

1 TO THE HONORABLE SENATE:

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

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

9 § 384. EMPLOYMENT; WAGES

10 (a) An employer shall not employ ~~an~~ any employee at a rate of less than
11 ~~\$7.25, \$9.15. Beginning January 1, 2016, an employer shall not employ any~~
12 employee at a rate of less than \$9.60. Beginning January 1, 2017, an employer
13 shall not employ any employee at a rate of less than \$10.00. Beginning
14 January 1, 2018, an employer shall not employ any employee at a rate of less
15 than \$10.50, and; beginning January 1, ~~2007, 2019~~ and on each subsequent
16 January 1, the minimum wage rate shall be increased by five percent or
17 the percentage increase of the Consumer Price Index, CPI-U, U.S. city
18 average, not seasonally adjusted, or successor index, as calculated by the
19 U.S. Department of Labor or successor agency for the 12 months preceding the
20 previous September 1, whichever is smaller, but in no event shall the minimum
21 wage be decreased. The minimum wage shall be rounded off to the nearest

1 \$0.01. An employer in the hotel, motel, tourist place, and restaurant industry
 2 shall not employ a service or tipped employee at a basic wage rate less than
 3 ~~\$3.65 an hour, and beginning January 1, 2008, and on each January 1~~
 4 ~~thereafter, this basic tip wage rate shall be increased at the same percentage~~
 5 ~~rate as the minimum wage rate one-half the minimum wage. For the purposes~~
 6 ~~of As used in this subsection, “a service or tipped employee” means an~~
 7 employee of a hotel, motel, tourist place, or restaurant who customarily and
 8 regularly receives more than \$120.00 per month in tips for direct and personal
 9 customer service. If the minimum wage rate established by the ~~United States~~
 10 ~~U.S.~~ government is greater than the rate established for Vermont for any year,
 11 the minimum wage rate for that year shall be the rate established by the ~~United~~
 12 ~~States~~ U.S. government.

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14 Sec. 2. 10 V.S.A. § 531 is amended to read:

15 § 531. EMPLOYMENT TRAINING PROGRAM

* * *

- 17 (c) The employer promises as a condition of the grant to:
- 18 (1) employ new persons at a wage which, at the completion of the
 19 training program, ~~is two times the prevailing state or federal minimum wage,~~
 20 ~~whichever is greater, reduced by the value of any existing health benefit~~
 21 ~~package up to a limit of 30 percent of the gross program wage, or for existing~~

1 ~~employees, to increase the wage to two times the prevailing state and federal~~
2 ~~minimum wage, whichever is greater, reduced by the value of any existing~~
3 ~~health benefit package up to a limit of 20 percent of the gross program wage,~~
4 ~~upon completion of training; provided, however, that in areas defined by the~~
5 ~~Secretary of Commerce and Community Development in which the Secretary~~
6 ~~finds that the rate of unemployment is 50 percent greater than the average for~~
7 ~~the State, the wage rate under this subsection may be set by the Secretary at a~~
8 ~~rate no less than one and one half times the federal or state minimum wage,~~
9 ~~whichever is greater equals or exceeds the livable wage as defined in 2 V.S.A.~~
10 § 505;

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12 Sec. 3. EFFECTIVE DATE

13 This act shall take effect on passage.

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18 (Committee vote: 5-0-0)

19 _____
20 Senator Mullin

21 FOR THE COMMITTEE