

1 S.40

2 Representative Helm of Fair Haven moves that the bill be amended by  
3 striking out all after the enacting clause and inserting in lieu thereof the  
4 following:

5 Sec. 1. FINDINGS

6 (a) The General Assembly finds that:

7 (1) Vermont has a population of 623,657 persons. Approximately  
8 25 percent of the State's population, or 161,382 persons, reside in Chittenden  
9 County.

10 (2) A significant portion of the State's economic growth is currently  
11 located in Chittenden County.

12 (3) Because of its stronger economic growth, Chittenden County can  
13 more easily support an increase in the minimum wage than the other regions of  
14 the State.

15 (b) Therefore, the General Assembly deems it prudent to increase the  
16 minimum wage in Chittenden County to \$15.00 by 2024, while increasing the  
17 minimum wage by the rate of inflation in the other regions of the State.

18 Sec. 2. 21 V.S.A. § 384 is amended to read:

19 § 384. EMPLOYMENT; WAGES

20 ~~(a)(1) An employer shall not employ any employee at a rate of less than~~  
21 ~~\$9.15. Beginning on January 1, 2016, an employer shall not employ any~~

1 ~~employee at a rate of less than \$9.60. Beginning on January 1, 2017, an~~  
2 ~~employer shall not employ any employee at a rate of less than \$10.00.~~  
3 ~~Beginning on January 1, 2018~~ Except as otherwise provided in subdivision (2)  
4 of this subsection, an employer shall not employ any employee at a rate of less  
5 than \$10.50, and beginning on January 1, 2019 and on each subsequent  
6 January 1, the minimum wage rate shall be increased by five percent or the  
7 percentage increase of the Consumer Price Index, CPI-U, U.S. city average,  
8 not seasonally adjusted, or successor index, as calculated by the U.S.  
9 Department of Labor or successor agency for the 12 months preceding the  
10 previous September 1, whichever is smaller, but in no event shall the minimum  
11 wage be decreased.

12 (2) An employer shall not employ any employee working in Chittenden  
13 County at a rate of less than:

14 (A) \$10.50;

15 (B) \$11.10 beginning on January 1, 2019;

16 (C) \$11.75 beginning on January 1, 2020;

17 (D) \$12.50 beginning on January 1, 2021;

18 (E) \$13.25 beginning on January 1, 2022;

19 (F) \$14.10 beginning on January 1, 2023;

20 (G) \$15.00 beginning on January 1, 2024; and

1           (H) a minimum wage rate on each subsequent January 1 that equals  
2           the previous minimum wage rate increased by five percent or the percentage  
3           increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally  
4           adjusted, or successor index, as calculated by the U.S. Department of Labor or  
5           successor agency for the 12 months preceding the previous September 1,  
6           whichever is smaller, but in no event shall the minimum wage established  
7           pursuant to this subdivision (2) be decreased.

8           (3) The minimum wage shall be rounded off to the nearest \$0.01.

9           (4) An employer shall not employ a secondary school student at a rate of  
10           less than the minimum wage established pursuant to subdivisions (1) and (2) of  
11           this subsection minus \$3.00.

12           (5) An employer in the hotel, motel, tourist place, and restaurant  
13           industry shall not employ a service or tipped employee at a basic wage rate less  
14           than one-half the applicable minimum wage. As used in this subsection, “a  
15           service or tipped employee” means an employee of a hotel, motel, tourist  
16           place, or restaurant who customarily and regularly receives more than \$120.00  
17           per month in tips for direct and personal customer service.

18           (6) If the minimum wage rate established by the U.S. government is  
19           greater than the rate established ~~for Vermont~~ pursuant to subdivision (1) or (2)  
20           of this subsection for any year, the minimum wage rate pursuant to the affected  
21           subdivision for that year shall be the rate established by the U.S. government.

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(e)(1) A tip shall be the sole property of the employee or employees to whom it was paid, given, or left. An employer that permits patrons to pay tips by credit card shall pay an employee the full amount of the tip that the customer indicated, without any deductions for credit card processing fees or costs that may be charged to the employer by the credit card company.

(2) An employer shall not collect, deduct, or receive any portion of a tip left for an employee or credit any portion of a tip left for an employee against the wages due to the employee pursuant to subsection (a) of this section.

(3) This subsection shall not be construed to prohibit the pooling of tips among service or tipped employees as defined pursuant to subsection (a) of this section.

