

March 5, 1991

LB 25, 118, 128, 178, 297

Confirmation report from Government Committee. (See pages 918-19 of the Legislative Journal.)

I have explanation of vote from Senator Rasmussen. (See page 919 of the Legislative Journal regarding LB 25, LB 118, LB 128 and LB 178.)

Madam President, LB 297 was a bill introduced by Senators Hall, Chambers and Morrissey. (Read title.) The bill was introduced on January 15, referred to the Business and Labor Committee. The bill was advanced to General File.

PRESIDENT MOUL: Senator Hall, would you like to open

SENATOR HALL: Thank you, Madam President. There are no committee amendments to the bill then, I take it, so I will open. LB 297 is basically a rerun of a bill that I introduced last year, LB 901, which would have the state's minimum wage mirror the increases that took effect at the federal level. If you remember, the federal increase was passed by the Congress and was to be in effect April 1 of 1990. The minimum wage would move to \$3.80 an hour; April 1 of 1991 it is scheduled to move to \$4.25 an hour. When 901 did not pass last year what I had to do then was reintroduce the provision in the form of LB 297. Because of the effect of the federal increase that took place in 1990, there was no need to put that provision back into the bill so there is only one phase-in, one increase from the current level in the state wage which is three dollars and I guess thirty-five cents an hour. It will jump effective July 1, 1991, to \$4.25. So we have passed the federal first step which was again last year to 3.80 from 3.35. The second step is scheduled to take effect April 1 of this year. My bill, LB 297, would make that jump to four and a quarter now in one step rather than two because of the year that we lost with the phase-in. It also takes the tip wage employees from a current wage of 2.01 to 2.13. How does this work in relation to Nebraska employers with regard to those individuals who qualify under the federal laws' employers as opposed to those that fall under the Nebraska state wage? Because there is a difference. The federal exemptions allow for anyone currently who is...has ten employees, under ten employees or sales annually that don't exceed \$500,000. So if you've got 11 employees or your sales exceed half a million dollars on an annual basis, gross, then you're not subject to the federal minimum wage. You're subject to whatever the state minimum wage might be. So there are very few people, very few