

34:11-56a1

**LEGISLATIVE HISTORY CHECKLIST**  
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(Limousines--exempt from  
wage and hour)

NJSA: 34:11-56a1

LAWS OF: 1995 CHAPTER: 387

BILL NO: S587

SPONSOR(S): Scott

DATE INTRODUCED: February 10, 1996

COMMITTEE: ASSEMBLY: Appropriations

SENATE: Commerce

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: ASSEMBLY: January 4, 1996

SENATE: March 25, 1995

DATE OF APPROVAL: January 10, 1996

**FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:**

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

**FOLLOWING WERE PRINTED:**

REPORTS: No

HEARINGS: No

See newspaper clippings--attached:

"Assembly oks limo pay," 1-5-96, Bergen Record.

KBP:pp

1 AN ACT exempting limousine businesses from overtime pay  
2 requirements and amending P.L.1966, c.113.

3

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

6 1. Section 2 of P.L.1966, c.113 (C.34:11-56a1) is amended to  
7 read as follows:

8 2. As used in this act:

9 (a) "Commissioner" means the Commissioner of Labor [and  
10 Industry].

11 (b) "Director" means the director in charge of the bureau  
12 referred to in section 3 of this act.

13 (c) "Wage board" means a board created as provided in section  
14 10 of this act.

15 (d) "Wages" means any moneys due an employee from an  
16 employer for services rendered or made available by the  
17 employee to the employer as a result of their employment  
18 relationship including commissions, bonus and piecework  
19 compensation and including any gratuities received by an  
20 employee for services rendered for an employer or a customer of  
21 an employer and the fair value of any food or lodgings supplied by  
22 an employer to an employee. The commissioner may, by  
23 regulation, establish the average value of gratuities received by  
24 an employee in any occupation and the fair value of food and  
25 lodging provided to employees in any occupation which average  
26 values shall be acceptable for the purposes of determining  
27 compliance with this act in the absence of evidence of the actual  
28 value of such items.

29 (e) "[Regularly] Regular hourly wage" means the amount that  
30 an employee is regularly paid for each hour of work as  
31 determined by dividing the total hours of work during the week  
32 into the employee's total earnings for the week, exclusive of  
33 overtime premium pay.

34 (f) "Employ" includes to suffer or to permit to work.

35 (g) "Employer" includes any individual, partnership,  
36 association, corporation or any person or group of persons acting  
37 directly or indirectly in the interest of an employer in relation to  
38 an employee.

39 (h) "Employee" includes any individual employed by an  
40 employer.

41 (i) "Occupation" means any occupation, service, trade,  
42 business, industry or branch or group of industries or employment

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 or class of employment in which employees are gainfully  
2 employed.

3 (j) "Minimum fair wage order" means a wage order  
4 promulgated pursuant to this act.

5 (k) "Fair wage" means a wage fairly and reasonably  
6 commensurate with the value of the service or class of service  
7 rendered and sufficient to meet the minimum cost of living  
8 necessary for health.

9 (l) "Oppressive and unreasonable wage" means a wage which is  
10 both less than the fair and reasonable value of the service  
11 rendered and less than sufficient to meet the minimum cost of  
12 living necessary for health.

13 (m) "Limousine" means a vehicle with a carrying capacity of  
14 not more than nine passengers, not including the driver, used in  
15 the business of carrying passengers for hire, which is hired by  
16 charter or for a particular contract, or by the day or the hour or  
17 other fixed period, or to transport passengers to a specified  
18 place, or which charges a fare or price agreed upon in advance  
19 between the operator and the passenger, or which is furnished as  
20 an accommodation for a patron in connection with other business  
21 purposes. "Limousine" shall not include taxicabs, hotel or airport  
22 shuttles and buses, or buses employed solely in transporting  
23 school children or teachers to and from school, or vehicles owned  
24 and operated without charge or remuneration by a business entity  
25 for its own purposes.

26 (cf: P.L.1966, c.113, s.2)

