**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 41‑10‑15 SO AS TO ESTABLISH A STATE MINIMUM WAGE; BY ADDING SECTION 12‑6‑3475 SO AS TO ALLOW A ONE‑TIME TAX CREDIT TO CERTAIN ELIGIBLE EMPLOYERS WHO PAY THE INCREASED MINIMUM WAGE; AND TO AMEND SECTION 6‑1‑130, RELATING TO THE ESTABLISHMENT OF A LOCAL MINIMUM WAGE IN EXCESS OF THE FEDERAL MINIMUM WAGE, SO AS TO PROHIBIT A POLITICAL SUBDIVISION FROM REQUIRING A MINIMUM WAGE LOWER THAN THE STATE MINIMUM WAGE.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 10, Title 41 of the 1976 Code is amended by adding:

“Section 41‑10‑15. (A) An employer shall pay to an employee who performs work in a workweek a wage of at least seven dollars each hour or the minimum wage as provided in Section 6 of the federal Fair Labor Standards Act of 1938, whichever is higher.

(B) Certain eligible employers may qualify for a tax credit in the amount of the increased wages, as provided in Section 12‑6‑3475.”

SECTION 2. Article 25, Chapter 6, Title 12 of the 1976 Code is amended by adding:

“Section 12‑6‑3475. An employer who, in the tax year immediately preceding the tax year in which this section takes effect, paid wages to an employee in an amount that averaged less than the wages required by Section 41‑10‑15, may claim a one‑time credit against taxes imposed pursuant to this chapter and as provided by the Department of Revenue pursuant to promulgation of a regulation or adoption of a rule for that purpose.”

SECTION 3. Section 6‑1‑130 of the 1976 Code is amended to read:

“Section 6‑1‑130. (A) For purposes of this section ‘political subdivision’ includes, but is not limited to, a municipality, county, school district, special purpose district, or public service district. (B) A political subdivision of this State may not establish, mandate, or otherwise require a minimum wage rate that ~~exceeds~~ is less than the ~~federal~~ minimum wage rate ~~set forth in Section 6 of the Fair Labor Standards Act of 1938, 29 U.S.C. 206. Also, a political subdivision of this State may not establish, mandate, or otherwise require a minimum wage rate related to employee wages that are exempt under 29 U.S.C. 201 et seq., the Fair Labor Standards Act of 1938~~ established in Section 41‑10‑15.

(C) ~~This~~ Subject to subsection (B), this section does not limit the authority of political subdivisions to establish wage rates in contracts to which they are a party.

(D) For purposes of this section, ‘wage’ ~~has~~ and ‘wages’ have the same meaning set forth in ~~Section 3(m) of the Fair Labor Standards Act of 1938, 29 U.S.C. 203(m)~~ Section 41‑10‑10.”

SECTION 4. This act takes effect upon approval by the Governor.

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