

**SUBSTITUTE AMENDMENT TO THE AMENDMENT IN
THE NATURE OF A SUBSTITUTE TO H.R. 2776
OFFERED BY MR. TAKANO**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Raise the Wage Act”.

3 SEC. 2. MINIMUM WAGE INCREASES.

4 (a) IN GENERAL.—Section 6(a)(1) of the Fair Labor
5 Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended
6 to read as follows:

7 “(1) except as otherwise provided in this sec-
8 tion, not less than—

9 “(A) \$9.25 an hour, beginning on the ef-
10 fective date under section 7 of the Raise the
11 Wage Act;

12 “(B) \$10.10 an hour, beginning 1 year
13 after such effective date;

14 “(C) \$11.00 an hour, beginning 2 years
15 after such effective date;

16 “(D) \$12.00 an hour, beginning 3 years
17 after such effective date;

1 “(E) \$13.00 an hour, beginning 4 years
2 after such effective date;

3 “(F) \$13.50 an hour, beginning 5 years
4 after such effective date;

5 “(G) \$14.25 an hour, beginning 6 years
6 after such effective date;

7 “(H) \$15.00 an hour, beginning 7 years
8 after such effective date; and

9 “(I) beginning on the date that is 8 years
10 after such effective date, and annually there-
11 after, the amount determined by the Secretary
12 under subsection (h);”.

13 (b) DETERMINATION BASED ON INCREASE IN THE
14 MEDIAN HOURLY WAGE OF ALL EMPLOYEES.—Section
15 6 of the Fair Labor Standards Act of 1938 (29 U.S.C.
16 206) is amended by adding at the end the following:

17 “(h)(1) Not later than each date that is 90 days be-
18 fore a new minimum wage determined under subsection
19 (a)(1)(I) is to take effect, the Secretary shall determine
20 the minimum wage to be in effect under this subsection
21 for each period described in subsection (a)(1)(I). The wage
22 determined under this subsection for a year shall be—

23 “(A) not less than the amount in effect under
24 subsection (a)(1) on the date of such determination;

1 “(B) increased from such amount by the annual
2 percentage increase, if any, in the median hourly
3 wage of all employees as determined by the Bureau
4 of Labor Statistics; and

5 “(C) rounded to the nearest multiple of \$0.05.

6 “(2) In calculating the annual percentage increase in
7 the median hourly wage of all employees for purposes of
8 paragraph (1)(B), the Secretary, through the Bureau of
9 Labor Statistics, shall compile data on the hourly wages
10 of all employees to determine such a median hourly wage
11 and compare such median hourly wage for the most recent
12 year for which data are available with the median hourly
13 wage determined for the preceding year.”.

14 **SEC. 3. TIPPED EMPLOYEES.**

15 (a) BASE MINIMUM WAGE FOR TIPPED EMPLOY-
16 EES.—Section 3(m)(1) of the Fair Labor Standards Act
17 of 1938 (29 U.S.C. 203(m)(1)) is amended to read as fol-
18 lows:

19 “(1) the cash wage paid such employee, which
20 for purposes of such determination shall be not less
21 than—

22 “(A) for the 1-year period beginning on
23 the effective date under section 7 of the Raise
24 the Wage Act, \$4.15 an hour;

1 “(B) for each succeeding 1-year period
2 until the hourly wage under this paragraph
3 equals the wage in effect under section 6(a)(1)
4 for such period, an hourly wage equal to the
5 amount determined under this paragraph for
6 the preceding year, increased by the lesser of—

7 “(i) \$1.15; or

8 “(ii) the amount necessary for the
9 wage in effect under this paragraph to
10 equal the wage in effect under section
11 6(a)(1) for such period, rounded to the
12 nearest multiple of \$0.05; and

13 “(C) for each succeeding 1-year period
14 after the increase made pursuant to subpara-
15 graph (B)(ii), the minimum wage in effect
16 under section 6(a)(1); and”.

17 (b) TIPS RETAINED BY EMPLOYEES.—Section 3(m)
18 of the Fair Labor Standards Act of 1938 (29 U.S.C.
19 203(m)) is amended—

20 (1) in the second sentence of the matter fol-
21 lowing paragraph (2), by striking “of this sub-
22 section, and all tips received by such employee have
23 been retained by the employee” and inserting “of
24 this subsection. Any employee shall have the right to
25 retain any tips received by such employee”; and

1 (2) by adding at the end the following: “An em-
2 ployer shall inform each employee of the right and
3 exception provided under the preceding sentence.”.

