

117TH CONGRESS
1ST SESSION

S. 53

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

IN THE SENATE OF THE UNITED STATES

JANUARY 26, 2021

Mr. SANDERS (for himself, Mrs. MURRAY, Mr. SCHUMER, Ms. BALDWIN, Mr. BENNET, Mr. BLUMENTHAL, Mr. BOOKER, Mr. BROWN, Ms. CANTWELL, Mr. CARDIN, Mr. CASEY, Ms. DUCKWORTH, Mr. DURBIN, Mrs. FEINSTEIN, Mrs. GILLIBRAND, Mr. HEINRICH, Ms. HIRONO, Mr. KAINE, Ms. KLOBUCHAR, Mr. LEAHY, Mr. LUJÁN, Mr. MARKEY, Mr. MERKLEY, Mr. MURPHY, Mr. PADILLA, Mr. PETERS, Mr. OSSOFF, Mr. REED, Ms. ROSEN, Mr. SCHATZ, Ms. SMITH, Ms. STABENOW, Mr. VAN HOLLEN, Mr. WARNER, Mr. WARNOCK, Ms. WARREN, Mr. WHITEHOUSE, and Mr. WYDEN) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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”.

1 **SEC. 2. MINIMUM WAGE INCREASES.**

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

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

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

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

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

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

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

18 “(F) beginning on the date that is 5 years
19 after such effective date, and annually there-
20 after, the amount determined by the Secretary
21 under subsection (h);”.

22 (b) DETERMINATION BASED ON INCREASE IN THE
23 MEDIAN HOURLY WAGE OF ALL EMPLOYEES.—Section
24 6 of the Fair Labor Standards Act of 1938 (29 U.S.C.
25 206) is amended by adding at the end the following:

1 “(h)(1) Not later than each date that is 90 days be-
2 fore a new minimum wage determined under subsection
3 (a)(1)(F) is to take effect, the Secretary shall determine
4 the minimum wage to be in effect under this subsection
5 for each period described in subsection (a)(1)(F). The
6 wage determined under this subsection for a year shall
7 be—

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

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

14 “(C) rounded up to the nearest multiple of
15 \$0.05.

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

1 **SEC. 3. TIPPED EMPLOYEES.**

2 (a) BASE MINIMUM WAGE FOR TIPPED EMPLOYEES
 3 AND TIPS RETAINED BY EMPLOYEES.—Section
 4 3(m)(2)(A)(i) of the Fair Labor Standards Act of 1938
 5 (29 U.S.C. 203(m)(2)(A)(i)) is amended to read as fol-
 6 lows:

7 “(i) the cash wage paid such employee, which
 8 for purposes of such determination shall be not less
 9 than—

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

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

19 “(aa) \$2.00; or

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

25 “(III) for each succeeding 1-year period
 26 after the increase made pursuant to subclause

1 (II), the minimum wage in effect under section
 2 6(a)(1); and”.

3 (b) TIPS RETAINED BY EMPLOYEES.—Section
 4 3(m)(2)(A) of the Fair Labor Standards Act of 1938 (29
 5 U.S.C. 203(m)(2)(A)) is amended—

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

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

15 (c) SCHEDULED REPEAL OF SEPARATE MINIMUM
 16 WAGE FOR TIPPED EMPLOYEES.—

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

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 5, is
 4 further amended by striking “or in accordance with
 5 subclause (II) or (III) of section 3(m)(2)(A)(i)”.

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

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

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

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

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

21 (a) BASE MINIMUM WAGE FOR NEWLY HIRED EM-
 22 PLOYEES WHO ARE LESS THAN 20 YEARS OLD.—Section
 23 6(g)(1) of the Fair Labor Standards Act of 1938 (29
 24 U.S.C. 206(g)(1)) is amended by striking “a wage which

1 is not less than \$4.25 an hour.” and inserting the fol-
 2 lowing: “a wage at a rate that is not less than—

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

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

12 “(i) \$1.75; or

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

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

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

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

4 (2) PUBLICATION OF NOTICE.—Subsection (i)
5 of section 6 of the Fair Labor Standards Act of
6 1938 (29 U.S.C. 206), as amended by section
7 3(c)(2), is further amended by striking “or subpara-
8 graph (B) or (C) of subsection (g)(1),”.

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

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

17 Section 6 of the Fair Labor Standards Act of 1938
18 (29 U.S.C. 206), as amended by the preceding sections,
19 is further amended by adding at the end the following:

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

1 of the Department of Labor a notice announcing each in-
 2 crease in such required wage.”.

3 **SEC. 6. PROMOTING ECONOMIC SELF-SUFFICIENCY FOR IN-**
 4 **DIVIDUALS WITH DISABILITIES.**

5 (a) WAGES.—

6 (1) TRANSITION TO FAIR WAGES FOR INDIVID-
 7 UALS WITH DISABILITIES.—Subparagraph (A) of
 8 section 14(c)(1) of the Fair Labor Standards Act of
 9 1938 (29 U.S.C. 214(c)(1)) is amended to read as
 10 follows:

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

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

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

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

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

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

1 “(VI) the wage rate in effect under section
 2 6(a)(1), beginning 5 years after such effective
 3 date; or

4 “(ii) if applicable, the wage rate in effect
 5 on the day before the date of enactment of the
 6 Raise the Wage Act of 2021 for the employ-
 7 ment, under a special certificate issued under
 8 this paragraph, of the individual for whom the
 9 wage rate is being determined under this sub-
 10 paragraph,”.

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

16 “(6) PROHIBITION ON NEW SPECIAL CERTIFI-
 17 CATES.—Notwithstanding paragraph (1), the Sec-
 18 retary shall not issue a special certificate under this
 19 subsection to an employer that was not issued a spe-
 20 cial certificate under this subsection before the date
 21 of enactment of the Raise the Wage Act of 2021.

22 “(7) SUNSET.—Beginning on the day after the
 23 date on which the wage rate described in paragraph
 24 (1)(A)(i)(VI) takes effect, the authority to issue spe-
 25 cial certificates under paragraph (1) shall expire,

1 and no special certificates issued under paragraph
 2 (1) shall have any legal effect.

3 “(8) TRANSITION ASSISTANCE.—Upon request,
 4 the Secretary shall provide—

5 “(A) technical assistance and information
 6 to employers issued a special certificate under
 7 this subsection for the purposes of—

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

11 “(ii) ensuring continuing employment
 12 opportunities for individuals with disabil-
 13 ities receiving a special minimum wage
 14 rate under this subsection; and

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

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

23 (b) PUBLICATION OF NOTICE.—

24 (1) AMENDMENT.—Subsection (i) of section 6
 25 of the Fair Labor Standards Act of 1938 (29 U.S.C.

1 206), as amended by section 4(b)(2), is further
2 amended by striking “or section 14(c)(1)(A),”.

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

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

10 Except as otherwise provided in this Act, or the
11 amendments made by this Act, this Act and the amend-
12 ments made by this Act shall take effect on the first day
13 of the third month that begins after the date of the enact-
14 ment of this Act.

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