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H.552

Representative Pearson of Burlington moves that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

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

§ 384. EMPLOYMENT; WAGES

(a) An employer shall not employ ~~an~~ any employee at a rate of less than ~~\$7.25, \$10.10,~~ and, beginning January 1, ~~2007,~~ 2016 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 successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased. The minimum wage shall be rounded off to the nearest \$0.01. An employer in the hotel, motel, tourist place, and restaurant industry shall not employ a service or tipped employee at a basic wage rate less than ~~\$3.65 an hour, and beginning January 1, 2008, and on each January 1 thereafter, this basic tip wage rate shall be increased at the same percentage rate as the minimum wage rate~~ one-half the minimum wage. For the purposes ~~of~~ As used in this subsection, “a service or tipped employee” means an employee of a hotel, motel, tourist place, or restaurant who customarily and

1 regularly receives more than \$120.00 per month in tips for direct and personal
2 customer service. In any week in which a service or tipped employee does not
3 receive and retain sufficient wages and tips to meet or exceed the minimum
4 wage rate for nonservice or nontipped employees, the employer of a service or
5 tipped employee shall contribute the additional amount necessary to raise the
6 service or tipped employee’s hourly earnings to at least the minimum wage
7 rate for nonservice or nontipped employees. If the minimum wage rate
8 established by the ~~United States~~ U.S. government is greater than the rate
9 established for Vermont for any year, the minimum wage rate for that year
10 shall be the rate established by the ~~United States~~ U.S. government.

11 * * *

12 Sec. 2. MINIMUM WAGE STUDY

13 On or before January 15, 2016, the Joint Fiscal Office shall submit a report
14 to the General Assembly detailing the impact that raising the minimum wage
15 to the livable wage would have on:

- 16 (1) low-wage working Vermonters;
17 (2) Vermont businesses and jobs;
18 (3) State and federal benefits; and
19 (4) Vermont’s economy as a whole.

1 Sec. 3. EFFECTIVE DATES

2 (a) This section and Sec. 2 shall take effect on passage.

3 (b) Sec. 1 shall take effect on January 1, 2015.