

Congress begins at \$500,000 in gross sales and up for a business to come under the federal minimum wage law. And then Congress, in its infinite wisdom, created a situation where employers who have gross sales between \$362,500 and \$500,000 are grandfathered in at the old minimum wage, the 3.35, the 2.01 for tipped employees. So, then we have a situation presented to us here in Nebraska that if we would enact a state minimum wage law without a grandfathering, then we would have...our law would then affect all employers who had sales of less than \$500,000, which would be whatever the phase in is, the 4.00, 4.25 on up, but we would have then a class of employers in Nebraska who would be, in fact, paying a higher minimum wage under state law than would be required to...they would be required to pay under federal law. Then if we would enact a grandfather clause that would parallel the federal law, we would have employers, whose gross sales were less than \$362,500, having a four dollar and whatever the phase-in comes as it works through the system, and if we grandfathered in the same exemptions that are in federal law, then we would have a class of employers between 362,500 and 500,000 that would have a \$3.35 minimum wage law, and I guess that might explain my not voting to advance this particular bill. It is an issue I think that has great ramifications that we need to take a serious look at.

SPEAKER BARRETT: One minute.

SENATOR COORDSEN: And I would even suggest that in this issue an interim study might be of great value to see what the impact would be of the changes in the state minimum wage law because it is not going to be nearly as simple as what we used to do in the past. So I would suspend my support...I would oppose the rule suspension at this time. Thank you.

SPEAKER BARRETT: Senator Schelipeper. Senator Schellpeper.

SENATOR SCHELLPEPER: Thank you, Mr. Speaker, and members. Senator Coordsen has totally confused me with all of his figures but I think he did answer some of my questions. I would like to ask Senator Hall a question, though. Senator Hall, what happens if we do nothing at the present time as far as the minimum wage in Nebraska?

SENATOR HALL: The minimum wage, Senator Schellpeper, will, for those employers who fall under the federal requirements, will increase January 1 of 1990 to \$3.80 from the current level of