

# 34:11-56a4

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2005 **CHAPTER:** 70

**NJSA:** 34:11-56a4 (Increases the minimum wage)

**BILL NO:** S2065 (Substituted for A3781)

**SPONSOR(S):** Sweeney and others

**DATE INTRODUCED:** November 15, 2004

**COMMITTEE:** **ASSEMBLY:**  
**SENATE:** Labor

**AMENDED DURING PASSAGE:** No

**DATE OF PASSAGE:** **ASSEMBLY:** March 14, 2005

**SENATE:** February 14, 2005

**DATE OF APPROVAL:** April 12, 2005

### FOLLOWING ARE ATTACHED IF AVAILABLE:

[FINAL TEXT OF BILL](#) (Senate Committee Substitute enacted)

#### S2065

[SPONSOR'S STATEMENT](#): (Begins on page 3 of original bill) [Yes](#)

**COMMITTEE STATEMENT:** **ASSEMBLY:** No

[SENATE:](#) [Yes](#)

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** No

#### A3781

[SPONSOR'S STATEMENT](#): (Begins on page 5 of original bill) [Yes](#)

**COMMITTEE STATEMENT:** [ASSEMBLY:](#) [Yes](#)

**SENATE:** No

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** No

**VETO MESSAGE:** No

[GOVERNOR'S PRESS RELEASE ON SIGNING:](#) [Yes](#)

### FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext. 103 or <mailto:refdesk@njstatelib.org>

**REPORTS:**

No

**HEARINGS:**

No

**NEWSPAPER ARTICLES:**

Yes

"Minimum wage workers get raise," 4-13-2004 The Times, p.A1

"Codey signs \$2 increase in base wage," 4-13-2005 Philadelphia Inquirer, p.B1

"Codey OKs hike in minimum wage," 4-13-2005 Star Ledger, p.23

P.L. 2005, CHAPTER 70, *approved April 12, 2005*  
Senate Committee Substitute for  
Senate, No. 2065

1 AN ACT increasing the minimum wage, establishing the New Jersey  
2 Minimum Wage Advisory Commission and amending and  
3 supplementing P.L.1966, c.113.

4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

7

8 1. Section 5 of P.L.1966, c.113 (C.34:11-56a4) is amended to  
9 read as follows:

10 5. Every employer shall pay to each of his employees wages at a  
11 rate of not less than \$5.05 per hour as of April 1, 1992 and, after  
12 January 1, 1999 the federal minimum hourly wage rate set by section  
13 6(a)(1) of the federal "Fair Labor Standards Act of 1938" (29 U.S.C.  
14 s.206(a)(1)), and, as of October 1, 2005, \$6.15 per hour, and as of  
15 October 1, 2006, \$7.15 per hour for 40 hours of working time in any  
16 week and 1 1/2 times such employee's regular hourly wage for each  
17 hour of working time in excess of 40 hours in any week, except this  
18 overtime rate shall not include any individual employed in a bona fide  
19 executive, administrative, or professional capacity or, if an applicable  
20 wage order has been issued by the commissioner under section 17  
21 (C.34:11-56a16) of this act, not less than the wages prescribed in said  
22 order. The wage rates fixed in this section shall not be applicable to  
23 part-time employees primarily engaged in the care and tending of  
24 children in the home of the employer, to persons under the age of 18  
25 not possessing a special vocational school graduate permit issued  
26 pursuant to section 15 of P.L.1940, c.153 (C.34:2-21.15), or to  
27 persons employed as salesmen of motor vehicles, or to persons  
28 employed as outside salesmen as such terms shall be defined and  
29 delimited in regulations adopted by the commissioner, or to persons  
30 employed in a volunteer capacity and receiving only incidental benefits  
31 at a county or other agricultural fair by a nonprofit or religious  
32 corporation or a nonprofit or religious association which conducts or  
33 participates in that fair.

34 The provisions of this section for the payment to an employee of  
35 not less than 1 1/2 times such employee's regular hourly rate for each  
36 hour of working time in excess of 40 hours in any week shall not apply  
37 to employees engaged to labor on a farm or employed in a hotel or to  
38 an employee of a common carrier of passengers by motor bus or to a  
39 limousine driver who is an employee of an employer engaged in the  
40 business of operating limousines or to employees engaged in labor

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 relative to the raising or care of livestock.

2 Employees engaged on a piece-rate or regular hourly rate basis to  
3 labor on a farm shall be paid for each day worked not less than the  
4 minimum hourly wage rate multiplied by the total number of hours  
5 worked.

6 Full-time students may be employed by the college or university at  
7 which they are enrolled at not less than 85% of the effective minimum  
8 wage rate.

