

By: Senator(s) Simmons (12th)

To: Labor; Accountability,
Efficiency, Transparency

SENATE BILL NO. 2440

1 AN ACT TO ENACT A MINIMUM WAGE LAW FOR THE STATE OF
2 MISSISSIPPI, WITH ANNUAL INCREMENTAL INCREASES OVER A THREE-YEAR
3 PERIOD; TO DEFINE EMPLOYERS AND EMPLOYEES SUBJECT TO THE MINIMUM
4 WAGE LAW; TO EMPOWER THE MISSISSIPPI DEPARTMENT OF EMPLOYMENT
5 SECURITY, OFFICE OF THE GOVERNOR, TO ENFORCE AND ADMINISTER THE
6 PROVISIONS OF THE MINIMUM WAGE LAW; TO PROVIDE CRIMINAL PENALTIES
7 AND A CIVIL CAUSE OF ACTION AGAINST EMPLOYERS FOR VIOLATIONS OF
8 THE MINIMUM WAGE LAW; TO AMEND SECTION 17-1-51, MISSISSIPPI CODE
9 OF 1972, TO AUTHORIZE MUNICIPAL AND COUNTY GOVERNING AUTHORITIES,
10 IN THEIR DISCRETION, TO MANDATE A WAGE THAT IS MORE THAN THE STATE
11 MINIMUM WAGE; TO AMEND SECTION 25-3-40, MISSISSIPPI CODE OF 1972,
12 TO CONFORM; AND FOR RELATED PURPOSES.

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

14 **SECTION 1.** This act shall be known and may be cited as the
15 Mississippi Minimum Wage Act.

16 **SECTION 2.** It is declared to be the public policy of the
17 State of Mississippi to establish fair minimum wages for workers
18 in order to safeguard their health, efficiency and general
19 well-being and to protect those workers as well as their employers
20 from the effects of unfair competition resulting from wage levels
21 detrimental to their health, efficiency and well-being.



SECTION 3.

(1) Except as otherwise provided in this act, every employer shall pay each of its employees a fair minimum wage as provided in this section.

(2) The state minimum wage shall be as follows:

(a) Beginning January 1, 2026, the rate of not less than Twelve Dollars (\$12.00) per hour; and

(b) Beginning January 1, 2028, the rate of not less than Fifteen Dollars (\$15.00) per hour.

(3) Whenever the highest federal minimum wage is increased, the minimum wage established under this section shall be increased to the amount of the federal minimum wage plus one-half of one percent ($1/2$ of 1%) more than the federal rate, rounded to the nearest whole cent, effective on the same date as the increase in the highest federal minimum wage, and shall apply to all wage orders and administrative regulations then in force.

(4) The rates for learners, beginners and persons under the age of eighteen (18) years shall be not less than eighty-five percent (85%) of the state minimum wage for the first two hundred (200) hours of their employment and equal to the applicable state minimum wage thereafter, except institutional training programs specifically exempted by the director.

SECTION 4.

As used in this act, unless the context otherwise requires:

(a) "Director" means the Executive Director of the Mississippi Department of Employment Security.



(b) "Department" means the Mississippi Department of Employment Security, Office of the Governor, established under Section 71-5-101.

(c) "Wage" means compensation due to an employee by reason of his or her employment, payable in legal tender of the United States or checks on banks convertible into cash on demand at full face value, subject to any deductions, charges or allowances as may be permitted by this act or by regulations of the department under this act.

(d) "Employ" includes to suffer or to permit to work.

(e) "Employer" includes any individual, partnership, association, corporation, business trust, or any person or group of persons acting directly or indirectly in the interest of an employer in relation to an employee. The term "employer" does not include:

(i) Any individual, partnership, association, corporation, business trust, or any person or group of persons acting directly or indirectly in the interest of an employer in relation to an employee who employs fewer than five (5) employees in a regular employment relationship; or

(ii) Any person, firm or corporation or other entity subject to the provisions of the federal Fair Labor Standards Act of 1938.

(f) "Independent contractor" means any individual who contracts to perform certain work away from the premises of his or



her employer, uses his or her own methods to accomplish the work, and is subject to the control of the employer only as to the result of his or her work.

