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(Original Signature of Member)

117TH CONGRESS
1ST SESSION

H. R.

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

IN THE HOUSE OF REPRESENTATIVES

Mr. SCOTT of Virginia introduced the following bill; which was referred to the Committee on _____

A BILL

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 of 2021”.

6 **SEC. 2. MINIMUM WAGE INCREASES.**

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

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

3 “(A) \$9.50 an hour, beginning on the ef-
4 fective date under section 7 of the Raise the
5 Wage Act of 2021;

6 “(B) \$11.00 an hour, beginning 1 year
7 after such effective date;

8 “(C) \$12.50 an hour, beginning 2 years
9 after such effective date;

10 “(D) \$14.00 an hour, beginning 3 years
11 after such effective date;

12 “(E) \$15.00 an hour, beginning 4 years
13 after such effective date; and

14 “(F) beginning on the date that is 5 years
15 after such effective date, and annually there-
16 after, the amount determined by the Secretary
17 under subsection (h);”.

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

22 “(h)(1) Not later than each date that is 90 days be-
23 fore a new minimum wage determined under subsection
24 (a)(1)(F) is to take effect, the Secretary shall determine
25 the minimum wage to be in effect under this subsection

1 for each period described in subsection (a)(1)(F). The
2 wage determined under this subsection for a year shall
3 be—

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

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

10 “(C) rounded up to the nearest multiple of
11 \$0.05.

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

20 **SEC. 3. TIPPED EMPLOYEES.**

21 (a) **BASE MINIMUM WAGE FOR TIPPED EMPLOYEES**
22 **AND TIPS RETAINED BY EMPLOYEES.**—Section
23 3(m)(2)(A)(i) of the Fair Labor Standards Act of 1938
24 (29 U.S.C. 203(m)(2)(A)(i)) is amended to read as fol-
25 lows:

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

4 “(I) for the 1-year period beginning on the
5 effective date under section 7 of the Raise the
6 Wage Act of 2021, \$4.95 an hour;

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

13 “(aa) \$2.00; or

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

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

23 (b) TIPS RETAINED BY EMPLOYEES.—Section
24 3(m)(2)(A) of the Fair Labor Standards Act of 1938 (29
25 U.S.C. 203(m)(2)(A)) is amended—

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

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

10 (c) SCHEDULED REPEAL OF SEPARATE MINIMUM
11 WAGE FOR TIPPED EMPLOYEES.—

12 (1) TIPPED EMPLOYEES.—Section 3(m)(2)(A)
13 of the Fair Labor Standards Act of 1938 (29 U.S.C.
14 203(m)(2)(A)), as amended by subsections (a) and
15 (b), is further amended by striking the sentence be-
16 ginning with “In determining the wage an employer
17 is required to pay a tipped employee,” and all that
18 follows through “of this subsection.” and inserting
19 “The wage required to be paid to a tipped employee
20 shall be the wage set forth in section 6(a)(1).”.

21 (2) PUBLICATION OF NOTICE.—Subsection (i)
22 of section 6 of the Fair Labor Standards Act of
23 1938 (29 U.S.C. 206), as amended by section 5, is
24 further amended by striking “or in accordance with
25 subclause (II) or (III) of section 3(m)(2)(A)(i)”.

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

8 (d) PENALTIES.—Section 16 of the Fair Labor
9 Standards Act of 1938 (29 U.S.C. 216) is amended—

10 (1) in the third sentence of subsection (b), by
11 inserting “or used” after “kept”; and

12 (2) in the second sentence of subsection (e)(2),
13 by inserting “or used” after “kept”.

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

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

22 “(A) for the 1-year period beginning on the ef-
23 fective date under section 7 of the Raise the Wage
24 Act of 2021, \$6.00 an hour;

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

7 “(i) \$1.75; or

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

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

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

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

22 (2) PUBLICATION OF NOTICE.—Subsection (i)
23 of section 6 of the Fair Labor Standards Act of
24 1938 (29 U.S.C. 206), as amended by section

1 3(c)(2), is further amended by striking “or subpara-
2 graph (B) or (C) of subsection (g)(1),”.

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

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

11 Section 6 of the Fair Labor Standards Act of 1938
12 (29 U.S.C. 206), as amended by the preceding sections,
13 is further amended by adding at the end the following:

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

22 **SEC. 6. PROMOTING ECONOMIC SELF-SUFFICIENCY FOR IN-**
23 **DIVIDUALS WITH DISABILITIES.**

24 (a) **WAGES.**—

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

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

8 “(i)(I) \$5.00 an hour, beginning on the ef-
9 fective date under section 7 of the Raise the
10 Wage Act of 2021;

11 “(II) \$7.50 an hour, beginning 1 year
12 after such effective date;

13 “(III) \$10.00 an hour, beginning 2 years
14 after such effective date;

15 “(IV) \$12.50 an hour, beginning 3 years
16 after such effective date;

17 “(V) \$15.00 an hour, beginning 4 years
18 after such effective date; and

19 “(VI) the wage rate in effect under section
20 6(a)(1), beginning 5 years after such effective
21 date; or

22 “(ii) if applicable, the wage rate in effect
23 on the day before the date of enactment of the
24 Raise the Wage Act of 2021 for the employ-
25 ment, under a special certificate issued under

1 this paragraph, of the individual for whom the
2 wage rate is being determined under this sub-
3 paragraph,”.

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

9 “(6) PROHIBITION ON NEW SPECIAL CERTIFI-
10 CATES.—Notwithstanding paragraph (1), the Sec-
11 retary shall not issue a special certificate under this
12 subsection to an employer that was not issued a spe-
13 cial certificate under this subsection before the date
14 of enactment of the Raise the Wage Act of 2021.

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

21 “(8) TRANSITION ASSISTANCE.—Upon request,
22 the Secretary shall provide—

23 “(A) technical assistance and information
24 to employers issued a special certificate under
25 this subsection for the purposes of—

1 “(i) assisting such employers to com-
2 ply with this subsection, as amended by
3 the Raise the Wage Act of 2021; and

4 “(ii) ensuring continuing employment
5 opportunities for individuals with disabil-
6 ities receiving a special minimum wage
7 rate under this subsection; and

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

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

16 (b) PUBLICATION OF NOTICE.—

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

21 (2) EFFECTIVE DATE.—The amendment made
22 by paragraph (1) shall take effect on the day after
23 the date on which the wage rate described in para-
24 graph (1)(A)(i)(VI) of section 14(c) of the Fair

1 Labor Standards Act of 1938 (29 U.S.C. 214(c)), as
2 amended by subsection (a)(1), takes effect.

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

4 Except as otherwise provided in this Act, or the
5 amendments made by this Act, this Act and the amend-
6 ments made by this Act shall take effect on the first day
7 of the third month that begins after the date of the enact-
8 ment of this Act.