

118TH CONGRESS
1ST SESSION

H. R. 4889

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

IN THE HOUSE OF REPRESENTATIVES

JULY 25, 2023

Mr. SCOTT of Virginia (for himself, Ms. JAYAPAL, Mrs. HAYES, Mr. NORCROSS, Mr. SHERMAN, Ms. MOORE of Wisconsin, Mrs. DINGELL, Mr. CASTEN, Mr. SARBANES, Mr. DOGGETT, Ms. NORTON, Ms. BONAMICI, Ms. LEE of California, Mr. DAVIS of Illinois, Ms. PORTER, Mr. TORRES of New York, Mr. CASAR, Ms. LEGER FERNANDEZ, Ms. WILSON of Florida, Mr. KRISHNAMOORTHY, Mr. NADLER, Mr. JOHNSON of Georgia, Mr. SCHIFF, Mr. SMITH of Washington, Mr. DELUZIO, Mr. MULLIN, Ms. OMAR, Ms. TOKUDA, Mr. KILMER, Mr. TRONE, Mr. CÁRDENAS, Ms. WILLIAMS of Georgia, Mr. BLUMENAUER, Mr. THANEDAR, Ms. TITUS, Mr. MOULTON, Mr. THOMPSON of Mississippi, Mr. CLEAVER, Mr. GOMEZ, Ms. LOFGREN, Ms. SEWELL, Mr. HUFFMAN, Mr. DESAULNIER, Ms. SCANLON, Mrs. BEATTY, Mr. BOWMAN, Mr. BOYLE of Pennsylvania, Mr. CASTRO of Texas, Mr. ESPAILLAT, Mr. CLYBURN, Mrs. RAMIREZ, Ms. ROSS, Mr. LYNCH, Ms. SLOTKIN, Ms. ESCOBAR, Mr. ROBERT GARCIA of California, Ms. JACKSON LEE, Mr. LEVIN, Ms. HOYLE of Oregon, Mr. MFUME, Mrs. WATSON COLEMAN, Ms. CLARKE of New York, Ms. SCHAKOWSKY, Mr. GRIJALVA, Ms. ESHOO, Ms. TLAIB, Ms. CASTOR of Florida, Ms. LOIS FRANKEL of Florida, Ms. CRAIG, Mr. CARBAJAL, Ms. PRESSLEY, Mrs. MCBATH, Ms. BROWNLEY, Ms. BALINT, Mr. MCGOVERN, Mr. POCAN, Ms. STANSBURY, Ms. PINGREE, Mr. TAKANO, Mr. LARSEN of Washington, Mr. PASCRELL, Mr. EVANS, Ms. MATSUI, Ms. BARRAGÁN, Mr. KHANNA, Mr. CROW, Mr. FROST, Ms. DELBENE, Ms. WASSERMAN SCHULTZ, Mr. MCGARVEY, Mr. SWALWELL, Ms. STEVENS, Ms. WEXTON, Mr. VARGAS, Ms. ADAMS, Ms. KAPTUR, Mr. GARCÍA of Illinois, Ms. DEAN of Pennsylvania, Mr. HIMES, Ms. PELOSI, Mrs. TRAHAN, Ms. DELAURO, Mr. KILDEE, Mr. FOSTER, Mr. PANETTA, Mr. PAYNE, Mr. COHEN, Mr. KEATING, Ms. DEGETTE, Mr. TONKO, Mr. GARAMENDI, Mrs. FOUSHEE, Mr. MENENDEZ, Mr. RASKIN, Mr. CONNOLLY, Mr. PALLONE, Ms. UNDERWOOD, Mr. LIEU, Mr. MRVAN, Mr. HORSFORD, Mr. JACKSON of North Carolina, Mr. MAGAZINER, Mr. NEGUSE, Mr. HOYER, Mr. IVEY, Ms. SÁNCHEZ, Ms. BROWN, Ms. MCCOLLUM, Ms. LEE of Pennsylvania, Ms. BLUNT ROCHESTER, Mr. COURTNEY, Mr. AGUILAR, Mrs. MCCLELLAN, Ms. VELÁZQUEZ, Ms. CHU,

