



General Assembly

Amendment

January Session, 2019

LCO No. 8234



Offered by:
REP. ARESIMOWICZ, 30th Dist.

To: House Bill No. 5004

File No. 267

Cal. No. 173

"AN ACT INCREASING THE MINIMUM FAIR WAGE."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Subsection (i) of section 31-58 of the general statutes is
4 repealed and the following is substituted in lieu thereof (*Effective*
5 *October 1, 2019*):

6 (i) "Minimum fair wage" in any industry or occupation in this state
7 means: [a]

8 (1) A wage of not less than six dollars and seventy cents per hour,
9 and effective January 1, 2003, not less than six dollars and ninety cents
10 per hour, and effective January 1, 2004, not less than seven dollars and
11 ten cents per hour, and effective January 1, 2006, not less than seven
12 dollars and forty cents per hour, and effective January 1, 2007, not less
13 than seven dollars and sixty-five cents per hour, and effective January
14 1, 2009, not less than eight dollars per hour, and effective January 1,
15 2010, not less than eight dollars and twenty-five cents per hour, and

16 effective January 1, 2014, not less than eight dollars and seventy cents
17 per hour, and effective January 1, 2015, not less than nine dollars and
18 fifteen cents per hour, and effective January 1, 2016, not less than nine
19 dollars and sixty cents per hour, and effective January 1, 2017, not less
20 than ten dollars and ten cents per hour, [or] and effective October 1,
21 2019, not less than eleven dollars per hour, and effective September 1,
22 2020, not less than twelve dollars per hour, and effective August 1,
23 2021, not less than thirteen dollars per hour, and effective July 1, 2022,
24 not less than fourteen dollars per hour, and effective June 1, 2023, not
25 less than fifteen dollars per hour. On October 15, 2023, and on each
26 October fifteenth thereafter, the Labor Commissioner shall announce
27 the adjustment in the minimum fair wage which shall become the new
28 minimum fair wage and shall be effective on January first immediately
29 following. On January 1, 2024, and not later than each January first
30 thereafter, the minimum fair wage shall be adjusted by the percentage
31 change in the employment cost index, or its successor index, for wages
32 and salaries for all civilian workers, as calculated by the United States
33 Department of Labor, over the twelve-month period ending on June
34 thirtieth of the preceding year, rounded to the nearest whole cent.

35 (2) In no event shall the minimum fair wage be less than the amount
36 established under subdivision (1) of this subsection, or one-half of one
37 per cent rounded to the nearest whole cent more than the highest
38 federal minimum wage, whichever is greater, except as may otherwise
39 be established in accordance with the provisions of this part.

40 (3) All wage orders in effect on October 1, 1971, wherein a lower
41 minimum fair wage has been established, are amended to provide for
42 the payment of the minimum fair wage herein established except as
43 hereinafter provided.

44 (4) Whenever the highest federal minimum wage is increased, the
45 minimum fair wage established under this part shall be increased to
46 the amount of said federal minimum wage plus one-half of one per
47 cent more than said federal rate, rounded to the nearest whole cent,
48 effective on the same date as the increase in the highest federal

49 minimum wage, and shall apply to all wage orders and administrative
50 regulations then in force.

51 (5) The rates for [learners, beginners, and] all persons under the age
52 of eighteen years, except emancipated minors, shall be not less than
53 eighty-five per cent of the minimum fair wage for the first [two
54 hundred hours] ninety days of such employment, or ten dollars and
55 ten cents per hour, whichever is greater, and shall be equal to the
56 minimum fair wage thereafter, except in institutional training
57 programs specifically exempted by the commissioner.

58 (6) After two consecutive quarters of negative growth in the state's
59 real gross domestic product, as reported by the Bureau of Economic
60 Analysis of the United States Department of Commerce, the Labor
61 Commissioner shall report his or her recommendations, in writing, to
62 the Governor regarding whether any scheduled increases in the
63 minimum fair wage pursuant to subsection (i) of section 31-58, as
64 amended by this act, should be suspended. Upon receiving the report,
65 the Governor may submit his or her recommendations regarding the
66 suspension of such minimum fair wage increases to the General
67 Assembly.

68 Sec. 2. Section 31-60 of the general statutes is repealed and the
69 following is substituted in lieu thereof (*Effective from passage*):

70 (a) [Any] Except as provided in subdivision (5) of subsection (i) of
71 section 31-58, as amended by this act, any employer who pays or
72 agrees to pay to an employee less than the minimum fair wage or
73 overtime wage shall be deemed in violation of the provisions of this
74 part.