(g) "Employee" includes any individual employed by an employer but does not include:

(i) Any individual employed in a bona fide executive, administrative or professional capacity, or as an outside commission-paid salesperson, who customarily performs his or her services away from his or her employer's premises, taking orders for goods or services;

(ii) Any student performing services for any school, college or university in which he or she is enrolled and is regularly attending classes;

(iii) Any individual employed by the United States or by the state or any political subdivision of the state, except public schools and school districts;

(iv) Any individual engaged in an activity of any educational, charitable, religious or nonprofit organization where the employer/employee relationship does not in fact exist or where the service is rendered to the organization gratuitously;

(v) Any bona fide independent contractor;

(vi) Any individual employed by an agricultural employer who did not use more than five hundred (500) man-days of agricultural labor in any calendar quarter of the preceding calendar year;



(vii) The parent, spouse, child or other member of
an agricultural employer's immediate family;

(viii) An individual who:

1. Is employed as a hand-harvest laborer and
is paid on a piece-rate basis in an operation that has been, and
is customarily and generally recognized as having been, paid on a
piece-rate basis in the region of employment;

2. Commutes daily from his or her permanent
residence to the farm on which he or she is so employed; and

3. Has been employed in agriculture less than
thirteen (13) weeks during the preceding calendar year;

(ix) A migrant who:

1. Is sixteen (16) years of age or under and
is employed as a hand-harvest laborer;

2. Is paid on a piece-rate basis in an
operation which has been, and is customarily and generally
recognized as having been, paid on a piece-rate basis in the
region of employment;

3. Is employed on the same farm as his or her
parents; and

4. Is paid the same piece-rate as employees
over age sixteen (16) are paid on the same farm;

(x) Any employee principally engaged in the range
production of livestock; or



(xi) Any employee employed in planting or tending trees, cruising, surveying or felling timber, or in preparing or transporting logs or other forestry products to the mill, processing plants, or railroad or other transportation terminal if the number of employees employed by his or her employer in the forestry or lumbering operations does not exceed eight (8).

(h) "Occupation" means any occupation, service, trade, business, industry, or branch or group of industries or employment or class of employment in which employees are gainfully employed.

(i) "Gratuities" means voluntary monetary contributions received by an employee from a guest, patron or customer for services rendered.

(j) "Man-day" means any day during any portion of which an employee performs any agricultural labor.

SECTION 5. Nothing in this act shall be deemed to interfere with, impede, or in any way diminish the right of employers and employees to bargain collectively through representatives of their own choosing in order to establish wages or other conditions of work.

SECTION 6. (1) Any employer who willfully:

(a) Hinders or delays the department or its authorized representative in the performance of its duties in the enforcement of this act;

(b) Refuses to admit the department or its authorized representative to any place of employment;



(c) Fails to make, keep and preserve any records as required under the provisions of this act or to make the record accessible to the department or its authorized representative upon demand;

(d) Refuses to furnish a sworn statement of the record or any other information required for the proper enforcement of this act to the department or its authorized representative upon demand; or

(e) Fails to post a summary of this act or a copy of any applicable regulations as required by this act shall be deemed in violation of this act and shall, upon conviction, be fined not less than One Hundred Dollars (\$100.00) nor more than Four Hundred Dollars (\$400.00). For the purposes of this subsection, each violation shall constitute a separate offense.

(2) Any employer who pays or agrees to pay minimum wages at a rate less than the rate applicable under this act shall be guilty of a felony, and the employer shall:

(a) Be fined not less than Four Thousand Dollars (\$4,000.00) nor more than Ten Thousand Dollars (\$10,000.00) for each offense if the total amount of all unpaid wages owed to an employee is more than Two Thousand Dollars (\$2,000.00);

(b) Be fined not less than Two Thousand Dollars (\$2,000.00) nor more than Four Thousand Dollars (\$4,000.00) or the agent or officer of the employer shall be imprisoned not more than one (1) year, or both, for each offense if the total amount of all



unpaid wages owed to an employee is more than One Thousand Dollars (\$1,000.00) but not more than Two Thousand Dollars (\$2,000.00);

(c) Be fined not less than One Thousand Dollars (\$1,000.00) nor more than Two Thousand Dollars (\$2,000.00) or the agent or officer of the employer shall be imprisoned not more than six (6) months, or both, for each offense if the total amount of all unpaid wages owed to an employee is more than Five Hundred Dollars (\$500.00) but not more than One Thousand Dollars (\$1,000.00); or

(d) Be fined not less than Four Hundred Dollars (\$400.00) nor more than One Thousand Dollars (\$1,000.00) or the agent or officer of the employer shall be imprisoned not more than three (3) months, or both, for each offense if the total amount of all unpaid wages owed to an employee is Five Hundred Dollars (\$500.00) or less.

