

## Calendar No. 156

116TH CONGRESS  
1ST SESSION**H. R. 582**

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IN THE SENATE OF THE UNITED STATES

JULY 18, 2019

Received; read the first time

JULY 22, 2019

Read the second time and placed on the calendar

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**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,*

3 **SECTION 1. SHORT TITLE.**

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

5 **SEC. 2. MINIMUM WAGE INCREASES.**

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

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

1           “(A) \$8.40 an hour, beginning on the ef-  
2           fective date under section 7 of the Raise the  
3           Wage Act;

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

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

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

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

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

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

16          “(H) beginning on the date that is 7 years  
17          after such effective date, and annually there-  
18          after, the amount determined by the Secretary  
19          under subsection (h);”.

20          (b) DETERMINATION BASED ON INCREASE IN THE  
21          MEDIAN HOURLY WAGE OF ALL EMPLOYEES.—Section  
22          6 of the Fair Labor Standards Act of 1938 (29 U.S.C.  
23          206) is amended by adding at the end the following:

24          “(h)(1) Not later than each date that is 90 days be-  
25          fore a new minimum wage determined under subsection

1 (a)(1)(H) is to take effect, the Secretary shall determine  
2 the minimum wage to be in effect under this subsection  
3 for each period described in subsection (a)(1)(H). The  
4 wage determined under this subsection for a year shall  
5 be—

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

8 “(B) increased from such amount by the annual  
9 percentage increase, if any, in the median hourly  
10 wage of all employees as determined by the Bureau  
11 of Labor Statistics; and

12 “(C) rounded up to the nearest multiple of  
13 \$0.05.

14 “(2) In calculating the annual percentage increase in  
15 the median hourly wage of all employees for purposes of  
16 paragraph (1)(B), the Secretary, through the Bureau of  
17 Labor Statistics, shall compile data on the hourly wages  
18 of all employees to determine such a median hourly wage  
19 and compare such median hourly wage for the most recent  
20 year for which data are available with the median hourly  
21 wage determined for the preceding year.”.

22 **SEC. 3. TIPPED EMPLOYEES.**

23 (a) **BASE MINIMUM WAGE FOR TIPPED EMPLOYEES**  
24 **AND TIPS RETAINED BY EMPLOYEES.**—Section  
25 3(m)(2)(A)(i) of the Fair Labor Standards Act of 1938

1 (29 U.S.C. 203(m)(2)(A)(i)) is amended to read as fol-  
2 lows:

3 “(i) the cash wage paid such employee, which  
4 for purposes of such determination shall be not less  
5 than—

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

9 “(II) for each succeeding 1-year period  
10 until the hourly wage under this clause equals  
11 the wage in effect under section 6(a)(1) for  
12 such period, an hourly wage equal to the  
13 amount determined under this clause for the  
14 preceding year, increased by the lesser of—

15 “(aa) \$1.50; or

16 “(bb) the amount necessary for the  
17 wage in effect under this clause to equal  
18 the wage in effect under section 6(a)(1) for  
19 such period, rounded up to the nearest  
20 multiple of \$0.05; and

21 “(III) for each succeeding 1-year period  
22 after the increase made pursuant to subclause  
23 (II), the minimum wage in effect under section  
24 6(a)(1); and”.

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

4 (1) in the second sentence of the matter fol-  
5 lowing clause (ii), by striking “of this subsection,  
6 and all tips received by such employee have been re-  
7 tained by the employee” and inserting “of this sub-  
8 section. Any employee shall have the right to retain  
9 any tips received by such employee”; and

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

13 (c) SCHEDULED REPEAL OF SEPARATE MINIMUM  
14 WAGE FOR TIPPED EMPLOYEES.—

15 (1) TIPPED EMPLOYEES.—Section 3(m)(2)(A)  
16 of the Fair Labor Standards Act of 1938 (29 U.S.C.  
17 203(m)(2)(A)), as amended by subsections (a) and  
18 (b), is further amended by striking the sentence be-  
19 ginning with “In determining the wage an employer  
20 is required to pay a tipped employee,” and all that  
21 follows through “of this subsection.” and inserting  
22 “The wage required to be paid to a tipped employee  
23 shall be the wage set forth in section 6(a)(1).”.