Sec. 3. CHILD CARE FINANCIAL ASSISTANCE PROGRAM; STATE PLAN

To the extent funds are appropriated, the Commissioner for Children and Families shall amend the Department for Children and Families' federal Child Care and Development Fund State Plan to:

(1) adjust the sliding scale of the Child Care Financial Assistance Program benefit to correspond with each minimum wage increase required pursuant to this act to ensure that the benefit percentage at each new minimum

1 wage level remains the same as the percentage applied under the former  
2 minimum wage; and

3 (2) adjust the market rate used to inform the fee scale in a manner that  
4 offsets the estimated increased cost of child care in Vermont resulting from the  
5 increase in the minimum wage required pursuant to this act.

6 Sec. 4. MINIMUM WAGE; ADJUSTMENT FOR INFLATION; REPORT

7 On or before January 15, 2023, the Legislative Council and the Joint Fiscal  
8 Office shall submit a written report to the House Committee on General,  
9 Housing, and Military Affairs and the Senate Committee on Economic  
10 Development, Housing and General Affairs regarding potential mechanisms  
11 for indexing the minimum wage established pursuant to 21 V.S.A. § 384 to  
12 inflation after 2024. In particular, the report shall:

13 (1) identify and examine mechanisms that other jurisdictions use to  
14 index their minimum wages to inflation and the potential benefits and  
15 disadvantages of each mechanism; and

16 (2) identify and examine any alternative mechanisms to index the  
17 minimum wage to inflation, including alternative measures of inflation, and the  
18 potential benefits and disadvantages of each mechanism.

1 Sec. 5. 21 V.S.A. § 383 is amended to read:

2 § 383. DEFINITIONS

3 Terms used in this subchapter have the following meanings, unless a  
4 different meaning is clearly apparent from the language or context:

5 (1) “Commissioner;” means the Commissioner of Labor or designee;

6 (2) “Employee;” means any individual employed or permitted to work  
7 by an employer except:

8 \* \* \*

9 (G) taxi-cab drivers; and

10 (H) outside salespersons; ~~and,~~

11 (I) ~~students working during all or any part of the school year or~~  
12 ~~regular vacation periods.~~ [Repealed.]

13 (3) “Occupation;” means an industry, trade, ~~or~~ business or branch  
14 thereof, or a class of work in which workers are gainfully employed.

15 (4) “Tip” means a sum of money gratuitously and voluntarily left by a  
16 customer for service, or indicated on a bill or charge statement, to be paid to a  
17 service or tipped employee for directly and personally serving the customer in  
18 a hotel, motel, tourist place, or restaurant. An employer-mandated service  
19 charge shall not be considered a tip.

1 Sec. 6. 21 V.S.A. § 384(a)(2) is amended to read:

2 (2) ~~An employer shall not employ any employee working in Chittenden~~  
3 ~~County at a rate of less than:~~

4 (A) ~~\$10.50;~~

5 (B) ~~\$11.10 beginning on January 1, 2019;~~

6 (C) ~~\$11.75 beginning on January 1, 2020;~~

7 (D) ~~\$12.50 beginning on January 1, 2021;~~

8 (E) ~~\$13.25 beginning on January 1, 2022;~~

9 (F) ~~\$14.10 beginning on January 1, 2023;~~

10 (G) ~~\$15.00 beginning on January 1, 2024; and~~

11 (H) ~~a minimum wage rate on each subsequent January 1 that equals~~  
12 ~~the previous minimum wage rate increased by five percent or the percentage~~  
13 ~~increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally~~  
14 ~~adjusted, or successor index, as calculated by the U.S. Department of Labor or~~  
15 ~~successor agency for the 12 months preceding the previous September 1,~~  
16 ~~whichever is smaller, but in no event shall the minimum wage established~~  
17 ~~pursuant to this subdivision (2) be decreased. [Repealed.]~~

18 Sec. 7. EFFECTIVE DATES

19 (a) In Sec. 2, 21 V.S.A. § 384, subdivision (a)(4) shall take effect on  
20 January 1, 2019. The remaining provisions of Sec. 2 shall take effect on  
21 July 1, 2018.

- 1        (b) In Sec. 5, 21 V.S.A. § 383, the amendments to subdivisions (2)(G), (H),  
2        and (I) shall take effect on January 1, 2019. The remaining provisions of  
3        Sec. 5 shall take effect on July 1, 2018.
- 4        (c) Sec. 6 shall take effect on July 1, 2024.
- 5        (d) The remaining sections of this act shall take effect on July 1, 2018.