9 Notwithstanding the provisions of this section to the contrary,  
10 every trucking industry employer shall pay to all drivers, helpers,  
11 loaders and mechanics for whom the Secretary of Transportation may  
12 prescribe maximum hours of work for the safe operation of vehicles,  
13 pursuant to section 31502(b) of the federal Motor Carrier Act, 49  
14 U.S.C.s.31502(b), an overtime rate not less than 1 1/2 times the  
15 minimum wage required pursuant to this section and N.J.A.C.  
16 12:56-3.1. Employees engaged in the trucking industry shall be paid  
17 no less than the minimum wage rate as provided in this section and  
18 N.J.A.C. 12:56-3.1. As used in this section, "trucking industry  
19 employer" means any business or establishment primarily operating for  
20 the purpose of conveying property from one place to another by road  
21 or highway, including the storage and warehousing of goods and  
22 property. Such an employer shall also be subject to the jurisdiction of  
23 the Secretary of Transportation pursuant to the federal Motor Carrier  
24 Act, 49 U.S.C.s.31501 et seq., whose employees are exempt under  
25 section 213(b)(1) of the federal [Fair Labor Standards Act,] "Fair  
26 Labor Standards Act of 1938." 29 U.S.C. s.213(b)(1), which provides  
27 an exemption to employees regulated by section 207 of the federal  
28 [Fair Labor Standards Act,] "Fair Labor Standards Act of 1938." 29  
29 U.S.C.s.207, and the Interstate Commerce Act, 49 U.S.C.s.501 et al.

30 The provisions of this section shall not be construed as prohibiting  
31 any political subdivision of the State from adopting an ordinance,  
32 resolution, regulation or rule, or entering into any agreement,  
33 establishing any standard for vendors, contractors and subcontractors  
34 of the subdivision regarding wage rates or overtime compensation  
35 which is higher than the standards provided for in this section, and no  
36 provision of any other State or federal law establishing a minimum  
37 standard regarding wages or other terms and conditions of  
38 employment shall be construed as preventing a political subdivision of  
39 the State from adopting an ordinance, resolution, regulation or rule,  
40 or entering into any agreement, establishing a standard for vendors,  
41 contractors and subcontractors of the subdivision which is higher than  
42 the State or federal law or which otherwise provides greater  
43 protections or rights to employees of the vendors, contractors and  
44 subcontractors of the subdivision, unless the State or federal law  
45 expressly prohibits the subdivision from adopting the ordinance,  
46 resolution, regulation or rule, or entering into the agreement.  
47 (cf: P.L.1999, c.370, s.1)

1           2. (New section) a. There is created a commission to be known  
2 as the "New Jersey Minimum Wage Advisory Commission," which  
3 shall be a permanent, independent body in but not of the Department  
4 of Labor and Workforce Development. The commission shall consist  
5 of five members as follows: the Commissioner of Labor and  
6 Workforce Development, ex officio, who shall serve as chair of the  
7 commission, and four members appointed by the Governor as follows:  
8 two persons who shall be nominated by organizations who represent  
9 the interests of the business community in this State and two persons  
10 who shall be nominated by the New Jersey State AFL-CIO.

11           b. Members shall be appointed not later than December 31, 2005.  
12 Members shall be appointed for four-year terms and may be re-  
13 appointed for any number of terms. Any member of the commission  
14 may be removed from office by the Governor, for cause, upon notice  
15 and opportunity to be heard. Vacancies shall be filled in the same  
16 manner as the original appointment for the balance of the unexpired  
17 term. A member shall continue to serve upon the expiration of his  
18 term until a successor is appointed and qualified, unless the member  
19 is removed by the Governor.

20           c. Action may be taken by the commission by an affirmative vote  
21 of a majority of its members and a majority of the commission shall  
22 constitute a quorum for the transaction of any business, for the  
23 performance of any duty, or for the exercise of any power of the  
24 commission.

25           d. Members of the commission shall serve without compensation,  
26 but may be reimbursed for the actual and necessary expenses incurred  
27 in the performance of their duties as members of the commission  
28 within the limits of funds appropriated or otherwise made available for  
29 that purpose.

30

31           3. (New section) a. The commission shall annually evaluate the  
32 adequacy of the minimum wage relative to the following factors:

33           (1) The overall cost of living in the State;

34           (2) Changes in the components of the cost of living which have  
35 the greatest impact on low-income families, including increases in the  
36 cost of housing, food, transportation, health care and child care;

37           (3) The cost of living in the State compared to that of other states;

38           (4) Changes in the purchasing power of the minimum wage; and

39           (5) Changes in the value of the minimum wage relative to the  
40 federal poverty guidelines, the federal lower living standard income  
41 level guidelines and the self-sufficiency standards established as goals  
42 for State and federal employment and training services pursuant to  
43 section 3 of P.L.1992, c.43 (C.34:15D-3) and section 1 of P.L.1992,  
44 c.48 (C.34:15B-35).

45           b. In furtherance of its evaluation, the commission may hold public  
46 meetings or hearings within the State on any matter or matters related  
47 to the provisions of this act, and call to its assistance and avail itself

1 of the services of the John J. Heldrich Center for Workforce  
2 Development and the employees of any other State department, board,  
3 commission or agency which the commission determines possesses  
4 relevant data, analytical and professional expertise or other resources  
5 which may assist the commission in discharging its duties under this  
6 act. Each department, board, commission or agency of this State is  
7 hereby directed, to the extent not inconsistent with law, to cooperate  
8 fully with the commission and to furnish such information and  
9 assistance as is necessary to accomplish the purposes of this act.