24 (2) PUBLICATION OF NOTICE.—Subsection (i)  
25 of section 6 of the Fair Labor Standards Act of

1 1938 (29 U.S.C. 206), as amended by section 5, is  
2 further amended by striking “or in accordance with  
3 subclause (II) or (III) of section 3(m)(2)(A)(i)”.

4 (3) EFFECTIVE DATE.—The amendments made  
5 by paragraphs (1) and (2) shall take effect on the  
6 date that is 1 day after the date on which the hourly  
7 wage under subclause (III) of section 3(m)(2)(A)(i)  
8 of the Fair Labor Standards Act of 1938 (29 U.S.C.  
9 203(m)(2)(A)(i)), as amended by subsection (a),  
10 takes effect.

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

13 (a) BASE MINIMUM WAGE FOR NEWLY HIRED EM-  
14 PLOYEES WHO ARE LESS THAN 20 YEARS OLD.—Section  
15 6(g)(1) of the Fair Labor Standards Act of 1938 (29  
16 U.S.C. 206(g)(1)) is amended by striking “a wage which  
17 is not less than \$4.25 an hour.” and inserting the fol-  
18 lowing: “a wage at a rate that is not less than—

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

22 “(B) for each succeeding 1-year period until the  
23 hourly wage under this paragraph equals the wage  
24 in effect under section 6(a)(1) for such period, an  
25 hourly wage equal to the amount determined under

1 this paragraph for the preceding year, increased by  
2 the lesser of—

3 “(i) \$1.25; or

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

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

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

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

18 (2) PUBLICATION OF NOTICE.—Subsection (i)  
19 of section 6 of the Fair Labor Standards Act of  
20 1938 (29 U.S.C. 206), as amended by section  
21 3(c)(2), is further amended by striking “or subpara-  
22 graph (B) or (C) of subsection (g)(1),”.

23 (3) EFFECTIVE DATE.—The repeal and amend-  
24 ment made by paragraphs (1) and (2), respectively,  
25 shall take effect on the date that is 1 day after the

1 date on which the hourly wage under subparagraph  
2 (C) of section 6(g)(1) of the Fair Labor Standards  
3 Act of 1938 (29 U.S.C. 206(g)(1)), as amended by  
4 subsection (a), takes effect.

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

6 Section 6 of the Fair Labor Standards Act of 1938  
7 (29 U.S.C. 206), as amended by the preceding sections,  
8 is further amended by adding at the end the following:

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

17 **SEC. 6. PROMOTING ECONOMIC SELF-SUFFICIENCY FOR IN-**  
18 **INDIVIDUALS WITH DISABILITIES.**

19 (a) WAGES.—

20 (1) TRANSITION TO FAIR WAGES FOR INDIVID-  
21 UALS WITH DISABILITIES.—Subparagraph (A) of  
22 section 14(c)(1) of the Fair Labor Standards Act of  
23 1938 (29 U.S.C. 214(c)(1)) is amended to read as  
24 follows:

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

3           “(i)(I) \$4.25 an hour, beginning 1 year  
4 after the date the wage rate specified in section  
5 6(a)(1)(A) takes effect;

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

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

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

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

14           “(VI) the wage rate in effect under section  
15 6(a)(1), on the date that is 6 years after the  
16 date the wage specified in section 6(a)(1)(A)  
17 takes effect; or

18           “(ii) if applicable, the wage rate in effect  
19 on the day before the date of enactment of the  
20 Raise the Wage Act for the employment, under  
21 a special certificate issued under this para-  
22 graph, of the individual for whom the wage rate  
23 is being determined under this subparagraph,”.

24           (2) PROHIBITION ON NEW SPECIAL CERTIFI-  
25 CATES; SUNSET.—Section 14(c) of the Fair Labor

1 Standards Act of 1938 (29 U.S.C. 214(c)) (as  
2 amended by paragraph (1)) is further amended by  
3 adding at the end the following:

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

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

16 “(8) TRANSITION ASSISTANCE.—Upon request,  
17 the Secretary shall provide—

18 “(A) technical assistance and information  
19 to employers issued a special certificate under  
20 this subsection for the purposes of—

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

1                   “(ii) ensuring continuing employment  
2                   opportunities for individuals with disabili-  
3                   ties receiving a special minimum wage  
4                   rate under this subsection; and

5                   “(B) information to individuals employed  
6                   at a special minimum wage rate under this sub-  
7                   section, which may include referrals to Federal  
8                   or State entities with expertise in competitive  
9                   integrated employment.”.