(3) Any employer who willfully discharges or in any other manner willfully discriminates against any employee because:

(a) The employee has made any complaint to his or her employer, to the department, or to the director or his authorized representative that he or she has not been paid minimum wages in accordance with the provisions of this act;

(b) The employee has caused to be instituted or is about to cause to be instituted any proceeding under or related to this act; or



(c) The employee has testified or is about to testify in any such proceeding, shall be deemed in violation of this act and shall, upon conviction, be fined not more than One Hundred Dollars (\$100.00).

SECTION 7. (1) For any occupation, the department shall make and revise any administrative regulations, including definitions of terms, as it may deem appropriate to carry out the purposes of this act or necessary to prevent the circumvention or evasion of those purposes and to safeguard the minimum wage rates established.

(2) The regulations may include, but are not limited to, regulations governing:

- (a) Outside or commission salespeople;
- (b) Learners and apprentices, their number, proportion or length of service;
- (c) Part-time pay, bonuses or fringe benefits;
- (d) Special pay for special or extra work;
- (e) Permitted charges to employees or allowances for board, lodging, apparel, or other facilities or services customarily furnished by employers to employees;
- (f) Allowances for gratuities; or
- (g) Allowances for other special conditions or circumstances that may be usual in a particular employer/employee relationship.



219 (3) Regulations or revisions issued by the department under
220 this section shall be made only after a public hearing, at which
221 any person may be heard by the department, at least ten (10) days
222 subsequent to publication of notice of the hearing in a newspaper
223 of general circulation throughout the State of Mississippi.

224 **SECTION 8.** The director or his or her authorized
225 representatives shall:

226 (a) Have authority to enter and inspect the place of
227 business or employment of any employer in the state for the
228 purpose of examining and inspecting any or all books, registers,
229 payrolls and other records of any employer that in any way relate
230 to or have a bearing upon the question of wages, hours or other
231 conditions of employment of any employees; copy any or all of the
232 books, registers, payrolls or other records as he or she may deem
233 necessary or appropriate; and question employees for the purpose
234 of ascertaining whether the provisions of this act and regulations
235 issued under this act have been and are being complied with;

236 (b) Have authority to require from the employer full
237 and correct statements in writing, including sworn statements,
238 with respect to wages, hours, names, addresses and any information
239 pertaining to his or her employees as the director or his or her
240 authorized representative may deem necessary or appropriate;

241 (c) Publish all regulations made by the department; and

242 (d) Otherwise implement and enforce the regulations and
243 decisions of the department.



SECTION 9.

(1) Except as otherwise provided in this section, no employer shall employ any of his or her employees for a workweek longer than forty (40) hours unless the employee receives compensation for his or her employment in excess of the hours above specified at a rate not less than one and one-half (1-1/2) times the regular rate of pay at which he is employed.

(2) The provisions regarding the payment of wages at one and one-half (1-1/2) times the regular rate of pay for overtime services shall not be applicable with respect to agricultural employees.

SECTION 10.

(1) Every employer of an employee engaged in any occupation in which gratuities have been customarily and usually constituted and have been recognized as a part of remuneration for hiring purposes shall be entitled to an allowance for gratuities as a part of the hourly wage rate provided in Section 3 of this act in an amount not to exceed fifty percent (50%) of the minimum wage established by Section 3 of this act, provided that the employee actually received that amount in gratuities and that the application of the foregoing gratuity allowances results in payment of wages other than gratuities to tipped employees, including full-time students, subject to the provisions of this act, of not less than fifty percent (50%) of the minimum wage prescribed by this act.

(2) In determining whether an employee received in gratuities the amount claimed, the director may require the



employee to show to the satisfaction of the director that the actual amount of gratuities received by him or her during any workweek was less than the amount determined by the employer as the amount by which the wage paid the employee was deemed to be increased under this section.

