

ASSEMBLY BILL NO. 185—ASSEMBLYMEN MCARTHUR,
MATTHEWS, WHEELER, TITUS, DICKMAN; BLACK,
ELLISON, HANSEN, HARDY, KRASNER, LEAVITT, O’NEILL
AND ROBERTS

MARCH 4, 2021

JOINT SPONSORS: SENATORS GOICOECHEA AND HANSEN

Referred to Committee on Commerce and Labor

SUMMARY—Eliminates certain scheduled increases in the
minimum wage. (BDR 53-688)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to wages; eliminating certain scheduled increases
to the minimum wage; and providing other matters
properly relating thereto.

Legislative Counsel’s Digest:

Section 16 of Article 15 of the Nevada Constitution requires private employers to pay a minimum wage of \$5.15 per hour worked if the employer provides certain health benefits or \$6.15 per hour worked if the employer does not provide such benefits. The Nevada Constitution also requires the minimum wage to be adjusted each year by the amount of any increase in the federal minimum wage over \$5.15 per hour or, if greater, by the cumulative increase in the cost of living measured by the Consumer Price Index (CPI), except the CPI adjustment for any 1-year period may not be greater than 3 percent. (Nev. Const. Art. 15, § 16) Since 2009, the Fair Labor Standards Act of 1938 has set the federal minimum wage at \$7.25 per hour. (29 U.S.C. § 206)

The Nevada Supreme Court has recognized that the savings clause of the Fair Labor Standards Act of 1938 “evidences congressional intent to leave room for state law to establish higher minimum wages than those set” by the Fair Labor Standards Act of 1938. (*Dancer v. Golden Coin, Ltd.*, 124 Nev. 28, 33 (2008); 29 U.S.C. § 218(a))

Existing law requires each employer to pay to each employee, beginning on July 1, 2020, a wage that is not less than: (1) \$9 per hour worked, if the employer does not offer health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution; and (2) \$8 per hour worked, if the



employer offers health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution. Existing law also provides that the minimum wage must be increased by 75 cents on July 1 of each year until 2024 when the minimum wage reaches: (1) \$12 per hour worked, if the employer does not offer health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution; and (2) \$11 per hour worked if the employer offers health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution. (NRS 608.250) As a result, the minimum wage in Nevada is currently \$8 per hour if the employer provides certain health benefits and \$9 per hour if the employer does not provide such benefits. This bill eliminates these scheduled increases in the minimum wage in Nevada so that the minimum wage in Nevada will remain at its current rate unless the minimum wage must be increased above that rate in accordance with Section 16 of Article 15 of the Nevada Constitution.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 608.250 is hereby amended to read as follows:
608.250 1. Each employer shall pay to each employee of the employer a wage of not less than:

(a) Beginning July 1, 2019:

(1) If the employer offers health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution, \$7.25 per hour worked.

(2) If the employer does not offer health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution, \$8.25 per hour worked.

(b) Beginning July 1, 2020:

(1) If the employer offers health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution, \$8.00 per hour worked.

(2) If the employer does not offer health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution, \$9.00 per hour worked.

~~(c) Beginning July 1, 2021:~~

~~— (1) If the employer offers health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution, \$8.75 per hour worked.~~

~~— (2) If the employer does not offer health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution, \$9.75 per hour worked.~~

~~(d) Beginning July 1, 2022:~~

~~— (1) If the employer offers health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution, \$9.50 per hour worked.~~



~~(2) If the employer does not offer health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution, \$10.50 per hour worked.~~

~~(e) Beginning July 1, 2023:~~

~~(1) If the employer offers health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution, \$10.25 per hour worked.~~

~~(2) If the employer does not offer health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution, \$11.25 per hour worked.~~

~~(f) Beginning July 1, 2024:~~

~~(1) If the employer offers health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution, \$11.00 per hour worked.~~

~~(2) If the employer does not offer health benefits to the employee in the manner described in Section 16 of Article 15 of the Nevada Constitution, \$12.00 per hour worked.}]~~

2. It is unlawful for any person to employ, cause to be employed or permit to be employed, or to contract with, cause to be contracted with or permit to be contracted with, any person for a wage less than that established by this section.

Sec. 2. This act becomes effective upon passage and approval.

