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H.225

Introduced by Representatives Troiano of Stannard, Arrison of Weathersfield,  
Campbell of St. Johnsbury, Carroll of Bennington, Cina of  
Burlington, Farlice-Rubio of Barnet, Goldman of Rockingham,  
Headrick of Burlington, LaBounty of Lyndon, Leavitt of Grand  
Isle, Logan of Burlington, Masland of Thetford, McCann of  
Montpelier, Morris of Springfield, Mrowicki of Putney,  
Mulvaney-Stanak of Burlington, and Patt of Worcester

Referred to Committee on

Date:

Subject: Labor; employment practices; minimum wage; tipped wage

Statement of purpose of bill as introduced: This bill proposes to require that  
tipped employees are paid the standard minimum wage by 2024.

An act relating to eliminating the tipped 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  
~~\$10.96. Beginning on January 1, 2021, an employer shall not employ any~~  
~~employee at a rate of less than \$11.75. Beginning on January 1, 2022, an~~

1 ~~employer shall not employ any employee at a rate of less than \$12.55~~ \$13.18,  
2 and on each subsequent January 1, the minimum wage rate shall be increased  
3 by five percent or the percentage increase of the Consumer Price Index, CPI-U,  
4 U.S. city average, not seasonally adjusted, or successor index, as calculated by  
5 the U.S. Department of Labor or successor agency for the 12 months preceding  
6 the previous September 1, whichever is smaller, but in no event shall the  
7 minimum wage be decreased. The minimum wage shall be rounded off to the  
8 nearest \$0.01.

9 (2) An employer in the hotel, motel, tourist place, and restaurant  
10 industry shall not employ a service or tipped employee at a basic wage rate less  
11 than one-half the minimum wage. Beginning on July 1, 2023, an employer  
12 shall not employ a service or tipped employee at a basic wage rate of less than  
13 \$9.90. Beginning on January 1, 2024, an employer shall not employ a service  
14 or tipped employee at a basic wage rate of less than the minimum wage  
15 established pursuant to subdivision (1) of this subsection. As used in this  
16 ~~subsection~~ subdivision, “a service or tipped employee” means an employee of  
17 a hotel, motel, tourist place, or restaurant who customarily and regularly  
18 receives more than \$120.00 per month in tips for direct and personal customer  
19 service.

20 \* \* \*

- 1 Sec. 2. EFFECTIVE DATE
- 2 This act shall take effect on passage.