10 c. The commission shall submit a written report of its findings  
11 regarding the adequacy of the minimum wage and its recommendations  
12 as to whether, or how much, to increase the minimum wage to the  
13 Governor and to the Legislature, who shall immediately review the  
14 commission report upon its receipt. Each House of the Legislature  
15 shall consider the commission report within 120 days of the receipt of  
16 the report. The first report shall be submitted to the Legislature no  
17 sooner than October 1, 2007 and no later than December 31, 2007,  
18 and subsequent reports shall be submitted in one year intervals  
19 thereafter.

20

21 4. This act shall take effect immediately.

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26 \_\_\_\_\_  
27 Increases the minimum wage; creates New Jersey Minimum Wage  
Advisory Commission.

# SENATE, No. 2065

## STATE OF NEW JERSEY 211th LEGISLATURE

INTRODUCED NOVEMBER 15, 2004

**Sponsored by:**

**Senator STEPHEN M. SWEENEY**

**District 3 (Salem, Cumberland and Gloucester)**

**Senator JOSEPH F. VITALE**

**District 19 (Middlesex)**

**Co-Sponsored by:**

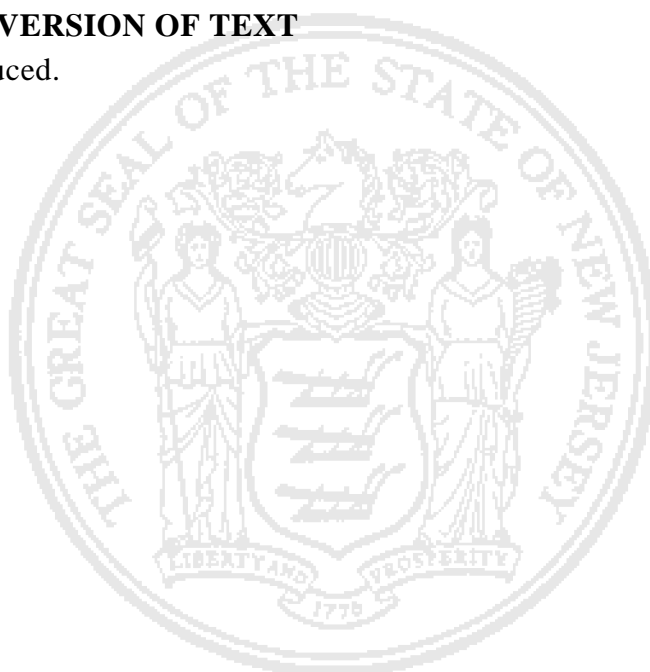
**Senator Coniglio**

**SYNOPSIS**

Increases minimum wage to \$7.00 in 2005, with annual adjustments thereafter.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 1/12/2005)**

1 AN ACT increasing the minimum wage and amending P.L.1966, c.113.

2

3 **BE IT ENACTED** by the Senate and General Assembly of the State  
4 of New Jersey:

5

6 1. Section 5 of P.L.1966, c.113 (C.34:11-56a4) is amended to read  
7 as follows:

8 5. Every employer shall pay to each of his employees wages at a  
9 rate of not less than \$5.05 per hour as of April 1, 1992 and, after  
10 January 1, 1999 the federal minimum hourly wage rate set by section  
11 6(a)(1) of the federal "Fair Labor Standards Act of 1938" (29 U.S.C.  
12 s.206(a)(1)), and, after December 31, 2004 and before November 1,  
13 2005, \$7.00 per hour for 40 hours of working time in any week and 1  
14 1/2 times such employee's regular hourly wage for each hour of  
15 working time in excess of 40 hours in any week, except this overtime  
16 rate shall not include any individual employed in a bona fide executive,  
17 administrative, or professional capacity or, if an applicable wage order  
18 has been issued by the commissioner under section 17  
19 (C.34:11-56a16) of this act, not less than the wages prescribed in said  
20 order. Commencing in 2005, the commissioner shall, no later than  
21 July 1 of each year, adjust the minimum hourly wage rate set forth in  
22 this section to make it equal to 30% of the average hourly wage for all  
23 workers in this State and the adjustment shall become effective on  
24 November 1 of that year, unless the federal minimum hourly wage  
25 rate, or \$7.00 per hour, is greater, in which case the federal minimum  
26 hourly rate, or \$7.00 per hour, shall prevail. For the purposes of this  
27 section, the average hourly wage for all workers in this State shall be  
28 one fortieth of the Statewide average weekly wage paid to all workers  
29 subject to the "unemployment compensation law" (R.S.43:21-1 et  
30 seq.) during the immediately preceding calendar year as determined  
31 and promulgated by the commissioner. The wage rates fixed in this  
32 section shall not be applicable to part-time employees primarily  
33 engaged in the care and tending of children in the home of the  
34 employer, to persons under the age of 18 not possessing a special  
35 vocational school graduate permit issued pursuant to section 15 of  
36 P.L.1940, c.153 (C.34:2-21.15), or to persons employed as salesmen  
37 of motor vehicles, or to persons employed as outside salesmen as such  
38 terms shall be defined and delimited in regulations adopted by the  
39 commissioner, or to persons employed in a volunteer capacity and  
40 receiving only incidental benefits at a county or other agricultural fair  
41 by a nonprofit or religious corporation or a nonprofit or religious  
42 association which conducts or participates in that fair.

