

Update on 2017-2018 Minimum Wage and Paid Family Leave Legislation

- Last session's bills to increase the minimum wage (S.40) and create a paid family leave program (H.196) passed the General Assembly but were vetoed by the Governor on May 22.

Minimum Wage (S.40)

- Would have increased the minimum wage as follows:

S.40 Minimum Wage Path		
	Nominal Amount in S.40	Inflation-Adjusted Amount as of 2018
2018	\$10.50	\$10.50
2019	\$11.10	\$10.79
2020	\$11.75	\$11.11
2021	\$12.50	\$11.53
2022	\$13.25	\$11.95
2023	\$14.10	\$12.44
2024	\$15.00	\$12.95

- Would have established a minimum wage for secondary school students of \$3.00 less than the standard minimum wage.
- Would have required the Commissioner of DCF to amend the federal Child Care and Development Fund State Plan to:
 - adjust the sliding scale for Child Care Financial Assistance Program benefits to correspond with each minimum wage increase to prevent reductions in subsidies as a result of the increase; and
 - adjust the market rate to offset increased child care costs resulting from increases to child care workers' wages resulting from the proposed increases in the minimum wage.

Paid Family Leave (H.196)

- Would have created the Parental and Family Leave Insurance Program to provide eligible individuals with up to 12 weeks of Parental and Family Leave Insurance benefits in a 12-month period, including up to 12 weeks of parental or bonding leave and up to six weeks of family care leave.
 - Jointly administered by the Departments of Labor and Taxes.
 - Funded by a payroll tax of 0.136% on the first \$150,000.00 of each employee's wages.
 - An individual would have been eligible for benefits if he or she had earned at least \$10,710.00 in wages in Vermont during the past 12 months.
 - Would not have covered leave for an individual's own illness or injury.
- Would have amended the Parental and Family Leave Act (existing law providing job protected unpaid leave to certain employees) to:
 - permit parental leave following a placement for foster care; and
 - expand coverage for family leave to employees of employers with 10+ employees working an average of 30+ hours/week during a year (current law covers employees of employers with 15+ employees working 30+ hours/week).