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H.433

Introduced by Representatives Davis of Washington, Moran of Wardsboro,
Cole of Burlington, Evans of Essex, Lenex of Shelburne,
Macaig of Williston, McFaun of Barre Town, Pearson of
Burlington, Poirier of Barre City, South of St. Johnsbury, Till of
Jericho, and Townsend of South Burlington

Referred to Committee on

Date:

Subject: Labor; employment practices; livable wage

Statement of purpose: This bill proposes to establish a livable wage for
Vermont employees.

An act relating to establishing a livable wage

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; ~~WAGES~~ LIVABLE WAGE

(a) ~~An employer shall not employ an employee at a rate of less than \$7.25,~~
~~and, beginning January 1, 2007, and on each subsequent January 1, the~~
~~minimum wage rate shall be increased by five percent or the percentage~~
~~increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally~~
~~adjusted, or successor index, as calculated by the U.S. Department of Labor or~~

1 ~~successor agency for the 12 months preceding the previous September 1,~~
2 ~~whichever is smaller, but in no event shall the minimum wage be decreased.~~
3 An employer shall not employ an employee at a rate of less than \$ 12.48, and
4 beginning January 1, 2014, and on each subsequent January 1, the livable wage
5 shall be increased by five percent or the percentage increase of the Consumer
6 Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor
7 index, as calculated by the U.S. Department of Labor or successor agency for
8 the 12 months preceding the previous September 1, whichever is smaller, but
9 in no event shall the livable wage be decreased. The ~~minimum~~ livable wage
10 shall be rounded off to the nearest \$0.01. ~~An employer in the hotel, motel,~~
11 ~~tourist place, and restaurant industry shall not employ a service or tipped~~
12 ~~employee at a basic wage rate less than \$3.65 an hour, and beginning January~~
13 ~~1, 2008, and on each January 1 thereafter, this basic tip wage rate shall be~~
14 ~~increased at the same percentage rate as the minimum wage rate. For the~~
15 ~~purposes of this subsection, “a service or tipped employee” means an~~
16 ~~employee of a hotel, motel, tourist place, or restaurant who customarily and~~
17 ~~regularly receives more than \$120.00 per month in tips for direct and personal~~
18 ~~customer service. If the minimum wage rate established by the United States~~
19 U.S. government is greater than the livable wage rate established for Vermont
20 for any year, the ~~minimum~~ livable wage rate for that year shall be the rate
21 established by the ~~United States~~ U.S. government.

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2 Sec. 2. EFFECTIVE DATE

3 This act shall take effect on July 1, 2013.