4 (c) SCHEDULED REPEAL OF SEPARATE MINIMUM
5 WAGE FOR TIPPED EMPLOYEES.—

6 (1) TIPPED EMPLOYEES.—Section 3(m) of the
7 Fair Labor Standards Act of 1938 (29 U.S.C.
8 203(m)), as amended by subsections (a) and (b), is
9 further amended by striking the sentence beginning
10 with “In determining the wage an employer is re-
11 quired to pay a tipped employee,” and all that fol-
12 lows through “of this subsection.” and inserting
13 “The wage required to be paid to a tipped employee
14 shall be the wage set forth in section 6(a)(1).”.

15 (2) PUBLICATION OF NOTICE.—Section 6(i) of
16 the Fair Labor Standards Act of 1938 (29 U.S.C.
17 206(i)), as added by section 5, is amended by strik-
18 ing “or in accordance with subparagraph (B) or (C)
19 of section 3(m)(1) (as applicable),”.

20 (3) EFFECTIVE DATE.—The amendments made
21 by paragraphs (1) and (2) shall take effect on the
22 date that is one day after the date on which the
23 hourly wage under section 3(m)(1)(C) of the Fair
24 Labor Standards Act of 1938 (29 U.S.C.

1 203(m)(1)(C)), as amended by subsection (a), takes
2 effect.

3 **SEC. 4. NEWLY HIRED EMPLOYEES WHO ARE LESS THAN 20**
4 **YEARS OLD.**

5 (a) BASE MINIMUM WAGE FOR NEWLY HIRED EM-
6 PLOYEES WHO ARE LESS THAN 20 YEARS OLD.—Section
7 6(g)(1) of the Fair Labor Standards Act of 1938 (29
8 U.S.C. 206(g)(1)) is amended by striking “a wage which
9 is not less than \$4.25 an hour.” and inserting the fol-
10 lowing: “a wage at a rate that is not less than—

11 “(A) for the 1-year period beginning on
12 the effective date under section 7 of the Raise
13 the Wage Act, \$5.00 an hour;

14 “(B) for each succeeding 1-year period
15 until the hourly wage under this paragraph
16 equals the wage in effect under section 6(a)(1)
17 for such period, an hourly wage equal to the
18 amount determined under this paragraph for
19 the preceding year, increased by the lesser of—

20 “(i) \$1.05; or

21 “(ii) the amount necessary for the
22 wage in effect under this paragraph to
23 equal the wage in effect under section
24 6(a)(1) for such period, rounded to the
25 nearest multiple of \$0.05; and

1 “(C) for each succeeding 1-year period
2 after the increase made pursuant to subpara-
3 graph (B)(ii), the minimum wage in effect
4 under section 6(a)(1).”.

5 (b) SCHEDULED REPEAL OF SEPARATE MINIMUM
6 WAGE FOR NEWLY HIRED EMPLOYEES WHO ARE LESS
7 THAN 20 YEARS OLD.—

8 (1) IN GENERAL.—Section 6(g)(1) of the Fair
9 Labor Standards Act of 1938 (29 U.S.C.
10 206(g)(1)), as amended by subsection (a), shall be
11 repealed effective on the date provided in paragraph
12 (3).

13 (2) PUBLICATION OF NOTICE.—Section 6(i) of
14 the Fair Labor Standards Act of 1938 (29 U.S.C.
15 206(i)), as amended by section 3(c)(2), is further
16 amended by striking “or subparagraph (B) or (C) of
17 section 6(g)(1) (as applicable),”.

18 (3) EFFECTIVE DATE.—The repeal and amend-
19 ment made by paragraphs (1) and (2), respectively,
20 shall take effect on the date that is one day after the
21 date on which the hourly wage under section
22 6(g)(1)(C) of the Fair Labor Standards Act, as
23 amended by subsection (a), takes effect.

1 **SEC. 5. PUBLICATION OF NOTICE.**

2 Section 6 of the Fair Labor Standards Act of 1938
3 (29 U.S.C. 206), as amended by the preceding sections,
4 is further amended by adding at the end the following:

5 “(i) Not later than 60 days prior to the effective date
6 of any increase in the required wage determined under
7 subsection (h), or in accordance with subparagraph (B)
8 or (C) of section 3(m)(1) (as applicable), section
9 14(c)(1)(A) (as applicable), or subparagraph (B) or (C)
10 of section 6(g)(1) (as applicable), the Secretary shall pub-
11 lish in the Federal Register and on the website of the De-
12 partment of Labor a notice announcing each increase in
13 such required wage.”.

