HOUSE BILL 25
56th legislature - STATE OF NEW MEXICO - FIRSt SESSION, 2023

## INTRODUCED BY

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## AN ACT

RELATING TO LABOR; INCREASING THE MINIMUM WAGE FOR CERTAIN EMPLOYEES; PROVIDING AN ANNUAL ADJUSTMENT TO THE MINIMUM WAGES BASED ON INFLATIONARY MEASURES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO: SECTION 1. Section 50-4-22 NMSA 1978 (being Laws 1955, Chapter 200, Section 3, as amended) is amended to read: "50-4-22. MINIMUM WAGES.--
A. Except as provided in [Subsection] Subsections C and E of this section, an employer shall pay to an employee a minimum wage rate of:
(1) prior to [January 1, 2020, at least seven
dollars fifty cents ( $\$ 7.50$ ) an hour:
(2) beginning Jantary 1, 2020 and prior to

Jantary 1, 2021, at least nine dollars (\$9.00) an hour;
(3) beginning January 1, 2021 and prior to Jantary 1, 2022, at least ten dollars fifty eents (\$10.50) an hour;
(4) beginning Jantary 1, 2022 and priox to] January 1, 2023, at least eleven dollars fifty cents (\$11.50) an hour; [and
(5) on and aftex] (2) beginning January 1, 2023, at least twelve dollars (\$12.00) an hour;
(3) beginning January 1, 2024, at least
sixteen dollars $(\$ 16.00)$ an hour; and
(4) on and after January 1, 2025, sixteen dollars ( $\$ 16.00$ ) an hour adjusted annually pursuant to the provisions of Subsection $E$ of this section.
B. An employer furnishing food, utilities, supplies or housing to an employee who is engaged in agriculture may deduct the reasonable value of such furnished items from any wages due to the employee.
C. An employee who customarily and regularly receives more than thirty dollars ( $\$ 30.00$ ) a month in tips shall be paid a minimum hourly wage as follows:
(1) prior to January 1, 2020, at least two dollars thirteen cents (\$2.13) an hour;
(2) beginning January 1, 2020 and prior to January 1, 2021, at least two dollars thirty-five cents (\$2.35) an hour;
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(3) beginning January 1, 2021 and prior to January 1, 2022, at least two dollars fifty-five cents (\$2.55) an hour;
(4) beginning January 1, 2022 and prior to January 1, 2023, at least two dollars eighty cents (\$2.80) an hour;
(5) on and after January 1, 2023, at least three dollars (\$3.00) an hour adjusted pursuant to the provisions of Subsection $E$ of this section; and
(6) the employer may consider tips as part of wages, but the tips combined with the employer's cash wage shall not equal less than the minimum wage rate as provided in Subsection A of this section. All tips received by such employees shall be retained by the employee, except that nothing in this section shall prohibit the pooling of tips among wait staff.
D. An employee shall not be required to work more than forty hours in any week of seven days, unless the employee is paid one and one-half times the employee's regular hourly rate of pay for all hours worked in excess of forty hours. For an employee who is paid a fixed salary for fluctuating hours and who is employed by an employer a majority of whose business in New Mexico consists of providing investigative services to the federal government, the hourly rate may be calculated in accordance with the provisions of the federal Fair Labor . 223262.3

Standards Act of 1938 and the regulations pursuant to that act; provided that in no case shall the hourly rate be less than the federal minimum wage.

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\text { E. On January 1, } 2025 \text { and on January } 1 \text { of each }
$$ successive year, the minimum wage rate provided by Paragraph (4) of Subsection A and Paragraph (5) of Subsection C of this section shall be increased by the percentage increase during the previous year of the consumer price index for all urban consumers, United States city average for all items, or its successor index, as published by the United States department of labor or its successor agency; provided that the minimum wage rate shall not be adjusted downward as a result of a decrease in the consumer price index. By November 1, 2024 and by November 1 of each successive year, the workforce solutions department shall post on its website and otherwise notify employers of the minimum wage for the next year."

