

116TH CONGRESS
1ST SESSION

H. R. 582

AN ACT

To provide for increases in the Federal minimum wage, and
for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

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) \$8.40 an hour, beginning on the ef-
10 fective date under section 7 of the Raise the
11 Wage Act;

12 “(B) \$9.50 an hour, beginning 1 year after
13 such effective date;

14 “(C) \$10.60 an hour, beginning 2 years
15 after such effective date;

16 “(D) \$11.70 an hour, beginning 3 years
17 after such effective date;

18 “(E) \$12.80 an hour, beginning 4 years
19 after such effective date;

20 “(F) \$13.90 an hour, beginning 5 years
21 after such effective date;

22 “(G) \$15.00 an hour, beginning 6 years
23 after such effective date; and

24 “(H) beginning on the date that is 7 years
25 after such effective date, and annually there-

1 after, the amount determined by the Secretary
2 under subsection (h);”.

3 (b) DETERMINATION BASED ON INCREASE IN THE
4 MEDIAN HOURLY WAGE OF ALL EMPLOYEES.—Section
5 6 of the Fair Labor Standards Act of 1938 (29 U.S.C.
6 206) is amended by adding at the end the following:

7 “(h)(1) Not later than each date that is 90 days be-
8 fore a new minimum wage determined under subsection
9 (a)(1)(H) is to take effect, the Secretary shall determine
10 the minimum wage to be in effect under this subsection
11 for each period described in subsection (a)(1)(H). The
12 wage determined under this subsection for a year shall
13 be—

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

16 “(B) increased from such amount by the annual
17 percentage increase, if any, in the median hourly
18 wage of all employees as determined by the Bureau
19 of Labor Statistics; and

20 “(C) rounded up to the nearest multiple of
21 \$0.05.

22 “(2) In calculating the annual percentage increase in
23 the median hourly wage of all employees for purposes of
24 paragraph (1)(B), the Secretary, through the Bureau of
25 Labor Statistics, shall compile data on the hourly wages

1 of all employees to determine such a median hourly wage
 2 and compare such median hourly wage for the most recent
 3 year for which data are available with the median hourly
 4 wage determined for the preceding year.”.

5 **SEC. 3. TIPPED EMPLOYEES.**

6 (a) BASE MINIMUM WAGE FOR TIPPED EMPLOYEES
 7 AND TIPS RETAINED BY EMPLOYEES.—Section
 8 3(m)(2)(A)(i) of the Fair Labor Standards Act of 1938
 9 (29 U.S.C. 203(m)(2)(A)(i)) is amended to read as fol-
 10 lows:

11 “(i) the cash wage paid such employee, which
 12 for purposes of such determination shall be not less
 13 than—

14 “(I) for the 1-year period beginning on the
 15 effective date under section 7 of the Raise the
 16 Wage Act, \$3.60 an hour;

17 “(II) for each succeeding 1-year period
 18 until the hourly wage under this clause equals
 19 the wage in effect under section 6(a)(1) for
 20 such period, an hourly wage equal to the
 21 amount determined under this clause for the
 22 preceding year, increased by the lesser of—

23 “(aa) \$1.50; or

24 “(bb) the amount necessary for the
 25 wage in effect under this clause to equal

1 the wage in effect under section 6(a)(1) for
2 such period, rounded up to the nearest
3 multiple of \$0.05; and

4 “(III) for each succeeding 1-year period
5 after the increase made pursuant to subclause
6 (II), the minimum wage in effect under section
7 6(a)(1); and”.

8 (b) TIPS RETAINED BY EMPLOYEES.—Section
9 3(m)(2)(A) of the Fair Labor Standards Act of 1938 (29
10 U.S.C. 203(m)(2)(A)) is amended—

11 (1) in the second sentence of the matter fol-
12 lowing clause (ii), by striking “of this subsection,
13 and all tips received by such employee have been re-
14 tained by the employee” and inserting “of this sub-
15 section. Any employee shall have the right to retain
16 any tips received by such employee”; and

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

20 (c) SCHEDULED REPEAL OF SEPARATE MINIMUM
21 WAGE FOR TIPPED EMPLOYEES.—

22 (1) TIPPED EMPLOYEES.—Section 3(m)(2)(A)
23 of the Fair Labor Standards Act of 1938 (29 U.S.C.
24 203(m)(2)(A)), as amended by subsections (a) and
25 (b), is further amended by striking the sentence be-

1 ginning with “In determining the wage an employer
2 is required to pay a tipped employee,” and all that
3 follows through “of this subsection.” and inserting
4 “The wage required to be paid to a tipped employee
5 shall be the wage set forth in section 6(a)(1).”.

6 (2) PUBLICATION OF NOTICE.—Subsection (i)
7 of section 6 of the Fair Labor Standards Act of
8 1938 (29 U.S.C. 206), as amended by section 5, is
9 further amended by striking “or in accordance with
10 subclause (II) or (III) of section 3(m)(2)(A)(i)”.

