

AN ACT

RELATING TO LABOR; INCREASING THE STATE MINIMUM WAGE.

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. Every employer, except as provided in Section 50-4-21 NMSA 1978, shall pay the minimum wage rate of five dollars sixty-five cents (\$5.65) an hour until July 1, 2003 and six dollars fifteen cents (\$6.15) an hour on and after July 1, 2003, except that 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.

B. All employees covered by Subsection A of this section who customarily and regularly receive more than thirty dollars (\$30.00) a month in tips shall be paid a minimum hourly wage of two dollars eighty-two and one-half cents (\$2.825) until July 1, 2002 and three dollars seven and one-half cents (\$3.075) on and after July 1, 2003. The employer may consider tips as part of wages, but such a wage credit shall not exceed fifty percent of the minimum wage. 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 employees.

C. An employer who is required to pay a minimum wage pursuant to Subsection A of this section may pay a

