may be authorized by funds appropriated by the
67 Legislature for the purpose of granting incentive salary increases
68 as deemed possible dependent upon the availability of general and
69 special funds.

70 It is hereby declared to be the intent of the Mississippi
71 Legislature to implement a minimum wage as enacted by Mississippi
72 or federal statutory law, whichever wage is greater. It is the
73 intent and purpose of this section to maximize annual salary
74 increases consistent with the availability of funds as might be
75 determined by the Mississippi Legislature at its regular annual
76 session and that all salary increases hereafter be made consistent
77 with the provisions of this section.

78 **SECTION 5.** (1) A statewide general election shall be held
79 on the first Tuesday after the first Monday of November 2007, on
80 the question of whether the "Mississippi Working Person's Act"
81 should be implemented throughout this state. The referendum shall
82 be held, conducted and the result canvassed in the same manner as
83 all other issues on the ballot during the general election.

84 (2) At such election, all qualified electors of the state
85 may vote. The ballots used at such election shall have printed
86 thereon a brief statement of the purpose of the election and the
87 words "FOR THE WORKING PERSON'S ACT AS PRESCRIBED BY LAW" and
88 "AGAINST THE WORKING PERSON'S ACT AS PRESCRIBED BY LAW." The
89 voter shall vote by placing a cross (x) or check (√) mark opposite
90 his choice on the proposition. If fifty-one percent (51%) of the
91 qualified electors who vote in such election shall vote in favor
92 of the "Mississippi Working Person's Act," then the act shall be
93 implemented as provided by law. If less than fifty-one percent
94 (51%) of the qualified electors who vote in such election shall

95 vote in favor of the "Mississippi Working Person's Act," then the
96 act shall not be implemented.

97 **SECTION 6.** This act shall take effect and be in force from
98 the date that fifty-one percent (51%) of the qualified electors
99 who vote in the November 2007 statewide general election vote "For
100 the Working Person's Act as Prescribed by Law."