43 The provisions of this section for the payment to an employee of

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.**

**Matter underlined thus is new matter.**



1 not less than 1 1/2 times such employee's regular hourly rate for each  
2 hour of working time in excess of 40 hours in any week shall not apply  
3 to employees engaged to labor on a farm or employed in a hotel or to  
4 an employee of a common carrier of passengers by motor bus or to a  
5 limousine driver who is an employee of an employer engaged in the  
6 business of operating limousines or to employees engaged in labor  
7 relative to the raising or care of livestock.

8 Employees engaged on a piece-rate or regular hourly rate basis to  
9 labor on a farm shall be paid for each day worked not less than the  
10 minimum hourly wage rate multiplied by the total number of hours  
11 worked.

12 Full-time students may be employed by the college or university at  
13 which they are enrolled at not less than 85% of the effective minimum  
14 wage rate.

15 Notwithstanding the provisions of this section to the contrary,  
16 every trucking industry employer shall pay to all drivers, helpers,  
17 loaders and mechanics for whom the Secretary of Transportation may  
18 prescribe maximum hours of work for the safe operation of vehicles,  
19 pursuant to section 31502(b) of the federal Motor Carrier Act, 49  
20 U.S.C.s.31502(b), an overtime rate not less than 1 1/2 times the  
21 minimum wage required pursuant to this section and  
22 N.J.A.C.12:56-3.1. Employees engaged in the trucking industry shall  
23 be paid no less than the minimum wage rate as provided in this section  
24 and N.J.A.C.12:56-3.1. As used in this section, "trucking industry  
25 employer" means any business or establishment primarily operating for  
26 the purpose of conveying property from one place to another by road  
27 or highway, including the storage and warehousing of goods and  
28 property. Such an employer shall also be subject to the jurisdiction of  
29 the Secretary of Transportation pursuant to the federal Motor Carrier  
30 Act, 49 U.S.C.s.31501 et seq., whose employees are exempt under  
31 section 213(b)(1) of the federal [Fair Labor Standards Act,] "Fair  
32 Labor Standards Act of 1938." 29 U.S.C. s.213(b)(1), which provides  
33 an exemption to employees regulated by section 207 of the federal  
34 [Fair Labor Standards Act,] "Fair Labor Standards Act of 1938." 29  
35 U.S.C.s.207, and the Interstate Commerce Act, 49 U.S.C.s.501 et al.  
36 (cf: P.L.1999, c.370, s.1)

37

38 2. This act shall take effect immediately.

39

40

41

#### STATEMENT

42

43 This bill increases New Jersey's minimum wage rate and establishes  
44 a new method of determining the minimum wage in the future.

45 This bill raises the minimum wage to \$7.00 per hour on January 1,  
46 2005, then, commencing in 2005, requires the Commissioner of Labor

1 and Workforce Development, not later than July 1 of each year, to  
2 adjust the State minimum hourly wage rate to make it equal to 30% of  
3 the average hourly wage for all workers in this State, with the  
4 adjustment becoming effective on November 1 of that year, unless the  
5 federal minimum hourly wage rate is greater, in which case the federal  
6 minimum hourly rate will prevail. For the purposes of the bill, the  
7 "average hourly wage for all workers in this State" means one fortieth  
8 of the Statewide average weekly wage paid to all workers under the  
9 "unemployment compensation law" (R.S.43:21-1 et seq.).

10 The current New Jersey minimum wage of \$5.15 per hour is only  
11 23.2% of the average hourly wage in the State, the lowest percentage  
12 on record. In 1974, the minimum wage was 46.0% of the average  
13 hourly wage. Moreover, a full-time worker paid New Jersey's current  
14 minimum wage receives \$10,300 per year, far below the national  
15 poverty level of \$17,650 per year for a family of four.

16 The bill is designed to sustain New Jersey's minimum wage at an  
17 appropriate level in light of New Jersey's high cost of living, which is  
18 more than 15% higher than the national average, and to prevent  
19 workers earning the minimum wage from falling increasingly behind  
20 the wage levels of average workers. An increase in the minimum wage  
21 is appropriate to lift the incomes of tens of thousands of hard-working  
22 New Jersey citizens.

# SENATE LABOR COMMITTEE

## STATEMENT TO

### SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 2065**

# **STATE OF NEW JERSEY**

DATED: JANUARY 24, 2005

The Senate Labor Committee reports favorably the Senate Committee Substitute for Senate Bill No. 2065.

This substitute increases New Jersey's minimum wage rate and establishes a commission to study the minimum wage in this State.

This substitute raises the minimum wage to \$6.15 per hour on October 1, 2005, then, commencing on October 1, 2006 increases the minimum wage to \$7.15 per hour.

