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H.428

Introduced by Representatives Gonzalez of Winooski, Cina of Burlington,
Colburn of Burlington, and Weed of Enosburgh

Referred to Committee on

Date:

Subject: Labor; employment practices; minimum wages

Statement of purpose of bill as introduced: This bill proposes to require that
service or tipped employees receive at least the minimum wage.

An act relating to 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) 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 percent or the percentage
increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally

1 adjusted, or successor index, as calculated by the U.S. Department of Labor or
2 successor agency for the 12 months preceding the previous September 1,
3 whichever is smaller, but in no event shall the minimum wage be decreased.
4 The minimum wage shall be rounded off to the nearest \$0.01. ~~An employer in~~
5 ~~the hotel, motel, tourist place, and restaurant industry shall not employ a~~
6 ~~service or tipped employee at a basic wage rate less than one half the minimum~~
7 ~~wage. As used in this subsection, "a service or tipped employee" means an~~
8 ~~employee of a hotel, motel, tourist place, or restaurant who customarily and~~
9 ~~regularly receives more than \$120.00 per month in tips for direct and personal~~
10 ~~customer service.~~ If the minimum wage rate established by the U.S.
11 government is greater than the rate established for Vermont for any year, the
12 minimum wage rate for that year shall be the rate established by the U.S.
13 government.

14 * * *

15 Sec. 2. EFFECTIVE DATE

16 This act shall take effect on July 1, 2017.