75 (b) The Labor Commissioner shall adopt such regulations, in
76 accordance with the provisions of chapter 54, as may be appropriate to
77 carry out the purposes of this part. Such regulations may include, but
78 are not limited to, regulations defining and governing an executive,
79 administrative or professional employee and outside salesperson;
80 learners and apprentices, their number, proportion and length of

81 service; and piece rates in relation to time rates; and shall recognize, as
82 part of the minimum fair wage, gratuities in an amount (1) equal to
83 twenty-nine and three-tenths per cent, and effective January 1, 2009,
84 equal to thirty-one per cent of the minimum fair wage per hour, and
85 effective January 1, 2014, equal to thirty-four and six-tenths per cent of
86 the minimum fair wage per hour, and effective January 1, 2015, and
87 ending on June 30, 2019, equal to thirty-six and eight-tenths per cent of
88 the minimum fair wage per hour for persons, other than bartenders,
89 who are employed in the hotel and restaurant industry, including a
90 hotel restaurant, who customarily and regularly receive gratuities, (2)
91 equal to eight and two-tenths per cent, and effective January 1, 2009,
92 equal to eleven per cent of the minimum fair wage per hour, and
93 effective January 1, 2014, equal to fifteen and six-tenths per cent of the
94 minimum fair wage per hour, and effective January 1, 2015, and
95 ending on June 30, 2019, equal to eighteen and one-half per cent of the
96 minimum fair wage per hour for persons employed as bartenders who
97 customarily and regularly receive gratuities, and (3) not to exceed
98 thirty-five cents per hour in any other industry, and shall also
99 recognize deductions and allowances for the value of board, in the
100 amount of eighty-five cents for a full meal and forty-five cents for a
101 light meal, lodging, apparel or other items or services supplied by the
102 employer; and other special conditions or circumstances which may be
103 usual in a particular employer-employee relationship. The
104 commissioner may provide, in such regulations, modifications of the
105 minimum fair wage herein established for learners and apprentices;
106 persons under the age of eighteen years; and for such special cases or
107 classes of cases as the commissioner finds appropriate to prevent
108 curtailment of employment opportunities, avoid undue hardship and
109 safeguard the minimum fair wage herein established. Regulations in
110 effect on July 1, 1973, providing for a board deduction and allowance
111 in an amount differing from that provided in this section shall be
112 construed to be amended consistent with this section.

113 (c) Regulations adopted by the commissioner pursuant to
114 subsection (b) of this section which define executive, administrative

115 and professional employees shall be updated not later than October 1,
116 2000, and every four years thereafter, to specify that such persons shall
117 be compensated on a salary basis at a rate determined by the Labor
118 Commissioner.

119 (d) (1) Effective July 1, 2019, the Labor Commissioner shall
120 recognize, as part of the minimum fair wage, gratuities in an amount
121 equal to the difference between the minimum fair wage and the
122 employer's share per hour for persons, other than bartenders, who are
123 employed in the hotel and restaurant industry, including a hotel
124 restaurant, who customarily and regularly receive gratuities. The
125 Labor Commissioner shall also recognize, as part of the subminimum
126 wage established in subdivision (5) of subsection (i) of section 31-58, as
127 amended by this act, gratuities in an amount equal to the difference
128 between such subminimum wage and the employer's share per hour
129 for persons, other than bartenders, who are employed in the hotel and
130 restaurant industry, including a hotel restaurant, who customarily and
131 regularly receive gratuities.

132 (2) Effective July 1, 2019, the Labor Commissioner shall recognize, as
133 part of the minimum fair wage, gratuities in an amount equal to the
134 difference between the minimum fair wage and the employer's share
135 per hour for persons employed as bartenders who customarily and
136 regularly receive gratuities.

137 (3) As used in this subsection "employer's share" means (A) six
138 dollars and thirty-eight cents per hour for persons, other than
139 bartenders, who are employed in the hotel and restaurant industry,
140 including a hotel restaurant, who customarily and regularly receive
141 gratuities, and (B) eight dollars and twenty-three cents per hour for
142 persons employed as bartenders who customarily and regularly
143 receive gratuities.

144 (e) On and after October 1, 2020, no employer may take any action
145 to displace an employee, including, but not limited to, a partial
146 displacement of an employee, such as reducing the employee's hours,

147 wages or employment benefits for purposes of hiring persons under
 148 the age of eighteen years at a rate below the minimum fair wage. If the
 149 Labor Commissioner determines that an employer has violated this
 150 subsection, the commissioner shall suspend the employer's right to pay
 151 the reduced rate for employees for a period of time specified in
 152 regulations adopted pursuant to subsection (b) of this section.

153 Sec. 3. (*Effective from passage*) (a) The Labor Commissioner shall
 154 conduct a study regarding workers in this state who receive gratuities.
 155 The commissioner may consult with any individuals or entities the
 156 commissioner deems relevant to the purposes of the study. When the
 157 study is concluded, the commissioner shall make recommendations
 158 regarding the optimal methods of obtaining the following information:
 159 (1) Which groups of workers in this state receive compensation in the
 160 form of gratuities, (2) the demographics of such workers, (3) the
 161 amount of gratuities received by such workers, and (4) any difference
 162 in wage growth between workers who receive gratuities and workers
 163 who do not receive gratuities. Such study shall include an estimate of
 164 the potential costs associated with the commissioner's
 165 recommendations.

166 (b) Not later than January 17, 2020, the commissioner shall submit a
 167 report, in accordance with the provisions of section 11-4a of the general
 168 statutes, to the joint standing committee of the General Assembly
 169 having cognizance of matters relating to labor of the findings of such
 170 study."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2019</i>	31-58(i)
Sec. 2	<i>from passage</i>	31-60
Sec. 3	<i>from passage</i>	New section