House Bill 343

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By: Representatives Sanchez of the 42nd, McClain of the 109th, Jackson of the 68th, Berry of the 56th, Jones of the 60th, and others

A BILL TO BE ENTITLED AN ACT

To amend Titles 34 and 42 of the Official Code of Georgia Annotated, relating to labor and 1 industrial relations and penal institutions, respectively, so as to enact the "Georgia Living 2 3 Wage Act"; to comprehensively revise provisions regarding minimum wage to guarantee a 4 \$20.00 per hour minimum wage to all Georgians; to provide for an increase in the minimum 5 wage; to provide for annual minimum wage increases to match the rising cost of living; to 6 revise the eligibility exemptions from the minimum wage; to repeal provisions relating to 7 preemption of local employment benefits mandates; to provide for a private cause of action 8 against retaliation by employers; to provide a criminal penalty; to provide for legislative 9 findings and declarations; to provide for construction; to repeal provisions concerning 10 exemptions to state minimum wage for persons with disabilities; to provide that no employer 11 shall utilize a certificate issued by the United States Department of Labor pursuant to 29 12 U.S.C. Section 214(c) to pay individuals with disabilities less than the federal minimum 13 wage; to require the payment of minimum wage for inmate labor; to revise authorized 14 deductions from inmate wages; to provide for a short title; to provide for related matters; to 15 provide an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

18 This Act shall be known and may be cited as the "Georgia Living Wage Act."

19 SECTION 2.

- 20 Title 34 of the Official Code of Georgia Annotated, relating to labor and industrial relations,
- 21 is amended by adding a new Code section to read as follows:
- 22 "34-4-1.1.
- 23 (a) The General Assembly finds and declares that it is good public policy, and in the
- 24 <u>interest of all Georgians, to guarantee a living wage for all workers. The General</u>
- 25 Assembly more specifically finds and declares that a living wage enables Georgians to
- provide for themselves and their families without having to sacrifice basic needs.
- Furthermore, a living wage will increase consumption and allow Georgians to pay their
- 28 <u>bills on time, which benefits our economy and businesses.</u>
- 29 (b) It is the intent of the General Assembly that this chapter shall be broadly construed to
- 30 give substantial effect to the minimum wage requirements provided herein as a living wage
- for all Georgians and that any exceptions to the minimum wage requirements that may be
- found in this Code shall be interpreted narrowly, so as not to impair the broad construction
- of this chapter."
- 34 SECTION 3.
- 35 Said title is further amended by revising Code Section 34-4-3, relating to amount of
- 36 minimum wage to be paid by employers and the employers and employees covered by
- 37 chapter, as follows:
- 38 "34-4-3.
- 39 (a)(1) Except as otherwise provided in this Code section, every employer, whether a
- 40 person, firm, or corporation, shall pay to all covered employees a minimum wage which
- shall be not less than \$5.15 \$20.00 per hour for each hour worked in the employment of

42 such employer. For purposes of determining whether an employer has paid an employee the minimum wage, no gratuities, tips, or other forms of voluntary payments paid to such 43 44 employee by third parties shall count or otherwise be credited toward the wages paid to 45 such employee by such employer. 46 (2)(A) On January 1, 2027, and on January 1 of each successive year thereafter, the 47 minimum wage shall be adjusted upwards to reflect the increase in the cost of living, 48 if any, as determined by the Georgia Department of Labor pursuant to subparagraph (B) 49 of this paragraph. 50 (B) On September 30, 2026, and on September 30 of each successive year thereafter. 51 the Georgia Department of Labor shall measure the increase in the cost of living as being the percentage increase as of the preceding July over the July level of the 52 immediately preceding year according to the Consumer Price Index for Urban Wage 53 54 Earners and Clerical Workers or such successor index as published by the United States 55 Department of Labor or its successor agency. (C) Each adjusted minimum wage rate calculated pursuant to subparagraph (B) of this 56 57 paragraph shall be published on or before November 1 and shall take effect on the 58 following January 1. 59 (b) This chapter shall not apply with respect to any employer whose sole employee is the 60 sole owner or sole proprietor of such employer: 61 (1) Any employer that has sales of \$40,000.00 per year or less: 62 (2) Any employer having five employees or less; 63 (3) Any employer of domestic employees; 64 (4) Any employer who is a farm owner, sharecropper, or land renter; (5) Any employee whose compensation consists wholly or partially of gratuities; 65 66 (6) Any employee who is a high school or college student;