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

29 5. Every employer shall pay to each of his employees wages at  
30 a rate of not less than \$3.80 per hour as of the effective date of  
31 P.L.1990, c.18, \$4.25 per hour as of April 1, 1991 and \$5.05 per  
32 hour as of April 1, 1992 for 40 hours of working time in any week  
33 and 1 1/2 times such employee's regular hourly wage for each  
34 hour of working time in excess of 40 hours in any week, except  
35 this overtime rate shall not include any individual employed in a  
36 bona fide executive, administrative, or professional capacity or,  
37 if an applicable wage order has been issued by the commissioner  
38 under section 17 (C.34:11-56a16) of this act, not less than the  
39 wages prescribed in said order. The wage rates fixed in this  
40 section shall not be applicable to part-time employees primarily  
41 engaged in the care and tending of children in the home of the  
42 employer, to persons under the age of 18 not possessing a special  
43 vocational school graduate permit issued pursuant to section 15  
44 of P.L.1940, c.153 (C.34:2-21.15), or to persons employed as  
45 salesmen of motor vehicles, or to persons employed as outside  
46 salesmen as such terms shall be defined and delimited in  
47 regulations adopted by the commissioner, or to persons employed  
48 in a volunteer capacity and receiving only incidental benefits at a  
49 county or other agricultural fair by a nonprofit or religious  
50 corporation or a nonprofit or religious association which conducts  
51 or participates in that fair.

52 The provisions of this section for the payment to an employee  
53 of not less than 1 1/2 times such employee's regular hourly rate  
54 for each hour of working time in excess of 40 hours in any week

1 shall not apply to employees engaged to labor on a farm or  
2 employed in a hotel or to an employee of a common carrier of  
3 passengers by motor bus or to a limousine driver who is an  
4 employee of an employer engaged in the business of operating  
5 limousines or to employees engaged in labor relative to the  
6 raising or care of livestock.

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

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

14 (cf: P.L.1990, c.18, s.1)

15 3. This act shall take effect immediately.

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#### STATEMENT

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20 This bill amends the "New Jersey State Wage and Hour Law,"  
21 P.L.1966, c.113 (C.34:11-56a et seq.), to exempt employers  
22 engaged in the business of operating limousines from paying their  
23 drivers overtime of 1 1/2 times the employee's hourly rate for  
24 each hour worked in excess of 40 hours in any week. A limousine  
25 is defined as a motor vehicle with a carrying capacity of not  
26 more than nine passengers (not including the driver) used in the  
27 business of carrying passengers for hire, which is hired by charter  
28 or for a particular contract, or for a fixed period of time, or to  
29 transport passengers to a specified place, or which charges a fare  
30 or price agreed to in advance by the operator and the passenger,  
31 or which is furnished as an accommodation for a patron in  
32 connection with other business purposes. Taxicabs, hotel and  
33 airport shuttles and buses, and school buses and vehicles owned  
34 and operated without charge by businesses for their own purposes  
35 are excluded from the definition of limousine.

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40 Exempts limousine businesses from overtime pay requirements.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 587

STATE OF NEW JERSEY

DATED: DECEMBER 21, 1995

The Assembly Appropriations Committee reports favorably Senate Bill No. 587.

Senate Bill No. 587 amends the "New Jersey State Wage and Hour Law," P.L.1966, c.113 (C.34:11-56a et seq.), to exempt employers engaged in the business of operating limousines from paying their drivers overtime of 1 1/2 times the employee's hourly rate for each hour worked in excess of 40 hours in any week. A limousine is defined as a motor vehicle with a carrying capacity of not more than nine passengers (not including the driver) used in the business of carrying passengers for hire, which is hired by charter or for a particular contract, or for a fixed period of time, or to transport passengers to a specified place, or which charges a fare or price agreed to in advance by the operator and the passenger, or which is furnished as an accommodation for a patron in connection with other business purposes. Taxicabs, hotel and airport shuttles and buses, and school buses and vehicles owned and operated without charge by businesses for their own purposes are excluded from the definition of limousine.

As reported, this bill is identical to A-2987, also as reported by this committee.

FISCAL IMPACT:

This bill was not certified as needing a fiscal note. There is a possibility that an unknown number of drivers will officially earn less money which would affect gross income tax revenue to an unknown, but minimal amount.

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 587

STATE OF NEW JERSEY

DATED: MAY 5, 1994

The Senate Commerce Committee reports favorably Senate, No. 587.

This bill amends the "New Jersey State Wage and Hour Law," P.L.1966, c.113 (C.34:11-56a et seq.), to exempt employers engaged in the business of operating limousines from paying their drivers overtime of 1 1/2 times the employee's hourly rate for each hour worked in excess of 40 hours in any week. A limousine is defined as a motor vehicle with a carrying capacity of not more than nine passengers (not including the driver) used in the business of carrying passengers for hire, which is hired by charter or for a particular contract, or for a fixed period of time, or to transport passengers to a specified place, or which charges a fare or price agreed to in advance by the operator and the passenger, or which is furnished as an accommodation for a patron in connection with other business purposes. Taxicabs, hotel and airport shuttles and buses, and school buses and vehicles owned and operated without charge by businesses for their own purposes are excluded from the definition of limousine.