In addition, the substitute establishes a commission to be known as the "New Jersey Minimum Wage Advisory Commission," which shall be a permanent, independent body in but not of the Department of Labor and Workforce Development. The commission shall consist of five members as follows: the Commissioner of Labor and Workforce Development, ex officio, who shall serve as chair of the commission, and four members appointed by the Governor as follows: two persons who shall be nominated by organizations who represent the interests of the business community in this State and two persons who shall be nominated by the New Jersey State AFL-CIO.

Members of the commission shall be appointed not later than December 31, 2005. Members shall be appointed for four-year terms and may be re-appointed for any number of terms.

The commission shall annually evaluate the adequacy of the minimum wage relative to the following factors: the overall cost of living in the State; changes in the components of the cost of living which have the greatest impact on low-income families, including increases in the cost of housing, food, transportation, health care and child care; the cost of living in the State compared to that of other states; changes in the purchasing power of the minimum wage; and changes in the value of the minimum wage relative to the federal poverty guidelines, the federal lower living standard income level guidelines and the self-sufficiency standards established as goals for State and federal employment and training services.

The commission shall submit a written report of its findings regarding the adequacy of the minimum wage and its recommendations as to whether, or how much, to increase the minimum wage to the Governor and to the Legislature, who shall immediately review the

commission report upon its receipt. Each House of the Legislature shall consider the commission report within 120 days of the receipt of the report. The first report shall be submitted to the Legislature no sooner than October 1, 2007 and no later than December 31, 2007, and subsequent reports shall be submitted in one year intervals thereafter.

This substitute provides that the State minimum wage law shall not be construed as prohibiting any political subdivision of the State from adopting an ordinance, resolution, regulation or rule, or entering into any agreement, establishing any standard for vendors, contractors and subcontractors of the subdivision regarding wage rates or overtime compensation which is higher than the standards provided in the minimum wage law. Moreover, no provision of any other State or federal law establishing a minimum standard regarding wages or other terms and conditions of employment shall be construed as preventing a political subdivision of the State from adopting an ordinance, resolution, regulation, or rule establishing and enforcing a standard for vendors, contractors and subcontractors of the subdivision which is higher than the State or federal law or otherwise provides greater protections or rights to employees, unless the State or federal law expressly prohibits the subdivision from adopting the ordinance, resolution, regulation, or rule.

# ASSEMBLY, No. 3781

## STATE OF NEW JERSEY 211th LEGISLATURE

INTRODUCED FEBRUARY 7, 2005

**Sponsored by:**

**Assemblyman ALBIO SIRES**

**District 33 (Hudson)**

**Assemblyman MICHAEL PANTER**

**District 12 (Mercer and Monmouth)**

**Assemblyman ROBERT GORDON**

**District 38 (Bergen)**

**Assemblywoman LINDA R. GREENSTEIN**

**District 14 (Mercer and Middlesex)**

**Assemblyman JOSEPH V. EGAN**

**District 17 (Middlesex and Somerset)**

**Assemblyman WILFREDO CARABALLO**

**District 29 (Essex and Union)**

**Assemblyman CRAIG A. STANLEY**

**District 28 (Essex)**

**Assemblyman JOSEPH VAS**

**District 19 (Middlesex)**

**Co-Sponsored by:**

**Assemblymen McKeon, Manzo, Johnson, Wisniewski, Assemblywoman Weinberg, Assemblyman Conaway, Assemblywoman Watson Coleman and Assemblyman Gusciora**

**SYNOPSIS**

Increases the minimum wage; creates New Jersey Minimum Wage Advisory Commission.

**CURRENT VERSION OF TEXT**

As introduced.

(Sponsorship Updated As Of: 3/15/2005)

A3781 SIRES, PANTER

2

1 AN ACT increasing the minimum wage, establishing the New Jersey  
2 Minimum Wage Advisory Commission and amending and  
3 supplementing P.L.1966, c.113.

4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

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15 October 1, 2006, \$7.15 per hour for 40 hours of working time in any  
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17 hour of working time in excess of 40 hours in any week, except this  
18 overtime rate shall not include any individual employed in a bona fide  
19 executive, administrative, or professional capacity or, if an applicable  
20 wage order has been issued by the commissioner under section 17  
21 (C.34:11-56a16) of this act, not less than the wages prescribed in said  
22 order. The wage rates fixed in this section shall not be applicable to  
23 part-time employees primarily engaged in the care and tending of  
24 children in the home of the employer, to persons under the age of 18  
25 not possessing a special vocational school graduate permit issued  
26 pursuant to section 15 of P.L.1940, c.153 (C.34:2-21.15), or to  
27 persons employed as salesmen of motor vehicles, or to persons  
28 employed as outside salesmen as such terms shall be defined and  
29 delimited in regulations adopted by the commissioner, or to persons  
30 employed in a volunteer capacity and receiving only incidental benefits  
31 at a county or other agricultural fair by a nonprofit or religious  
32 corporation or a nonprofit or religious association which conducts or  
33 participates in that fair.

