

1 S.40

2 Representative Browning of Arlington moves that the House propose to the
3 Senate that the bill be amended by striking out all after the enacting clause and
4 inserting in lieu thereof the following:

5 Sec. 1. DISTRIBUTION OF MINIMUM WAGE WORKERS AND
6 UNEMPLOYMENT; JOINT FISCAL OFFICE; REPORT

7 (a) The Joint Fiscal Office, in consultation with the legislative economist
8 and the Department of Labor, shall:

9 (1) examine Vermont industries with significant concentrations of
10 minimum wage workers and the regional rates of unemployment in Vermont;

11 (2) determine whether any industries with significant concentrations of
12 minimum wage workers are primarily located in or employ a significant
13 portion of the workforce in regions with rates of unemployment that are above
14 the State average; and

15 (3) estimate the potential rate of disemployment resulting from an
16 increase in the minimum wage to \$15.00 by 2025 in regions with rates of
17 unemployment that are above the State average and in industries in those
18 regions that have significant concentrations of minimum wage workers.

19 (b) On or before January 15, 2019, the Joint Fiscal Office shall submit a
20 written report containing its findings to the House Committees on
21 Appropriations, on General, Housing, and Military Affairs, and on Ways and

1 Means and to the Senate Committees on Appropriations, on Economic
2 Development, Housing and General Affairs, and on Finance.

3 Sec. 2. DISINCENTIVES TO HIRING WORKERS; LEGISLATIVE
4 COUNCIL; REPORT

5 (a) The office of Legislative Council, in consultation with the Joint Fiscal
6 Office, shall identify and examine:

7 (1) State and federal laws and rules that create financial disincentives to
8 hire and retain workers;

9 (2) State and federal laws and rules that comparatively incentivize
10 investments in capital over the creation and retention of jobs; and

11 (3) statutory changes that have been proposed or adopted in other states
12 to more effectively incentivize the creation and retention of jobs.

13 (b) On or before January 15, 2019, the Office of Legislative Council shall
14 submit a written report containing its findings to the House Committees on
15 Appropriations, on General, Housing, and Military Affairs, and on Ways and
16 Means and to the Senate Committees on Appropriations, on Economic
17 Development, Housing and General Affairs, and on Finance.

18 Sec. 3. VOLUNTARY PARENTAL AND FAMILY LEAVE PROGRAM;
19 LEGISLATIVE COUNCIL; REPORT

20 (a) The Office of Legislative Council, in consultation with the State
21 Treasurer and the Joint Fiscal Office, shall examine the potential for creating a

1 voluntary parental and family leave insurance program administered by the
2 State Treasurer and offered in conjunction with the Green Mountain Secure
3 Retirement Plan. In particular, the Office of Legislative Council shall examine
4 the feasibility of a voluntary parental and family leave insurance program, any
5 potential legal issues related to offering such a program in conjunction with the
6 Green Mountain Secure Retirement Plan, and any legislative, regulatory, and
7 administrative changes necessary to implement a voluntary parental and family
8 leave insurance program.

9 (b) On or before January 15, 2019, the Office of Legislative Council shall
10 submit a written report containing its findings to the House Committees on
11 Appropriations, on General, Housing, and Military Affairs, on Government
12 Operations, and on Ways and Means and to the Senate Committees on
13 Appropriations, on Economic Development, Housing and General Affairs, on
14 Finance, and on Government Operations.

15 Sec. 4. 21 V.S.A. § 383 is amended to read:

16 § 383. DEFINITIONS

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

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

20 (2) “Employee;” means any individual employed or permitted to work

21 by an employer except:

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(G) taxi-cab drivers; and

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

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

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

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

Sec. 5. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; WAGES

(a)~~(1)~~ An employer shall not employ any employee at a rate of less than ~~\$9.15. Beginning on January 1, 2016, an employer shall not employ any employee at a rate of less than \$9.60. Beginning on January 1, 2017, an employer shall not employ any employee at a rate of less than \$10.00. Beginning on January 1, 2018, an employer shall not employ any employee at a rate of less than \$10.50,~~ and beginning on January 1, 2019 and on each subsequent January 1, the minimum wage rate shall be increased by five

1 percent or the percentage increase of the Consumer Price Index, CPI-U, U.S.
2 city average, not seasonally adjusted, or successor index, as calculated by the
3 U.S. Department of Labor or successor agency for the 12 months preceding the
4 previous September 1, whichever is smaller, but in no event shall the minimum
5 wage be decreased. The minimum wage shall be rounded off to the nearest
6 \$0.01.

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

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

16 (4) If the minimum wage rate established by the U.S. government is
17 greater than the rate established for Vermont for any year, the minimum wage
18 rate for that year shall be the rate established by the U.S. government.

19 * * *

20 (e)(1) A tip shall be the sole property of the employee or employees to
21 whom it was paid, given, or left. An employer that permits patrons to pay tips

1 by credit card shall pay an employee the full amount of the tip that the
2 customer indicated, without any deductions for credit card processing fees or
3 costs that may be charged to the employer by the credit card company.

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

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

10 Sec. 6. EFFECTIVE DATES

11 (a) In Sec. 4, 21 V.S.A. § 383, the amendments to subdivisions (2)(G), (H),
12 and (I) shall take effect on January 1, 2019. The remaining provisions of
13 Sec. 4 shall take effect on July 1, 2018.

14 (b) In Sec. 5, 21 V.S.A. § 384, subdivision (a)(2) shall take effect on
15 January 1, 2019. The remaining provisions of Sec. 1 shall take effect on
16 July 1, 2018.

17 (c) The remaining sections of this act shall take effect on July 1, 2018.