Mr. KIM of New Jersey, Mr. LARSON of Connecticut, Mr. CARSON, Ms. KELLY of Illinois, Ms. CROCKETT, Ms. BUDZINSKI, Mr. MORELLE, Mr. DAVID SCOTT of Georgia, Ms. JACOBS, Ms. BUSH, Ms. MENG, Mr. GOLDMAN of New York, Mr. QUIGLEY, Mr. GOTTHEIMER, Mrs. SYKES, and Mr. CARTWRIGHT) introduced the following bill; which was referred to the Committee on Education and the Workforce

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 2023”.

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:

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

12 “(A) \$9.50 an hour, beginning on the ef-
13 fective date under section 7 of the Raise the
14 Wage Act of 2023;

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

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

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

5 “(E) \$15.50 an hour, beginning 4 years
6 after such effective date;

7 “(F) \$17.00 an hour, beginning 5 years
8 after such effective date; and

9 “(G) beginning on the date that is 6 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)(G) 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)(G). The
22 wage determined under this subsection for a year shall
23 be—

24 “(A) not less than the amount in effect under
25 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 up to the nearest multiple of
6 \$0.05, if the amount after applying subparagraphs
7 (A) and (B) is not a multiple of \$0.05.

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

16 **SEC. 3. TIPPED EMPLOYEES.**

17 (a) **BASE MINIMUM WAGE FOR TIPPED EMPLOYEES**
18 **AND TIPS RETAINED BY EMPLOYEES.**—Section
19 3(m)(2)(A)(i) of the Fair Labor Standards Act of 1938
20 (29 U.S.C. 203(m)(2)(A)(i)) is amended to read as fol-
21 lows:

22 “(i) the cash wage paid such employee, which
23 for purposes of such determination shall be not less
24 than—

1 “(I) for the 1-year period beginning on the
2 effective date under section 7 of the Raise the
3 Wage Act of 2023, \$6.00 an hour;

4 “(II) \$8.00 an hour, beginning 1 year
5 after such effective date;

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

8 “(IV) \$12.00 an hour, beginning 3 years
9 after such effective date;

10 “(V) \$13.50 an hour, beginning 4 years
11 after such effective date;

12 “(VI) \$15.00 an hour, beginning 5 years
13 after such effective date;

14 “(VII) \$17.00 an hour, beginning 6 years
15 after such effective date; and

16 “(VIII) for each succeeding 1-year period
17 after the increase made pursuant to subclause
18 (VII), the minimum wage in effect under sec-
19 tion 6(a)(1); and”.

20 (b) TIPS RETAINED BY EMPLOYEES.—Section
21 3(m)(2)(A) of the Fair Labor Standards Act of 1938 (29
22 U.S.C. 203(m)(2)(A)) is amended—

23 (1) in the second sentence of the matter fol-
24 lowing clause (ii), by striking “of this subsection,
25 and all tips received by such employee have been re-

1 tained by the employee” and inserting “of this sub-
2 section. Any employee shall have the right to retain
3 any tips received by such employee”; and

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

7 (c) SCHEDULED REPEAL OF SEPARATE MINIMUM
8 WAGE FOR TIPPED EMPLOYEES.—

9 (1) TIPPED EMPLOYEES.—Section 3(m)(2)(A)
10 of the Fair Labor Standards Act of 1938 (29 U.S.C.
11 203(m)(2)(A)), as amended by subsections (a) and
12 (b), is further amended by striking the sentence be-
13 ginning with “In determining the wage an employer
14 is required to pay a tipped employee,” and all that
15 follows through “of this subsection.” and inserting
16 “The wage required to be paid to a tipped employee
17 shall be the wage set forth in section 6(a)(1).”.

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 added by section 5 and
21 amended by section 6(b)(1), is further amended by
22 striking “or in accordance with subclause (II) or
23 (III) of section 3(m)(2)(A)(i),”.