34 The provisions of this section for the payment to an employee of  
35 not less than 1 1/2 times such employee's regular hourly rate for each  
36 hour of working time in excess of 40 hours in any week shall not apply  
37 to employees engaged to labor on a farm or employed in a hotel or to  
38 an employee of a common carrier of passengers by motor bus or to a  
39 limousine driver who is an employee of an employer engaged in the  
40 business of operating limousines or to employees engaged in labor  
41 relative to the raising or care of livestock.

42 Employees engaged on a piece-rate or regular hourly rate basis to  
43 labor on a farm shall be paid for each day worked not less than the

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 minimum hourly wage rate multiplied by the total number of hours  
2 worked.

3 Full-time students may be employed by the college or university at  
4 which they are enrolled at not less than 85% of the effective minimum  
5 wage rate.

6 Notwithstanding the provisions of this section to the contrary,  
7 every trucking industry employer shall pay to all drivers, helpers,  
8 loaders and mechanics for whom the Secretary of Transportation may  
9 prescribe maximum hours of work for the safe operation of vehicles,  
10 pursuant to section 31502(b) of the federal Motor Carrier Act, 49  
11 U.S.C.s.31502(b), an overtime rate not less than 1 1/2 times the  
12 minimum wage required pursuant to this section and N.J.A.C.  
13 12:56-3.1. Employees engaged in the trucking industry shall be paid  
14 no less than the minimum wage rate as provided in this section and  
15 N.J.A.C.12:56-3.1. As used in this section, "trucking industry  
16 employer" means any business or establishment primarily operating for  
17 the purpose of conveying property from one place to another by road  
18 or highway, including the storage and warehousing of goods and  
19 property. Such an employer shall also be subject to the jurisdiction of  
20 the Secretary of Transportation pursuant to the federal Motor Carrier  
21 Act, 49 U.S.C.s.31501 et seq., whose employees are exempt under  
22 section 213(b)(1) of the federal [Fair Labor Standards Act,] "Fair  
23 Labor Standards Act of 1938." 29 U.S.C. s.213(b)(1), which provides  
24 an exemption to employees regulated by section 207 of the federal  
25 [Fair Labor Standards Act,] "Fair Labor Standards Act of 1938." 29  
26 U.S.C.s.207, and the Interstate Commerce Act, 49 U.S.C.s.501 et al.

27 The provisions of this section shall not be construed as prohibiting  
28 any political subdivision of the State from adopting an ordinance,  
29 resolution, regulation or rule, or entering into any agreement,  
30 establishing any standard for vendors, contractors and subcontractors  
31 of the subdivision regarding wage rates or overtime compensation  
32 which is higher than the standards provided for in this section, and no  
33 provision of any other State or federal law establishing a minimum  
34 standard regarding wages or other terms and conditions of  
35 employment shall be construed as preventing a political subdivision of  
36 the State from adopting an ordinance, resolution, regulation or rule,  
37 or entering into any agreement, establishing a standard for vendors,  
38 contractors and subcontractors of the subdivision which is higher than  
39 the State or federal law or which otherwise provides greater  
40 protections or rights to employees of the vendors, contractors and  
41 subcontractors of the subdivision, unless the State or federal law  
42 expressly prohibits the subdivision from adopting the ordinance,  
43 resolution, regulation or rule, or entering into the agreement.

44 (cf: P.L.1999, c.370, s.1)

45

46 2. (New section) a. There is created a commission to be known

1 as the "New Jersey Minimum Wage Advisory Commission," which  
2 shall be a permanent, independent body in but not of the Department  
3 of Labor and Workforce Development. The commission shall consist  
4 of five members as follows: the Commissioner of Labor and  
5 Workforce Development, ex officio, who shall serve as chair of the  
6 commission, and four members appointed by the Governor as follows:  
7 two persons who shall be nominated by organizations who represent  
8 the interests of the business community in this State and two persons  
9 who shall be nominated by the New Jersey State AFL-CIO.

10 b. Members shall be appointed not later than December 31, 2005.  
11 Members shall be appointed for four-year terms and may be re-  
12 appointed for any number of terms. Any member of the commission  
13 may be removed from office by the Governor, for cause, upon notice  
14 and opportunity to be heard. Vacancies shall be filled in the same  
15 manner as the original appointment for the balance of the unexpired  
16 term. A member shall continue to serve upon the expiration of his  
17 term until a successor is appointed and qualified, unless the member  
18 is removed by the Governor.

19 c. Action may be taken by the commission by an affirmative vote  
20 of a majority of its members and a majority of the commission shall  
21 constitute a quorum for the transaction of any business, for the  
22 performance of any duty, or for the exercise of any power of the  
23 commission.

24 d. Members of the commission shall serve without compensation,  
25 but may be reimbursed for the actual and necessary expenses incurred  
26 in the performance of their duties as members of the commission  
27 within the limits of funds appropriated or otherwise made available for  
28 that purpose.

