

1 H.429

2 Introduced by Representatives Copeland-Hanzas of Bradford, Anthony of
3 Barre City, Christie of Hartford, Cina of Burlington, Colburn of
4 Burlington, Cordes of Lincoln, Donovan of Burlington,
5 McCarthy of St. Albans City, O'Sullivan of Burlington, Patt of
6 Worcester, Szott of Barnard, Troiano of Stannard, and Walz of
7 Barre City

8 Referred to Committee on

9 Date:

10 Subject: Labor; employment practices; minimum wage

11 Statement of purpose of bill as introduced: This bill proposes to increase the
12 minimum wage to \$15.00 per hour by January 1, 2024. It also proposes to
13 phase out the tipped minimum wage by January 1, 2029.

14 An act relating to increasing the minimum wage and phasing out the tipped
15 minimum wage

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

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

18 § 384. EMPLOYMENT; WAGES

19 (a)(1) An employer shall not employ any employee at a rate of less than

20 ~~\$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, an employer shall not employ any employee at~~
4 ~~a rate of less than \$10.50, and beginning \$10.78. Beginning on January 1,~~
5 ~~2019~~ 2020, an employer shall not employ any employee at a rate of less than
6 \$11.50. Beginning on January 1, 2021, an employer shall not employ any
7 employee at a rate of less than \$12.25. Beginning on January 1, 2022, an
8 employer shall not employ any employee at a rate of less than \$13.10.
9 Beginning on January 1, 2023, an employer shall not employ any employee at
10 a rate of less than \$14.05. Beginning on January 1, 2024, an employer shall
11 not employ any employee at a rate of less than \$15.00, and on each subsequent
12 January 1, the minimum wage rate shall be increased by five percent or the
13 percentage increase of the Consumer Price Index, CPI-U, U.S. city average,
14 not seasonally adjusted, or successor index, as calculated by the U.S.
15 Department of Labor or successor agency for the 12 months preceding the
16 previous September 1, whichever is smaller, but in no event shall the minimum
17 wage be decreased. The minimum wage shall be rounded off to the nearest
18 \$0.01.

19 (2)(A) An employer in the hotel, motel, tourist place, and restaurant
20 industry shall not employ a service or tipped employee at a basic wage rate of
21 less than ~~one half the minimum wage~~ \$5.39. Beginning on January 1, 2020, an

1 employer shall not employ a service or tipped employee at a basic wage rate of
2 less than \$6.20. Beginning on January 1, 2021, an employer shall not employ
3 a service or tipped employee at a basic wage rate of less than \$7.10. Beginning
4 on January 1, 2022, an employer shall not employ a service or tipped employee
5 at a basic wage rate of less than \$8.10. Beginning on January 1, 2023, an
6 employer shall not employ a service or tipped employee at a basic wage rate of
7 less than \$9.20. Beginning on January 1, 2024, an employer shall not employ
8 a service or tipped employee at a basic wage rate of less than \$10.35.
9 Beginning on January 1, 2025, an employer shall not employ a service or
10 tipped employee at a basic wage rate of less than \$11.50. Beginning on
11 January 1, 2026, an employer shall not employ a service or tipped employee at
12 a basic wage rate of less than \$12.65. Beginning on January 1, 2027, an
13 employer shall not employ a service or tipped employee at a basic wage rate of
14 less than \$13.80. Beginning on January 1, 2028, an employer shall not employ
15 a service or tipped employee at a basic wage rate of less than \$15.00.
16 Beginning on January 1, 2029, an employer shall not employ a service or
17 tipped employee at a basic wage rate of less than the minimum wage
18 established pursuant to subdivision (1) of this subsection.

19 (B) As used in this ~~subsection~~ subdivision (2), “a service or tipped
20 employee” means an employee of a hotel, motel, tourist place, or restaurant

1 who customarily and regularly receives more than \$120.00 per month in tips
2 for direct and personal customer service.

3 (3)(A) If the minimum wage rate established by the U.S. government is
4 greater than the rate established for Vermont pursuant to subdivision (1) of this
5 subsection for any year, the minimum wage rate for that year pursuant to
6 subdivision (1) shall be the rate established by the U.S. government.

7 (B) If the minimum wage rate established by the U.S. government for
8 tipped employees is greater than the basic wage rate established for Vermont
9 pursuant to subdivision (2) of this subsection for any year, the basic wage rate
10 for that year pursuant to subdivision (2) shall be the rate established by the
11 U.S. government.

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13 Sec. 2. EFFECTIVE DATE

14 This act shall take effect on July 1, 2019.