24 (3) EFFECTIVE DATE.—The amendments made
25 by paragraphs (1) and (2) shall take effect on the

1 date that is 1 day after the date on which the hourly
2 wage under subclause (VIII) of section 3(m)(2)(A)(i)
3 of the Fair Labor Standards Act of 1938 (29 U.S.C.
4 203(m)(2)(A)(i)), as amended by subsection (a),
5 takes effect.

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

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

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

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

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

20 “(A) for the 1-year period beginning on the ef-
21 fective date under section 7 of the Raise the Wage
22 Act of 2023, \$6.00 an hour;

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

1 hourly wage equal to the amount determined under
2 this paragraph for the preceding year, increased by
3 the lesser of—

4 “(i) \$1.75; or

5 “(ii) the amount necessary for the wage in
6 effect under this paragraph to equal the wage
7 in effect under section 6(a)(1) for such period;
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 added by section 5 and
21 amended by sections 6(b)(1) and 3(c)(2), is further
22 amended by striking “or subparagraph (B) or (C) of
23 subsection (g)(1)”.

24 (3) EFFECTIVE DATE.—The repeal and amend-
25 ment made by paragraphs (1) and (2), respectively,

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

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

7 Section 6 of the Fair Labor Standards Act of 1938
8 (29 U.S.C. 206), as amended by section 2(b), is further
9 amended by adding at the end the following:

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

18 **SEC. 6. PROMOTING ECONOMIC SELF-SUFFICIENCY FOR IN-**

19 **DIVIDUALS WITH DISABILITIES.**

20 (a) WAGES.—

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

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

3 “(i)(I) \$5.00 an hour, beginning on the ef-
4 fective date under section 7 of the Raise the
5 Wage Act of 2023;

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

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

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

12 “(V) \$15.50 an hour, beginning 4 years
13 after such effective date; and

14 “(VI) the wage rate in effect under section
15 6(a)(1), beginning 5 years after such effective
16 date; or

17 “(ii) if applicable, the wage rate in effect
18 on the day before the date of enactment of the
19 Raise the Wage Act of 2023 for the employ-
20 ment, under a special certificate issued under
21 this paragraph, of the individual for whom the
22 wage rate is being determined under this sub-
23 paragraph.”.

24 (2) PROHIBITION ON NEW SPECIAL CERTIFI-
25 CATES; TRANSITION ASSISTANCE.—

1 (A) IN GENERAL.—Section 14(c) of the
2 Fair Labor Standards Act of 1938 (29 U.S.C.
3 214(c)) is amended by adding at the end the
4 following:

5 “(6) PROHIBITION ON NEW SPECIAL CERTIFI-
6 CATES.—Notwithstanding paragraph (1), the Sec-
7 retary shall not issue a special certificate under this
8 subsection to an employer that was not issued a spe-
9 cial certificate under this subsection before the date
10 of enactment of the Raise the Wage Act of 2023.

11 “(7) TRANSITION ASSISTANCE.—Upon request,
12 the Secretary shall provide—

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

16 “(i) assisting such employers to com-
17 ply with this subsection, as amended by
18 the Raise the Wage Act of 2023; and

19 “(ii) ensuring continuing employment
20 opportunities for individuals with disabil-
21 ities receiving a special minimum wage
22 rate under this subsection; and

23 “(B) information to individuals employed
24 at a special minimum wage rate under this sub-
25 section, which may include referrals to Federal

1 or State entities with expertise in competitive
2 integrated employment.”.

3 (B) EFFECTIVE DATE.—The amendments
4 made by this paragraph shall take effect on the
5 date of enactment of this Act.

6 (3) SUNSET.—Section 14(c) of the Fair Labor
7 Standards Act of 1938 (29 U.S.C. 214(c)), as
8 amended by paragraph (2), is further amended by
9 adding at the end the following:

10 “(8) 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 (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 added by section 5, is amended by striking
20 “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, this Act and
5 the amendments made by this Act shall take effect on the
6 first day of the third month that begins after the date
7 of the enactment of this Act.

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