(7) Any individual who is employed as a newspaper carrier; or

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(8) Any individual who is employed by a nonprofit child-caring institution or long-term care facility serving children or mentally disabled adults who are enrolled in such institution and reside in residential facilities of the institution, if such employee resides in such facilities, receives without cost board and lodging from such institution, and is compensated on a cash basis at an annual rate of not less than \$10,000.00.

(c) This chapter shall not apply to any employer who is subject to the minimum wage provisions of any act of Congress as to employees covered thereby if such act of Congress provides for a minimum wage which is greater than the minimum wage which is provided for in this Code section."

77 SECTION 4.

Said title is further amended by repealing in its entirety Code Section 34-4-3.1, relating to wages, employment benefits, and scheduling by local government entities.

SECTION 5.

Said title is further amended by repealing in its entirety Code Section 34-4-4, relating to authority of Commissioner to grant exceptions from operation of chapter, and designating said Code section as reserved.

SECTION 6.

- 85 Said title is further amended by revising Code Section 34-4-6, relating to action to recover
- 86 difference where employee paid less than minimum wage, as follows:
- 87 "34-4-6.

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- 88 (a) If any employer pays any employee a lesser amount than the minimum wage provided
- in this chapter, the employee, at any time within three years, may bring a civil action in
- superior court for the recovery of the difference between the amount paid and the minimum
- wage provided in this chapter, plus an additional amount equal to the original claim, which

92 shall be allowed as liquidated damages, together with costs and such reasonable attorney's 93 fees as may be allowed by the court. No contract or agreement between any employer and 94 his or her employees nor any acceptance of a lesser wage by any employee shall bar the 95 ability of an employee to bring an action under this subsection. 96 (b)(1) As used in this subsection, the term 'retaliate' or 'retaliation' means and refers to 97 the discharge, suspension, demotion, or any other adverse employment action taken as 98 to the terms or conditions of employment. 99 (2) No employer shall retaliate against an employee for such employee bringing an action against such employer for recovery of wages pursuant to subsection (a) of this 100 101 Code section or otherwise seeking recovery of unpaid wages from such employer. Any employer who retaliates against an employee in violation of this paragraph shall be guilty 102 103 of a misdemeanor. (3) An employee who has been the object of retaliation in violation of this paragraph 104 may institute a civil action in superior court for relief as set forth in paragraph (4) of this 105 subsection within one year after discovering the retaliation or within three years after the 106 107 retaliation, whichever is earlier. 108 (4) In any civil action brought pursuant to this subsection, the court may order any or all 109 of the following relief: 110 (A) An injunction restraining continued violation of paragraph (2) of this subsection; (B) Reinstatement of the employee to the same position held before the retaliation or 111 112 to an equivalent position;

(C) Reinstatement of full fringe benefits and seniority rights;

(E) Any other compensatory damages allowable at law: or

(F) Punitive damages.

(D) Compensation for lost wages, benefits, and other remuneration;

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(5) In any civil action brought pursuant to this subsection, the question of damages shall
 be determined by the jury and the court shall award reasonable attorney's fees, court
 costs, and expenses to a prevailing employee."

120 SECTION 7.

- Said title is further amended in Code Section 34-6A-4, relating to prohibited discriminatory activities, by adding a new subsection to read as follows:
- 123 "(a.1) No employer shall utilize a certificate issued by the United States Department of
- Labor pursuant to 29 U.S.C. Section 214(c) to pay individuals with disabilities who are
- employed by such employer less than the minimum wage required to be paid by employers
- to employees under federal law."

