
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2960 Session of
2006

INTRODUCED BY COHEN, DeWEESE, BELFANTI, VEON, LEACH, LEVDANSKY,
WHEATLEY, LaGROTTA, PISTELLA, McGEEHAN, SIPTROTH, BEBKO-
JONES, JAMES, BLACKWELL, CASORIO, OLIVER, EACHUS, SANTONI,
BELARDI, WALKO, LEDERER, GEORGE, TANGRETTI, CALTAGIRONE,
JOSEPHS, GRUCELA, PARKER, FREEMAN AND BISHOP,
SEPTEMBER 27, 2006

REFERRED TO COMMITTEE ON LABOR RELATIONS, SEPTEMBER 27, 2006

AN ACT

1 Amending the act of January 17, 1968 (P.L.11, No.5), entitled
2 "An act establishing a fixed minimum wage and overtime rates
3 for employes, with certain exceptions; providing for minimum
4 rates for learners and apprentices; creating a Minimum Wage
5 Advisory Board and defining its powers and duties; conferring
6 powers and imposing duties upon the Department of Labor and
7 Industry; imposing duties on employers; and providing
8 penalties," further providing for minimum wage.

9 The General Assembly of the Commonwealth of Pennsylvania
10 hereby enacts as follows:

11 Section 1. Section 4 of the act of January 17, 1968 (P.L.11,
12 No.5), known as The Minimum Wage Act of 1968, amended July 9,
13 2006 (P.L.1077, No.112), is amended to read:

14 Section 4. Minimum Wages.--Except as may otherwise be
15 provided under this act:

16 (a) Every employer shall pay to each of his or her employes
17 wages for all hours worked at a rate of not less than:

18 (1) Two dollars sixty-five cents (\$2.65) an hour upon the
19 effective date of this amendment.

(2) Two dollars ninety cents (\$2.90) an hour during the year beginning January 1, 1979.

(3) Three dollars ten cents (\$3.10) an hour during the year beginning January 1, 1980.

(4) Three dollars thirty-five cents (\$3.35) an hour after December 31, 1980.

(5) Three dollars seventy cents (\$3.70) an hour beginning February 1, 1989.

(6) Five dollars fifteen cents (\$5.15) an hour beginning September 1, 1997.

(7) Six dollars twenty-five cents (\$6.25) an hour beginning January 1, 2007.

(8) Seven dollars fifteen cents (\$7.15) an hour beginning July 1, 2007.

(9) Eight dollars fifteen cents (\$8.15) an hour beginning January 1, 2008.

(10) Eight dollars seventy-five cents (\$8.75) an hour beginning January 1, 2009.

(11) Nine dollars thirty-five cents (\$9.35) an hour beginning January 1, 2010.

(a.1) If the minimum wage set forth in the Fair Labor Standards Act of 1938 (52 Stat. 1060, 29 U.S.C. § 201 et seq.) is increased above the minimum wage required under this section, the minimum wage required under this section shall be increased by the same amounts and effective the same date as the increases under the Fair Labor Standards Act, and the provisions of subsection (a) are suspended to the extent they differ from those set forth under the Fair Labor Standards Act.

(a.2) Beginning January 1, 2011, and each year thereafter, the minimum wage required under this section shall be increased

1 by an annual cost-of-living adjustment calculated by applying
2 the percentage change in the Consumer Price Index for All Urban
3 Consumers (CPI-U) for the Pennsylvania, New Jersey, Delaware and
4 Maryland area, for the most recent 12-month period for which
5 figures have been officially reported by the United States
6 Department of Labor, Bureau of Labor Statistics immediately
7 prior to the date the adjustment is due to take effect, to the
8 then current minimum wage. The percentage increase and the new
9 minimum wage shall be determined by the department prior to the
10 annual effective date of the adjustment and shall be published
11 by them in the Pennsylvania Bulletin within ten days of the date
12 such determination is made.

13 (b) The secretary, to the extent necessary to prevent
14 curtailment of employment opportunities, shall by regulations
15 provide for the employment of learners and students, under
16 special certificates at wages lower than the minimum wage
17 applicable under this section, and subject to such limitations
18 as to number, proportion and length of service as the secretary
19 shall prescribe: Provided, That the minimum wage prescribed
20 under this subsection (b) shall not be less than eighty-five
21 percent of the otherwise applicable wage rate in effect under
22 section 4. A special certificate issued under this subsection
23 shall provide that for six or less students for whom it is
24 issued shall, except during vacation periods, be employed on a
25 part-time basis and not in excess of twenty hours in any
26 workweek at a sub-minimum rate.

27 In the case of an employer who intends to employ seven or
28 more students, at a sub-minimum rate, the secretary may issue a
29 special certificate only if the employer certifies to the
30 secretary that employment of such students will not create a

1 substantial probability of reducing the full-time employment
2 opportunities for other workers.

3 (c) Employees shall be paid for overtime not less than one
4 and one-half times the employee's regular rate as prescribed in
5 regulations promulgated by the secretary: Provided, That
6 students employed in seasonal occupations as defined and
7 delimited by regulations promulgated by the secretary may, by
8 such regulations, be excluded from the overtime provisions of
9 this act: And provided further, That the secretary shall
10 promulgate regulations with respect to overtime subject to the
11 limitations that no pay for overtime in addition to the regular
12 rate shall be required except for hours in excess of forty hours
13 in a workweek.

14 (d) An employee whose earning capacity is impaired by
15 physical or mental deficiency or injury may be paid less than
16 the applicable minimum wage if either a license specifying a
17 wage rate commensurate with the employee's productive capacity
18 has been obtained by the employer from the secretary or a
19 Federal certificate is obtained under section 14(c) of the Fair
20 Labor Standards Act of 1938 (52 Stat. 1060, 29 U.S.C. § 201 et
21 seq.). A license obtained from the secretary shall be granted
22 only upon joint application of employer and employee.

23 (e) In lieu of the minimum wage prescribed in subsection (a)
24 and section 5(c) and notwithstanding subsections (b) and (d), an
25 employer may, during the first sixty calendar days when an
26 employee under the age of twenty years is initially employed, pay
27 the employee training wages at a rate of not less than the
28 minimum wage set forth in section 6(a) of the Fair Labor
29 Standards Act (29 U.S.C. § 206(a)). A person employed at the
30 training wage under this subsection shall be informed of the

1 amount of the training wage and the right to receive the full
2 minimum wage, or a higher wage, upon completion of the training
3 period. No employer may take any action to displace existing
4 employees, including partial displacements such as reduction in
5 the hours, wages or employment benefits of existing employees,
6 for purposes of hiring individuals at the training wage
7 authorized by this subsection.

8 Section 2. This act shall take effect in 60 days.