29  
30 3. (New section) a. The commission shall annually evaluate the  
31 adequacy of the minimum wage relative to the following factors:

- 32 (1) The overall cost of living in the State;  
33 (2) Changes in the components of the cost of living which have the  
34 greatest impact on low-income families, including increases in the cost  
35 of housing, food, transportation, health care and child care;  
36 (3) The cost of living in the State compared to that of other states;  
37 (4) Changes in the purchasing power of the minimum wage; and  
38 (5) Changes in the value of the minimum wage relative to the  
39 federal poverty guidelines, the federal lower living standard income  
40 level guidelines and the self-sufficiency standards established as goals  
41 for State and federal employment and training services pursuant to  
42 section 3 of P.L.1992, c.43 (C.34:15D-3) and section 1 of P.L.1992,  
43 c.48 (C.34:15B-35).

44 b. In furtherance of its evaluation, the commission may hold public  
45 meetings or hearings within the State on any matter or matters related  
46 to the provisions of this act, and call to its assistance and avail itself



1 of the services of the John J. Heldrich Center for Workforce  
2 Development and the employees of any other State department, board,  
3 commission or agency which the commission determines possesses  
4 relevant data, analytical and professional expertise or other resources  
5 which may assist the commission in discharging its duties under this  
6 act. Each department, board, commission or agency of this State is  
7 hereby directed, to the extent not inconsistent with law, to cooperate  
8 fully with the commission and to furnish such information and  
9 assistance as is necessary to accomplish the purposes of this act.

10 c. The commission shall submit a written report of its findings  
11 regarding the adequacy of the minimum wage and its recommendations  
12 as to whether, or how much, to increase the minimum wage to the  
13 Governor and to the Legislature, who shall immediately review the  
14 commission report upon its receipt. Each House of the Legislature  
15 shall consider the commission report within 120 days of the receipt of  
16 the report. The first report shall be submitted to the Legislature no  
17 sooner than October 1, 2007 and no later than December 31, 2007,  
18 and subsequent reports shall be submitted in one year intervals  
19 thereafter.

20

21 4. This act shall take effect immediately.

22

23

24

#### STATEMENT

25

26 This bill increases New Jersey's hourly minimum wage rate to \$6.15  
27 on October 1, 2005 and \$7.15 on October 1, 2006, and creates a  
28 permanent "New Jersey Minimum Wage Advisory Commission" to  
29 study and make recommendations regarding the minimum wage.

30 The commission is comprised of five members, including the  
31 Commissioner of Labor and Workforce Development, two members  
32 nominated by business organizations and two nominated by the New  
33 Jersey State AFL-CIO, and is required to annually evaluate the  
34 adequacy of the minimum wage and report its findings and any  
35 recommendations it may have regarding increases the minimum wage.

36 The bill provides that no provision of any State or federal law  
37 establishing a standard regarding wages or other terms and conditions  
38 of employment, including the State minimum wage law, shall be  
39 construed as preventing a political subdivision from adopting an  
40 ordinance, resolution, rule or regulation, or entering into an  
41 agreement, setting a standard for vendors and contractors which  
42 provides higher wage requirements than the State or federal law or  
43 provides greater protections or rights to employees, unless the State  
44 or federal law expressly prohibits the subdivision from adopting the  
45 higher or more protective standard.

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 3781**

**STATE OF NEW JERSEY**

DATED: FEBRUARY 14, 2005

The Assembly Labor Committee reports favorably Assembly Bill No. 3781.

This bill increases New Jersey's hourly minimum wage rate to \$6.15 on October 1, 2005 and \$7.15 on October 1, 2006, and creates a permanent "New Jersey Minimum Wage Advisory Commission" to study and make recommendations regarding the minimum wage.

The commission is comprised of five members, including the Commissioner of Labor and Workforce Development, two members nominated by business organizations and two nominated by the New Jersey State AFL-CIO, and is required to annually evaluate the adequacy of the minimum wage and report its findings and any recommendations it may have regarding increases in the minimum wage.

The bill provides that no provision of any State or federal law establishing a standard regarding wages or other terms and conditions of employment, including the State minimum wage law, shall be construed as preventing a political subdivision from adopting an ordinance, resolution, rule or regulation, or entering into an agreement, setting a standard for vendors and contractors which provides higher wage requirements than the State or federal law or provides greater protections or rights to employees, unless the State or federal law expressly prohibits the subdivision from adopting the higher or more protective standard.

PO BOX 004  
TRENTON, NJ 08625

Contact: Kelley Heck  
609-777-2600

RELEASE: April 12, 2005

## **Codey Signs Bill Raising New Jersey's Minimum Wage**

(NEW BUNSWICK)—Acting Governor Richard J. Codey today signed bill S-2065/A-3781 into law, raising New Jersey's hourly minimum wage to \$7.15 over the next two years. The bill also creates a permanent New Jersey Minimum Wage Advisory Commission to annually evaluate the state's minimum wage.

"For too many of our citizens, what a family earns is insufficient to keep pace with the high cost of living," said Codey. "It is wrong that a person who works full-time to provide for their family should have to live below the poverty level. This shouldn't happen anywhere in America, and it shouldn't happen here in New Jersey."

