

106TH CONGRESS  
1ST SESSION

# H. R. 2928

To amend the Fair Labor Standards Act of 1938 to provide an exemption to States which adopt certain minimum wage laws.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 23, 1999

Mr. DEMINT (for himself and Mr. STENHOLM) introduced the following bill; which was referred to the Committee on Education and the Workforce

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## A BILL

To amend the Fair Labor Standards Act of 1938 to provide an exemption to States which adopt certain minimum wage laws.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Minimum Wage State  
5 Flexibility Act of 1999.”.

6 **SEC. 2. STATE MINIMUM WAGE.**

7 Section 6 of the Fair Labor Standards Act of 1938  
8 (29 U.S.C. 206) is amended by adding at the end the fol-  
9 lowing:

1       “(h)(1) An employer in a State that adopts minimum  
2 wage legislation that conforms to the requirement of para-  
3 graph (2) shall not be required to pay its employees at  
4 the minimum wage prescribed by subsection (a)(1).

5       “(2) Paragraph (1) shall apply in a State that adopts  
6 minimum wage legislation that—

7           “(A) sets a rate that is not less than \$5.15 an  
8 hour; and

9           “(B) applies that rate to not fewer than the  
10 employees performing work within the State that  
11 would otherwise be covered by the minimum wage  
12 rate prescribed by subsection (a)(1).

13       “(3) An increase in the minimum wage rate pre-  
14 scribed by subsection (a)(1), that is enacted contempora-  
15 neous or subsequent to the Minimum Wage State Flexi-  
16 bility Act of 1999, shall go into effect the first day of the  
17 first calendar quarter beginning after the first legislative  
18 session of the State legislature in which a State law de-  
19 scribed in paragraph (2) may be considered.

20       “(4) Except as may be provided in State law, a Gov-  
21 ernor of a State may suspend for a period of up to one  
22 year minimum wage rates in effect in the State under sub-  
23 section (a)(1) which exceed \$5.15 an hour for all or part  
24 of the State because—

1           “(A) the State is unable to achieve work par-  
2           ticipation rates or other responsibilities under the  
3           Personal Responsibility and Work Opportunity Rec-  
4           onciliation Act of 1996;

5           “(B) all or part of the State has experienced an  
6           increased rate of unemployment; or

7           “(C) the State experienced an economic slow-  
8           down as measured by the gross State product.”.

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