SECTION 11. (1) Every employer subject to any provisions of this act shall keep a summary of this act, approved by the department, and copies of any applicable regulations issued under this act posted in a conspicuous and accessible place in or about the premises where any person subject to this act is employed.

(2) Employers shall be furnished copies of the summaries of this statute and regulations by the director on request without charge.

SECTION 12. (1) Every employer subject to any provision of this act or of any regulation issued under this act shall make and keep for a period of not less than three (3) years, in or about the premises where any employee is employed, a record of the name, address and occupation of each of his or her employees, the rate of pay and the amount paid each pay period to each employee and any other information as the department prescribes by regulation as necessary or appropriate for the enforcement of the provisions of this act or of the regulations under this act.

(2) The records shall be open for inspection or transcription by the director or his or her authorized representative at any reasonable time.



(3) Every employer shall furnish to the director or to his or her authorized representative on demand a sworn statement of the records and information upon forms prescribed or approved by the director.

SECTION 13. (1) Any employer who pays any employee less than minimum wages to which the employee is entitled under or by virtue of this act shall be liable to the employee affected for the full amount of the wages, less any amount actually paid to the employee by the employer, and for costs and reasonable attorney's fees as may be allowed by the court.

(2) Any agreement between the employee and employer to work for less than minimum wages shall be no defense to the action.

(3) The venue of the action shall lie in the circuit court of any county in which the services which are the subject of the employment were performed.

(4) The director shall have the authority to fully enforce this act by instituting legal action to recover any wages which he or she determines to be due to employees under this act.

SECTION 14. Section 17-1-51, Mississippi Code of 1972, is amended as follows:

17-1-51. (1) No county, board of supervisors of a county, municipality or governing authority of a municipality is authorized to establish a mandatory, minimum living wage rate lower than the rate provided in Section 3 of this act, minimum number of vacation or sick days, whether paid or unpaid, that



319 would regulate how a private employer pays its employees. Each
320 county, board of supervisors of a county, municipality or
321 governing authority of a municipality shall be prohibited from
322 establishing a mandatory, minimum living wage rate lower than the
323 rate provided in Section 3 of this act, minimum number of vacation
324 or sick days, whether paid or unpaid, that would regulate how a
325 private employer pays its employees.

326 (2) The Legislature finds that the prohibitions of
327 subsection (1) of this section are necessary to ensure an economic
328 climate conducive to new business development and job growth in
329 the State of Mississippi while protecting the health and
330 well-being of workers. * * *

331 * * *

332 (* * *3) The Legislature concludes from * * * this finding
333 that, in order for a business to remain competitive and yet
334 attract and retain the highest possible caliber of employees, and
335 thereby remain sound, an enterprise must work in * * * an
336 environment * * * that respects its workers and that encourages
337 the payment of fair minimum wage rates * * *. The net impact of
338 any local * * * wages * * * greater than the rate provided in
339 Section 3 of this act will be economically * * * stable and create
340 a * * * rise and increase in the standard of living for the
341 citizens of the state. * * *

342 **SECTION 15.** Section 25-3-40, Mississippi Code of 1972, is
343 amended as follows:



344 25-3-40. On July 1, 1978, and each year thereafter, the
345 Mississippi Compensation Plan shall be amended to provide salary
346 increases in such amounts and percentages as might be recommended
347 by the Legislative Budget Office and as may be authorized by funds
348 appropriated by the Legislature for the purpose of granting
349 incentive salary increases as deemed possible dependent upon the
350 availability of general and special funds.

351 It is hereby declared to be the intent of the Mississippi
352 Legislature to implement the minimum wage as enacted by statutory
353 law of the United States Congress subject to funds being available
354 for that purpose. It is further the intent of the Legislature to
355 implement the state minimum wage as provided in Section 3 of this
356 act. It is the intent and purpose of this section to maximize
357 annual salary increases consistent with the availability of funds
358 as might be determined by the Mississippi Legislature at its
359 regular annual session and that all salary increases hereafter be
360 made consistent with the provisions of this section.

361 **SECTION 16.** This act shall take effect and be in force from
362 and after July 1, 2025.