11 (3) EFFECTIVE DATE.—The amendments made
12 by paragraphs (1) and (2) shall take effect on the
13 date that is 1 day after the date on which the hourly
14 wage under subclause (III) of section 3(m)(2)(A)(i)
15 of the Fair Labor Standards Act of 1938 (29 U.S.C.
16 203(m)(2)(A)(i)), as amended by subsection (a),
17 takes effect.

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

20 (a) BASE MINIMUM WAGE FOR NEWLY HIRED EM-
21 PLOYEES WHO ARE LESS THAN 20 YEARS OLD.—Section
22 6(g)(1) of the Fair Labor Standards Act of 1938 (29
23 U.S.C. 206(g)(1)) is amended by striking “a wage which
24 is not less than \$4.25 an hour.” and inserting the fol-
25 lowing: “a wage at a rate that is not less than—

1 “(A) for the 1-year period beginning on the ef-
2 fective date under section 7 of the Raise the Wage
3 Act, \$5.50 an hour;

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

10 “(i) \$1.25; or

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

16 “(C) for each succeeding 1-year period after the
17 increase made pursuant to subparagraph (B)(ii), the
18 minimum wage in effect under section 6(a)(1).”.

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

22 (1) IN GENERAL.—Section 6(g) of the Fair
23 Labor Standards Act of 1938 (29 U.S.C. 206(g)), as
24 amended by subsection (a), shall be repealed.

1 (2) PUBLICATION OF NOTICE.—Subsection (i)
2 of section 6 of the Fair Labor Standards Act of
3 1938 (29 U.S.C. 206), as amended by section
4 3(c)(2), is further amended by striking “or subpara-
5 graph (B) or (C) of subsection (g)(1),”.

6 (3) EFFECTIVE DATE.—The repeal and amend-
7 ment made by paragraphs (1) and (2), respectively,
8 shall take effect on the date that is 1 day after the
9 date on which the hourly wage under subparagraph
10 (C) of section 6(g)(1) of the Fair Labor Standards
11 Act of 1938 (29 U.S.C. 206(g)(1)), as amended by
12 subsection (a), takes effect.

13 **SEC. 5. PUBLICATION OF NOTICE.**

14 Section 6 of the Fair Labor Standards Act of 1938
15 (29 U.S.C. 206), as amended by the preceding sections,
16 is further amended by adding at the end the following:

17 “(i) Not later than 60 days prior to the effective date
18 of any increase in the required wage determined under
19 subsection (a)(1) or subparagraph (B) or (C) of subsection
20 (g)(1), or in accordance with subclause (II) or (III) of sec-
21 tion 3(m)(2)(A)(i) or section 14(c)(1)(A), the Secretary
22 shall publish in the Federal Register and on the website
23 of the Department of Labor a notice announcing each in-
24 crease in such required wage.”.

1 **SEC. 6. PROMOTING ECONOMIC SELF-SUFFICIENCY FOR IN-**
2 **DIVIDUALS WITH DISABILITIES.**

3 (a) WAGES.—

4 (1) TRANSITION TO FAIR WAGES FOR INDIVID-
5 UALS WITH DISABILITIES.—Subparagraph (A) of
6 section 14(c)(1) of the Fair Labor Standards Act of
7 1938 (29 U.S.C. 214(c)(1)) is amended to read as
8 follows:

9 “(A) at a rate that equals, or exceeds, for each
10 year, the greater of—

11 “(i)(I) \$4.25 an hour, beginning 1 year
12 after the date the wage rate specified in section
13 6(a)(1)(A) takes effect;

14 “(II) \$6.40 an hour, beginning 2 years
15 after such date;

16 “(III) \$8.55 an hour, beginning 3 years
17 after such date;

18 “(IV) \$10.70 an hour, beginning 4 years
19 after such date;

20 “(V) \$12.85 an hour, beginning 5 years
21 after such date; and

22 “(VI) the wage rate in effect under section
23 6(a)(1), on the date that is 6 years after the
24 date the wage specified in section 6(a)(1)(A)
25 takes effect; or

1 “(ii) if applicable, the wage rate in effect
2 on the day before the date of enactment of the
3 Raise the Wage Act for the employment, under
4 a special certificate issued under this para-
5 graph, of the individual for whom the wage rate
6 is being determined under this subparagraph,”.

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

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

18 “(7) SUNSET.—Beginning on the day after the
19 date on which the wage rate described in paragraph
20 (1)(A)(i)(VI) takes effect, the authority to issue spe-
21 cial certificates under paragraph (1) shall expire,
22 and no special certificates issued under paragraph
23 (1) shall have any legal effect.

24 “(8) TRANSITION ASSISTANCE.—Upon request,
25 the Secretary shall provide—

1 “(A) technical assistance and information
2 to employers issued a special certificate under
3 this subsection for the purposes of—

4 “(i) transitioning the practices of such
5 employers to comply with this subsection,
6 as amended by the Raise the Wage Act;
7 and

8 “(ii) ensuring continuing employment
9 opportunities for individuals with disabili-
10 ties receiving a special minimum wage
11 rate under this subsection; and

12 “(B) information to individuals employed
13 at a special minimum wage rate under this sub-
14 section, which may include referrals to Federal
15 or State entities with expertise in competitive
16 integrated employment.”.

