

HOUSE BILL 1694

By Turner M

AN ACT to amend Tennessee Code Annotated, Title 50,
relative to wages.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 50, Chapter 2, is amended by adding the following as a new part:

50-2-301. As used in this part:

(1) "Employee" means any person who is employed by an employer but does not include any employee who is less than eighteen (18) years of age and employed by a nonprofit organization for after school or summer employment as a trainee for a period not longer than ninety (90) days;

(2) "Employer" means any individual, proprietorship, joint venture, corporation, limited liability company, trust, association, or other entity that employs individuals or enters into contracts of employment with individuals; and

(3) "Offering health benefits" means making health insurance available to the employee and the employee's dependents at a total cost to the employee for premiums of not more than ten percent (10%) of the employee's gross taxable income from the employer.

50-2-302.

(a)(1) Subject to the exemptions contained in subsection (b), each employer who employs twenty (20) or more employees shall pay a wage to each employee of not less than seven dollars and twenty-five cents (\$7.25) per hour worked, if the employer offers health benefits, or eight dollars and twenty-five cents (\$8.25) per hour worked, if the employer does not offer health benefits.

(a)(2) The hourly rates required by this part shall be adjusted by increases in the federal minimum wage in excess of seven dollars and twenty-five cents (\$7.25) per hour, or, if greater, by the cumulative increase in the cost of living. The cost of living increase shall be measured by the percentage increase as of December 31 in any year over the level as of December 31, 2014, of the consumer price index (all items-city average), as published by the United States department of labor, bureau of labor statistics. No consumer price index adjustment for any one-year period may be greater than three percent (3%). (a)(3) The commissioner of labor and workforce development shall publish a bulletin by April 1 of each year announcing the adjusted rates, which shall take effect immediately following July 1. The bulletin shall be made available to all employers in this state and to any other person who files a request to receive such bulletin with the department of labor and workforce development. Lack of notice shall not excuse noncompliance with this part. (a)(4) Every employer shall provide written notice of any minimum wage rate adjustments that will occur in a calendar year to each of its employees and make the necessary payroll adjustments by July 1 following publication of the bulletin in which the adjustments were announced.(a)(5) Tips or gratuities received by employees shall not be credited as being any part of, or offset against, the wage rates required by this part.

(b) The wage and notice requirements contained in subsection (a) shall not apply to employment for the following:

- (1) Casual babysitters;
- (2) Domestic service employees who reside in the household where they work;
- (3) Outside salespersons whose earnings are based on commissions;

(4) Employees engaged in an agricultural pursuit of an employer who did not use more than five hundred (500) days of agricultural labor in any calendar quarter of the preceding calendar year;

(5) Taxicab and limousine drivers;

(6) Persons with severe disabilities whose disabilities have diminished their productive capacity in a specific job as recognized by the department of human services, the department of mental health and substance abuse services, or the department of intellectual and developmental disabilities.

(c) The requirements of this part may not be waived by agreement between an individual employee and an employer. Any of the requirements of this part may be waived in a collective bargaining agreement but only if the waiver is set forth in clear and unambiguous terms; provided, however, that the requirements of this part may not be waived by unilateral implementation of terms and conditions of employment.

50-2-303.

(a) Any employee may bring an action against such employee's employer to enforce the requirements of this part and shall be entitled to all remedies available under the law and in equity to remedy a violation of this part, including, but not limited to, back pay, damages, reinstatement, and injunctive relief.

(b) An employer shall not discharge, reduce the compensation of, or otherwise discriminate against any employee for using any civil remedies to enforce this part or otherwise assert the employee's rights under this part.

(c) Any employee who prevails in any action to enforce this part shall be awarded reasonable attorneys' fees and costs.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end, the provisions of this act are declared to be severable.

SECTION 3. This act shall take effect July 1, 2014, the public welfare requiring it.