

Title & Text of Proposed Measure

TITLE: A Statutory change to increase the minimum wage rate for Nebraska employees in two steps, from the current \$7.25 per hour to \$8 per hour beginning January 1, 2015, through December 31, 2015, and then to \$9 per hour beginning January 1, 2016.

(underscored language indicates added language, strike through indicates language being removed)

TEXT: BE IT ENACTED BY THE PEOPLE OF THE STATE OF NEBRASKA,

Section 1. Section 48-1203, Reissue Revised Statutes of Nebraska, is amended to read:

48-1203 (1) Except as otherwise provided in this section and section 48-1203.01, every employer shall pay to each of his or her employees a minimum wage of:

- ~~(a) Five dollars and fifteen cents per hour through July 23, 2007;~~
- ~~(b) Five dollars and eighty five cents per hour on and after July 24, 2007, through July 23, 2008;~~
- ~~(c) Six dollars and fifty five cents per hour on and after July 24, 2008, through July 23, 2009; and~~
- ~~(d) Seven dollars and twenty five cents per hour on and after July 24, 2009.~~
- (a) Seven dollars and twenty five cents per hour through December 31, 2014;
- (b) Eight dollars per hour on and after January 1, 2015, through December 31, 2015; and
- (c) Nine dollars per hour on and after January 1, 2016.

(2) For persons compensated by way of gratuities such as waitresses, waiters, hotel bellhops, porters, and shoeshine persons, the employer shall pay wages at the minimum rate of two dollars and thirteen cents per hour, plus all gratuities given to them for services rendered. The sum of wages and gratuities received by each person compensated by way of gratuities shall equal or exceed the minimum wage rate provided in subsection (1) of this section. In determining whether or not the individual is compensated by way of gratuities, the burden of proof shall be upon the employer.

(3) Any employer employing student-learners as part of a bona fide vocational training program shall pay such student-learners' wages at a rate of at least seventy-five percent of the minimum wage rate which would otherwise be applicable.

Section 2. Original section 48-1203, Reissue Revised Statutes of Nebraska, is repealed.

Arguments For and Against Initiative 425

Proponents contend:

Initiative 425 will provide a modest increase in the state minimum wage to \$9 gradually over two years. Recent reports show states with a higher minimum wage are creating more jobs than states like Nebraska that mandate low wages. Boosting wages increases consumer spending. This is good news for Nebraska businesses because it boosts demand for their goods and services.

Nebraskans value economy boosting jobs that provide real opportunity. Jobs must pay enough for workers to meet their basic needs – like paying for a doctor visit or putting gas in the car. Families struggling to keep their heads above water despite their hard work have negative impacts on our economy and our state budget because it leaves the Nebraska taxpayer to make up the difference.

Opponents contend:

More working families in Nebraska will struggle to achieve the Good Life if the cost of employing entry-level workers increases by 24% as Initiative 425 proposes. Fewer entry level jobs will be created and minimum wage workers will suffer reduced working hours. Initiative 425 will result in reduced job opportunities for the lowest skilled. Only a small percentage of adults earning minimum wage are primary breadwinners. Wages rise when more workers have the chance to work, learn, and grow.

Retailers will replace employees with machines and employers will end or reduce benefits like health insurance. Small businesses and service industries will raise consumer prices for goods and services. Initiative 425 does not tie the proposed increase in the minimum wage to an inflation index.

Informational Pamphlet

***Initiative Measure #425
Appearing on the 2014
General Election Ballot***



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Purpose

This pamphlet is intended to provide the voters of Nebraska with some additional information on a measure proposed by the Initiative Petition process that will appear on the General Election ballot, Tuesday, November 4, 2014.

The measure contains three portions; the actual text of the measure, the ballot language which will appear on the ballot in November, and arguments supporting and opposing the measure. The arguments are derived from information received from supporters and opponents of the measure provided to the Secretary of State.

Additional copies of this pamphlet may be obtained through local election officials or the Office of the Secretary of State. This pamphlet may also be reproduced in whole or in part without prior permission.

Ballot Language Initiative Measure 425

A vote "FOR" will amend the Nebraska statute establishing a minimum wage rate for employees to increase the current state minimum wage from seven dollars and twenty-five cents (\$7.25) per hour to eight dollars (\$8.00) per hour on January 1, 2015, and to nine dollars (\$9.00) per hour on January 1, 2016.

A vote "AGAINST" will not cause the Nebraska statute establishing a minimum wage rate for employees to be amended in such manner.

Shall the Nebraska statute establishing a minimum wage rate for employees be amended to increase the current state minimum wage from seven dollars and twenty-five cents (\$7.25) per hour to eight dollars (\$8.00) per hour on January 1, 2015, and to nine dollars (\$9.00) per hour on January 1, 2016?



For



Against