127 SECTION 8.

- 128 Title 42 of the Official Code of Georgia Annotated, relating to penal institutions, is amended
- in Code Section 42-5-59, relating to employment of inmates in the local community, by
- 130 revising subsection (b) as follows:
- 131 "(b) An inmate authorized to work at paid employment in the community under
- subsection (a) of this Code section shall be paid for any labor provided at the market wage
- 133 comparable to that which would be paid to a person who is not incarcerated, which shall
- in no event be less than the minimum wage required to be paid to employees under Code
- Section 34-4-3, and shall comply with all rules and regulations promulgated by the board
- relative to the handling, disbursement, and holding in trust of all funds earned by the
- inmate while under the jurisdiction of the department. An amount determined to be the
- 138 cost of the inmate's keep and confinement shall be deducted from the earnings of each
- inmate, and such amount shall be deposited in the treasury of the department; provided,
- however, that, if the inmate is assigned to a county correctional institution, the deducted
- amount shall be deposited in the treasury of the county to which the inmate is assigned.

142 After the deduction for keep and confinement, the With respect to such wages, the commissioner shall:

- 144 (1) Allow the inmate to draw from the balance a reasonable sum to cover his incidental expenses;
- 146 (2) Retain to the inmate's credit an amount as is deemed necessary to accumulate a 147 reasonable sum to be paid to him on his release from the penal institution;
 - (3) Deduct from the inmate's funds any amount amount necessary to cover the costs of medical or dental attention provided to the inmate, said. Such deductions to shall be made in accordance with policies and procedures promulgated by the commissioner; provided, however, that no deductions shall be made under this paragraph if such deductions would cause the inmate to receive less than the minimum wage required to be paid to employees under Code Section 34-4-3; and
- 154 (4) Cause to be paid any additional balance as is needed for the support of the inmate's dependents."

SECTION 9.

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Said title is further amended in Code Section 42-5-60, relating to hiring out of inmates, participation of inmates in programs of volunteer service, sale of products produced by inmates, disposition of proceeds, and payment to inmates for services, by revising subsection (c) as follows:

"(c) Funds arising from the sale of goods or other products manufactured or produced by any state correctional institution operated by the department shall be deposited with the treasury of the department. The funds arising from the sale of goods and products produced in a county correctional institution or from the hiring out of inmates shall be placed in the treasury or depository of the county, as the case may be. The department is authorized shall, pursuant to rules and regulations adopted by the board, to pay compensation of not more less than \$25.00 per month the market wage comparable to that

which would be paid to a person who is not incarcerated, which shall in no event be less
than the minimum wage required to be paid to employees under Code Section 34-4-3, from

funds available to the department to each inmate employed in any industry."

171 **SECTION 10.**

- 172 Said title is further amended in Code Section 42-5-120, relating to rules and regulations and
- 173 requirements, by revising subsection (b) as follows:
- 174 "(b) The rules and regulations for the work programs authorized by this article shall
- include but not be limited to rules requiring:
- 176 (1) Assurance that inmates' work is voluntary and that there shall be no retribution
- against inmates who do not volunteer;
- 178 (2) Payment of inmates at wages at a rate not less than that paid for work of a similar
- nature in the locality in which the work is to be performed, which shall in no event be less
- than the minimum wage required to be paid to employees under Code Section 34-4-3;
- 181 (3) Provision of federal and state governmental benefits to participating inmates
- comparable to governmental benefits provided for similarly situated private sector
- 183 employees;
- 184 (4) Selection of participating inmates with careful attention to security issues;
- 185 (5) Appropriate supervision of inmates during travel and employment outside the
- 186 correctional institution;
- 187 (6) Assurance that inmate labor will not result in the displacement of employed workers;
- be applied in skills, crafts, or trades in which there is a surplus of available gainful labor
- in the locality; or impair existing contracts for services;
- 190 (7) Consultations with local private businesses that may be economically impacted;
- (8) Consultations with local labor union organizations and other local employee groups,
- especially those who have an interest in the trade or skill to be performed by the inmates;
- 193 and

(9) Procedures for deductions from inmate wages for federal, state, and local taxes; reasonable charges for room and board; court-ordered child support and voluntary family support; and payments to the Georgia Crime Victims Emergency Fund of not less than 5 percent nor greater than 20 percent of gross wages, in compliance with Prison Industry Enhancement Certification Program requirements."

199 **SECTION 11.**

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200 This Act shall become effective on January 1, 2026.

201 **SECTION 12.**

202 All laws and parts of laws in conflict with this Act are repealed.