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

20 (b) PUBLICATION OF NOTICE.—

21 (1) AMENDMENT.—Subsection (i) of section 6
22 of the Fair Labor Standards Act of 1938 (29 U.S.C.
23 206), as amended by section 4(b)(2), is further
24 amended by striking “or section 14(c)(1)(A),”.

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

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

8 Except as otherwise provided in this Act or the
9 amendments made by this Act, this Act and the amend-
10 ments made by this Act shall take effect—

11 (1) subject to paragraph (2), on the first day
12 of the third month that begins after the date of en-
13 actment of this Act; and

14 (2) with respect to the Commonwealth of the
15 Northern Mariana Islands, on the date that is 18
16 months after the effective date described in para-
17 graph (1).

18 **SEC. 8. GAO REPORT ON THE COMMONWEALTH OF THE**
19 **NORTHERN MARIANA ISLANDS.**

20 Not later than 1 year after the date of enactment
21 of this Act, the Comptroller General shall submit to the
22 Education and Labor Committee of the House of Rep-
23 resentatives and the Committee on Health, Education,
24 Labor, and Pensions of the Senate a report that, with re-

1 spect to the Commonwealth of the Northern Mariana Is-
2 lands—

3 (1) assesses the status and structure of the
4 economy (including employment, earnings and
5 wages, and key industries); and

6 (2) for each year in which a wage increase will
7 take effect under subsection (a)(1) or (g)(1) of sec-
8 tion 6, section 3(m)(2)(A)(i), or section 14(c)(1)(A)
9 of the Fair Labor Standards Act of 1938 (29 U.S.C.
10 201 et seq.), as amended by this Act, estimates the
11 proportion of employees who will be directly affected
12 by each such wage increase taking effect for such
13 year, disaggregated by industry and occupation.

14 **SEC. 9. GAO REPORT ON WAGE INCREASE IMPACT.**

15 (a) IN GENERAL.—Not later than 90 days before the
16 date of the third wage increase to first take effect after
17 the date of enactment of this Act, the Comptroller Gen-
18 eral, in consultation with the persons described in sub-
19 section (b), shall prepare and submit to Congress a report,
20 that—

21 (1) identifies and analyzes the effects, in the
22 aggregate, of the first wage increases and second
23 wage increases after such date of enactment on busi-
24 ness enterprises (including small business enter-

1 prises) including the effects, with respect to such en-
2 terprises, on—

3 (A) the wages and compensation of em-
4 ployees;

5 (B) the number of employees,
6 disaggregated by full-time and part-time em-
7 ployees;

8 (C) the prices, sales, and revenues;

9 (D) employee turnover and retention;

10 (E) hiring and training costs; and

11 (F) productivity and absenteeism;

12 (2) to the extent practicable, identifies such ef-
13 fects in isolation from other factors that may affect
14 business enterprises (including small business enter-
15 prises), including—

16 (A) broader economic conditions;

17 (B) changes in Federal, State, and local
18 law, policy, and regulation;

19 (C) industry consolidation;

20 (D) natural disasters; and

21 (E) significant demographic changes;

22 (3) to the extent practicable, identifies and ana-
23 lyzes such effects for the Nation as a whole, and,
24 separately, for—

1 (A) each census division, as designated by
2 the Bureau of the Census;

3 (B) each metropolitan statistical area and
4 nonmetropolitan portion (as such terms are de-
5 fined by the Office of Management and Budget
6 with respect to 2013); and

7 (C) each urbanized area, urbanized cluster,
8 and rural area, as designated by the Bureau of
9 the Census; and

10 (4) describes the methodology used to generate
11 the information in the report.

12 (b) EXPERT CONSULTATION.—The persons described
13 in this subsection are—

14 (1) labor economists with expertise in minimum
15 wage and low wage labor markets;

16 (2) workers (including agricultural workers),
17 and the labor organizations and worker groups rep-
18 resenting such workers;

19 (3) representatives of businesses, including
20 small businesses, agricultural employers, and busi-
21 nesses in the accommodation and food services sec-
22 tor;

23 (4) State and local governments; and

24 (5) the Board of Governors of the Federal Re-
25 serve System.

1 (c) CONGRESSIONAL ASSESSMENT AND REC-
2 OMMENDATIONS.—Not later than 60 days after the date
3 on which Congress receives the report under subsection
4 (a), Congress shall—

- 5 (1) assess the findings of such report; and
6 (2) make recommendations with respect to ac-
7 tions of Congress to address the findings of such re-
8 port, including actions to delay the next scheduled
9 wage increases.

10 (d) WAGE INCREASE DEFINED.—The term “wage in-
11 crease” means an increase in wages that takes effect
12 under subsection (a)(1) or (g)(1) of section 6, section
13 3(m)(2)(A)(i), or section 14(c)(1)(A) of the Fair Labor
14 Standards Act of 1938 (29 U.S.C. 201 et seq.), as amend-
15 ed by this Act.

Passed the House of Representatives July 18, 2019.

Attest:

Clerk.

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