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

13                  (b) PUBLICATION OF NOTICE.—

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

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

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

2 Except as otherwise provided in this Act or the  
3 amendments made by this Act, this Act and the amend-  
4 ments made by this Act shall take effect—

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

8 (2) with respect to the Commonwealth of the  
9 Northern Mariana Islands, on the date that is 18  
10 months after the effective date described in para-  
11 graph (1).

12 **SEC. 8. GAO REPORT ON THE COMMONWEALTH OF THE**  
13 **NORTHERN MARIANA ISLANDS.**

14 Not later than 1 year after the date of enactment  
15 of this Act, the Comptroller General shall submit to the  
16 Education and Labor Committee of the House of Rep-  
17 resentatives and the Committee on Health, Education,  
18 Labor, and Pensions of the Senate a report that, with re-  
19 spect to the Commonwealth of the Northern Mariana Is-  
20 lands—

21 (1) assesses the status and structure of the  
22 economy (including employment, earnings and  
23 wages, and key industries); and

24 (2) for each year in which a wage increase will  
25 take effect under subsection (a)(1) or (g)(1) of sec-  
26 tion 6, section 3(m)(2)(A)(i), or section 14(c)(1)(A)

1 of the Fair Labor Standards Act of 1938 (29 U.S.C.  
2 201 et seq.), as amended by this Act, estimates the  
3 proportion of employees who will be directly affected  
4 by each such wage increase taking effect for such  
5 year, disaggregated by industry and occupation.

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

7 (a) IN GENERAL.—Not later than 90 days before the  
8 date of the third wage increase to first take effect after  
9 the date of enactment of this Act, the Comptroller Gen-  
10 eral, in consultation with the persons described in sub-  
11 section (b), shall prepare and submit to Congress a report,  
12 that—

13 (1) identifies and analyzes the effects, in the  
14 aggregate, of the first wage increases and second  
15 wage increases after such date of enactment on busi-  
16 ness enterprises (including small business enter-  
17 prises) including the effects, with respect to such en-  
18 terprises, on—

19 (A) the wages and compensation of em-  
20 ployees;

21 (B) the number of employees,  
22 disaggregated by full-time and part-time em-  
23 ployees;

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

25 (D) employee turnover and retention;

1 (E) hiring and training costs; and

2 (F) productivity and absenteeism;

3 (2) to the extent practicable, identifies such ef-  
4 fects in isolation from other factors that may affect  
5 business enterprises (including small business enter-  
6 prises), including—

7 (A) broader economic conditions;

8 (B) changes in Federal, State, and local  
9 law, policy, and regulation;

10 (C) industry consolidation;

11 (D) natural disasters; and

12 (E) significant demographic changes;

13 (3) to the extent practicable, identifies and ana-  
14 lyzes such effects for the Nation as a whole, and,  
15 separately, for—

16 (A) each census division, as designated by  
17 the Bureau of the Census;

18 (B) each metropolitan statistical area and  
19 nonmetropolitan portion (as such terms are de-  
20 fined by the Office of Management and Budget  
21 with respect to 2013); and

22 (C) each urbanized area, urbanized cluster,  
23 and rural area, as designated by the Bureau of  
24 the Census; and

1           (4) describes the methodology used to generate  
2           the information in the report.

3           (b) EXPERT CONSULTATION.—The persons described  
4           in this subsection are—

5           (1) labor economists with expertise in minimum  
6           wage and low wage labor markets;

7           (2) workers (including agricultural workers),  
8           and the labor organizations and worker groups rep-  
9           resenting such workers;

10          (3) representatives of businesses, including  
11          small businesses, agricultural employers, and busi-  
12          nesses in the accommodation and food services sec-  
13          tor;

14          (4) State and local governments; and

15          (5) the Board of Governors of the Federal Re-  
16          serve System.

17          (c) CONGRESSIONAL ASSESSMENT AND REC-  
18          COMMENDATIONS.—Not later than 60 days after the date  
19          on which Congress receives the report under subsection

20          (a), Congress shall—

21                 (1) assess the findings of such report; and

22                 (2) make recommendations with respect to ac-  
23                 tions of Congress to address the findings of such re-  
24                 port, including actions to delay the next scheduled  
25                 wage increases.





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1<sup>ST</sup> Session

**H. R. 582**

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