14 **SEC. 6. PROMOTING ECONOMIC SELF-SUFFICIENCY FOR IN-**
15 **DIVIDUALS WITH DISABILITIES.**

16 (a) WAGES.—

17 (1) TRANSITION TO FAIR WAGES FOR INDIVID-
18 UALS WITH DISABILITIES.—Subparagraph (A) of
19 section 14(c)(1) of the Fair Labor Standards Act of
20 1938 (29 U.S.C. 214(c)(1)) is amended to read as
21 follows:

22 “(A) at a rate that equals, or exceeds, the
23 greater of—

24 “(i)(I) \$4.25 an hour, beginning 1
25 year after the date the wage rate specified
26 in section 6(a)(1)(A) takes effect;

1 “(II) \$6.25 an hour, beginning 2
2 years after such date;

3 “(III) \$8.25 an hour, beginning 3
4 years after such date;

5 “(IV) \$10.25 an hour, beginning 4
6 years after such date;

7 “(V) \$12.25 an hour, beginning 5
8 years after such date; and

9 “(VI) the wage rate in effect under
10 section 6(a)(1), on the date that is 6 years
11 after the date the wage specified in section
12 6(a)(1)(A) takes effect; or

13 “(ii) if applicable, the wage rate in ef-
14 fect on the day before the date of enact-
15 ment of the Raise the Wage Act for the
16 employment, under a special certificate
17 issued under this paragraph, of the indi-
18 vidual for whom the wage rate is being de-
19 termined under this subparagraph,”.

20 (2) PROHIBITION ON NEW SPECIAL CERTIFI-
21 CATES; SUNSET.—Section 14(c) of the Fair Labor
22 Standards Act of 1938 (29 U.S.C. 214(c)) (as
23 amended by paragraph (1)) is further amended by
24 adding at the end the following:

1 “(6) PROHIBITION ON NEW SPECIAL CERTIFI-
2 CATES.—Notwithstanding paragraph (1), the Sec-
3 retary shall not issue a special certificate under this
4 subsection to an employer that was not issued a spe-
5 cial certificate under this subsection before the date
6 of enactment of the Raise the Wage Act.

7 “(7) SUNSET.—Beginning on the day after the
8 date on which the wage rate described in paragraph
9 (1)(A)(i)(VI) takes effect, the authority to issue spe-
10 cial certificates under paragraph (1) shall expire,
11 and no special certificates issued under paragraph
12 (1) shall have any legal effect.

13 “(8) TRANSITION ASSISTANCE.—Upon request,
14 the Secretary shall provide—

15 “(A) technical assistance and information
16 to employers issued a special certificate under
17 this subsection for the purposes of—

18 “(i) transitioning the practices of such
19 employers to comply with this subsection,
20 as amended by the Raise the Wage Act;
21 and

22 “(ii) ensuring continuing employment
23 opportunities for individuals with disabili-
24 ties receiving a special minimum wage
25 rate under this subsection; and

1 “(B) information to individuals employed
2 at a special minimum wage rate under this sub-
3 section, which may include referrals to other
4 Federal or State entities with expertise in com-
5 petitive integrated employment.”.

6 (3) EFFECTIVE DATE.—The amendments made
7 by this subsection shall take effect on the date of en-
8 actment of this Act.

9 (b) PUBLICATION OF NOTICE.—

10 (1) AMENDMENT.—Section 6(i) of the Fair
11 Labor Standards Act of 1938 (29 U.S.C. 206(i)), as
12 amended by section 4(b)(2), is further amended by
13 striking “section 14(c)(1)(A) (as applicable),”.

14 (2) EFFECTIVE DATE.—The amendment made
15 by paragraph (1) shall take effect on the day after
16 the date on which the wage rate described in para-
17 graph (1)(A)(i)(VI) of section 14(c) of the Fair
18 Labor Standards Act of 1938 (29 U.S.C. 214(c)), as
19 amended by subsection (a)(1), takes effect.

20 **SEC. 7. GENERAL EFFECTIVE DATE.**

21 Except as otherwise provided in this Act or the
22 amendments made by this Act, this Act and the amend-
23 ments made by this Act shall take effect on the first day
24 of the third month that begins after the date of enactment
25 of this Act.

Amend the title so as to read: “A bill to provide for increases in the Federal minimum wage, and for other purposes.”.