"Today, we are going to help change that by raising the minimum wage, and making sure that an honest day's work is rewarded with an honest day's pay. This action is long overdue. Our hard working families deserve the dignity of a living wage, and our state deserves nothing less," the governor said.

"The signing of this legislation marks the beginning of a new era for New Jersey's workers," said Senator Sweeney, (D-Gloucester, Salem and Cumberland) the primary sponsor of the bill in the Senate. "Working families want the chance to live self-sufficiently, without needing governmental support to make ends meet, and this legislation will help them do just that."

"This is a tremendous victory for New Jersey's working families," said Assembly Speaker Albio Sires (D-Hudson), the prime sponsor of the Assembly's minimum wage bill. "It's time New Jersey again took ranks among the vanguard of states that ensure sufficient wages for a full day's work. The state with the second highest per capita rate of earning certainly can more than afford to get its minimum wage back in step with reality."

Today's bill signing took place at One Stop Training Center in New Brunswick. Joining Codey for the event was Senator Stephen M. Sweeney, Assemblymen Michael Panter, Robert Gordon and Joseph Vas, Department of Labor and Workforce Development Commissioner Thomas Carver, New Brunswick Mayor James Cahill, Middlesex County Freeholder Director David Crabel, Freeholder Blanquita Valenti and New Jersey State AFL-CIO President Charles Wowkanech.

New Jersey was once a minimum wage leader when the state raised the level to \$5.05 in 1992. In 1999, it was raised to \$5.15 to comply with the federal rate. However since that

time, inflation and the state's high cost of living have reduced the purchasing power of the minimum wage, and made it increasingly difficult for low wage earners to provide even the most basic necessities for their families.

The federal poverty guideline for a family of four is \$18,850. At \$5.15 an hour, a minimum wage worker who works full-time earns about \$10,300 a year or roughly \$8,500 short of the poverty line.

Under the bill, New Jersey's minimum wage will increase twice over the next two years. First, it will go to \$6.15 per hour on October 1, 2005, and then \$7.15 per hour on October 1, 2006. This will directly benefit over 200,000 workers.

"Raising the minimum wage has been long overdue," said Commissioner of Labor and Workforce Development Thomas D. Carver. "Thanks to the leadership of Acting Governor Codey and the legislature, New Jersey's working families can now earn a decent wage."

The bill also calls for the creation of a permanent New Jersey Minimum Wage Advisory Commission. The commission will evaluate the adequacy of the minimum wage and annually report its findings and recommendations to the governor and the legislature. The first report will be due no later than December 2007, and subsequent reports will follow at one-year intervals thereafter.

The commission shall consist of five members: the Commissioner of Labor and Workforce Development, ex-officio and four members appointed by the Governor. Two members shall be nominated by business organizations and two by the State AFL-CIO. Members will be appointed to a four-year term and serve without compensation.

As Senate President, Codey joined with Senators Sweeney and Joseph F. Vitale as primary sponsors of the bill. Other primary sponsors included Assembly members Albio Sires, Michael Panter, Robert Gordon, Linda R. Greenstein, Joseph V. Egan, Wilfredo Caraballo, Craig A. Stanley, and Joseph Vas.

"The signing of this measure will allow more New Jerseyans the chance to become self-sufficient," said Senator Vitale, (D-Middlesex). "This measure will bring more New Jerseyans closer to the "American Dream" of making decent wages, owning a home and sending their children to college - that's really all anyone wants."

"Anyone who works 40 hours a week, 52 weeks a year in a high per-capita income state like New Jersey should not be forced to live in poverty," said Assemblyman Michael Panter (D-Monmouth). "An insufficient minimum wage demeans the value of work and is destructive to the human spirit."

"New Jersey's cost of living is 32.6 percent higher than the national average," said Assemblyman Robert Gordon (D-Bergen). "It's essential that New Jersey workers have the resources to survive and prosper in this state. Boosting the minimum wage increases promises to boost productivity and strengthen our overall economy."

“New Jersey’s minimum wage earners provide critical services that we depend upon daily,” said Assemblywoman Linda Greenstein (D-Mercer). “Increases in the minimum wage exert upward pressure on workers making just above the minimum wage, thus raising the living standards of a substantial portion of the entire workforce.

“The main effect of a minimum wage increase is simple: it takes money from an employer who could pay more and still earn a profit and puts it into the pockets of the lowest wage workers,” said Assemblyman Joseph V. Egan (D-Middlesex), chairman of the Assembly Labor Committee.

“This additional income will have an uplifting effect by helping to sustain economic growth.”

“The extremely large and growing numbers of low-wage workers are unable to afford prevailing market-rate rents in New Jersey with many households struggling to keep up with escalating rents,” said Assemblyman Joseph Vas (D-Middlesex). “For minimum wage earners, the basic necessities of life constitute their weekly budgets.”

“New Jersey’s lowest paid workers deserve a raise,” said Assemblyman Wilfredo Caraballo (D-Essex). “New Jersey’s economy is strong and our lowest wage workers deserve to share in this success.”

“History shows that raising the minimum wage has not had a negative impact on jobs, economic growth or inflation,” said Assemblyman Craig Stanley (D-Essex).