

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on General, Housing and Military Affairs to which was  
3 referred House Bill No. 552 entitled “An act relating to raising the Vermont  
4 minimum wage” respectfully reports that it has considered the same and  
5 recommends that the bill be amended by striking out all after the enacting  
6 clause and inserting in lieu thereof the following:

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

8 § 384. EMPLOYMENT; WAGES

9 (a) An employer shall not employ ~~an~~ any employee at a rate of less than  
10 ~~\$7.25, \$10.10, and, beginning January 1, 2007, 2016~~ and on each subsequent  
11 January 1, the minimum wage rate shall be increased by five percent or  
12 the percentage increase of the Consumer Price Index, CPI-U, U.S. city  
13 average, not seasonally adjusted, or successor index, as calculated by the  
14 U.S. Department of Labor or successor agency for the 12 months preceding the  
15 previous September 1, whichever is smaller, but in no event shall the minimum  
16 wage be decreased. The minimum wage shall be rounded off to the nearest  
17 \$0.01. An employer in the hotel, motel, tourist place, and restaurant industry  
18 shall not employ a service or tipped employee at a basic wage rate less than  
19 ~~\$3.65 an hour, and beginning January 1, 2008, and on each January 1~~  
20 ~~thereafter, this basic tip wage rate shall be increased at the same percentage~~  
21 ~~rate as the minimum wage rate~~ one-half the minimum wage. ~~For the purposes~~

1       ~~of~~ As used in this subsection, “a service or tipped employee” means an  
2       employee of a hotel, motel, tourist place, or restaurant who customarily and  
3       regularly receives more than \$120.00 per month in tips for direct and personal  
4       customer service. If the minimum wage rate established by the ~~United States~~  
5       U.S. government is greater than the rate established for Vermont for any year,  
6       the minimum wage rate for that year shall be the rate established by the ~~United~~  
7       ~~States~~ U.S. government.

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9       Sec. 2. MINIMUM WAGE STUDY

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

13               (1) low-wage working Vermonters;

14               (2) Vermont businesses and jobs;

15               (3) State and federal benefits; and

16               (4) Vermont’s economy as a whole.

17       Sec. 3. EFFECTIVE DATES

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

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

1 (Committee vote: \_\_\_\_\_)

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Representative O’Sullivan

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FOR THE COMMITTEE