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By: Representative Turner

To: Workforce Development

HOUSE BILL NO. 141 (As Passed the House)

1 AN ACT TO PROHIBIT A COUNTY, BOARD OF SUPERVISORS OF A 2 COUNTY, MUNICIPALITY OR GOVERNING AUTHORITY OF A MUNICIPALITY FROM 3 ESTABLISHING A MANDATORY, MINIMUM LIVING WAGE RATE, MINIMUM NUMBER OF VACATION OR SICK DAYS, THAT WOULD REGULATE HOW A PRIVATE 4 5 EMPLOYER PAYS ITS EMPLOYEES; TO PROVIDE THAT THE LEGISLATURE FINDS 6 THAT THESE PROHIBITIONS ARE NECESSARY TO ENSURE AN ECONOMIC 7 CLIMATE CONDUCIVE TO NEW BUSINESS DEVELOPMENT AND JOB GROWTH IN 8 THE STATE OF MISSISSIPPI; AND FOR RELATED PURPOSES. 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 10 SECTION 1. (1) No county, board of supervisors of a county, 11 municipality or governing authority of a municipality is 12 authorized to establish a mandatory, minimum living wage rate, minimum number of vacation or sick days, whether paid or unpaid, 13 14 that would regulate how a private employer pays its employees. Each county, board of supervisors of a county, municipality or 15 16 governing authority of a municipality shall be prohibited from establishing a mandatory, minimum living wage rate, minimum number 17 of vacation or sick days, whether paid or unpaid, that would 18 19 regulate how a private employer pays its employees.

The Legislature finds that the prohibitions of

subsection (1) of this section are necessary to ensure an economic

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- 22 climate conducive to new business development and job growth in
- 23 the State of Mississippi. We believe that inconsistent
- 24 application of wage and benefit laws from city to city or county
- 25 to county must be avoided. While not suggesting a state minimum
- 26 wage or minimum benefit package, any debate and subsequent action
- 27 on these matters should be assigned to the Mississippi Legislature
- 28 as provided in Section 25-3-40, and not local counties or
- 29 municipalities.
- 30 (3) The Legislature further finds that wages and employee
- 31 benefits comprise the most significant expense of operating a
- 32 business. It also recognizes that neither potential employees or
- 33 business patrons are likely to restrict themselves to employment
- 34 opportunities or goods and services in any particular county or
- 35 municipality. Consequently, local variations in legally required
- 36 minimum wage rates or mandatory minimum number of vacation or sick
- 37 leave days would threaten many businesses with a loss of employees
- 38 to local governments which require a higher minimum wage rate and
- 39 many other businesses with the loss of patrons to areas which
- 40 allow for a lower wage rate and more or less vacation or sick
- 41 days. The net effect of this situation would be detrimental to
- 42 the business environment of the state and to the citizens,
- 43 businesses and governments of the local jurisdictions as well as
- 44 the local labor markets.
- 45 (4) The Legislature concludes from these findings that, in
- 46 order for a business to remain competitive and yet attract and

- 47 retain the highest possible caliber of employees, and thereby
- 48 remain sound, an enterprise must work in a uniform environment
- 49 with respect to minimum wage rates, and mandatory minimum number
- 50 of vacation or sick leave days. The net impact of local
- 51 variations in mandated wages and mandatory minimum number of
- 52 vacation or sick leave days would be economically unstable and
- 53 create a decline and decrease in the standard of living for the
- 54 citizens of the state. Consequently, decisions regarding minimum
- 55 wage, living wage and other employee benefit policies must be made
- 56 by the state as provided in Section 25-3-40, so that consistency
- 57 in the wage market is preserved.
- 58 **SECTION 2.** The provisions of this act shall not impede or
- 59 supersede a municipality's authority granted under Sections
- 60 17-21-1, 17-21-5 and 17-21-7.
- 61 **SECTION 3.** This act shall not be construed to limit the
- 62 authority of counties and municipalities to grant tax exemptions
- 63 authorized by state law.
- 64 **SECTION 4.** This act shall take effect and be in force from
- 65 and after July 1, 2013.