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S.40

Introduced by Senators Sirotkin, Ingram, Ayer, Balint, Baruth, Brooks,
Clarkson, Cummings, Lyons, MacDonald, McCormack,
Pearson, Pollina, and White

Referred to Committee on

Date:

Subject: Labor; employment practices; minimum wages

Statement of purpose of bill as introduced: This bill proposes to increase the
minimum wage so that it reaches \$15.00 per hour by January 1, 2022.

An act relating to increasing the minimum wage

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 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 January 1, 2016, an employer shall not employ any~~
~~employee at a rate of less than \$9.60. Beginning 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~~. Beginning on January 1, 2019, an employer shall
not employ any employee at a rate of less than \$11.50. Beginning on

1 January 1, 2020, an employer shall not employ any employee at a rate of less
2 than \$12.50. Beginning on January 1, 2021, an employer shall not employ any
3 employee at a rate of less than \$13.50. Beginning on January 1, 2022, an
4 employer shall not employ any employee at a rate of less than \$15.00, and on
5 each subsequent January 1, the minimum wage rate shall be increased by five
6 percent or the percentage increase of the Consumer Price Index, CPI-U, U.S.
7 city average, not seasonally adjusted, or successor index, as calculated by the
8 U.S. Department of Labor or successor agency for the 12 months preceding the
9 previous September 1, whichever is smaller, but in no event shall the minimum
10 wage be decreased. The minimum wage shall be rounded off to the nearest
11 \$0.01.

12 (2) 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 minimum wage established pursuant to subdivision (1) of this
15 subsection. As used in this subsection, “a service or tipped employee” means
16 an employee of a hotel, motel, tourist place, or restaurant who customarily and
17 regularly receives more than \$120.00 per month in tips for direct and personal
18 customer service.

19 (3) If the minimum wage rate established by the U.S. government is
20 greater than the rate established for Vermont for any year, the minimum wage
21 rate for that year shall be the rate established by the U.S. government.

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Sec. 2. EFFECTIVE DATE

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This act shall take effect on July 1, 2017.