General Assembly
Governor's Bill No. 7191
January Session, 2019
LCO No. 4580


Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by:
REP. ARESIMOWICZ, 30 th Dist.
REP. RITTER M., $1^{\text {st }}$ Dist.
SEN. LOONEY, $11^{\text {th }}$ Dist.
SEN. DUFF, 25th Dist.

## AN ACT INCREASING THE MINIMUM WAGE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (i) of section 31-58 of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2019):
(i) "Minimum fair wage" in any industry or occupation in this state means a wage of not less than six dollars and seventy cents per hour, and effective January 1, 2003, not less than six dollars and ninety cents per hour, and effective January 1, 2004, not less than seven dollars and ten cents per hour, and effective January 1, 2006, not less than seven dollars and forty cents per hour, and effective January 1, 2007, not less than seven dollars and sixty-five cents per hour, and effective January 1, 2009, not less than eight dollars per hour, and effective January 1, 2010, not less than eight dollars and twenty-five cents per hour, and
effective January 1, 2014, not less than eight dollars and seventy cents per hour, and effective January 1, 2015, not less than nine dollars and fifteen cents per hour, and effective January 1, 2016, not less than nine dollars and sixty cents per hour, and effective January 1, 2017, not less than ten dollars and ten cents per hour ${ }_{\llcorner }$[or] and effective January 1, 2020, not less than eleven dollars and twenty-five cents per hour, and effective January 1, 2021, not less than twelve dollars and fifty cents per hour, and effective January 1, 2022, not less than thirteen dollars and seventy-five cents per hour and effective January 1, 2023, not less than fifteen dollars per hour. On January 1, 2024, and on each January first thereafter, the minimum fair wage shall be adjusted by the percentage change in the employment cost index for wages and salaries for all civilian workers, as calculated by the United States Department of Labor, or in its successor index, over the twelve-month period ending on June thirtieth of the preceding year, and rounded to the nearest whole cent. In no event shall the minimum fair wage under this section be less than one-half of one per cent rounded to the nearest whole cent more than the highest federal minimum wage, whichever is greater, except as may otherwise be established in accordance with the provisions of this part. On October 15, 2023, and on each October fifteenth thereafter, the Labor Commissioner shall announce the adjustment to the minimum fair wage which shall become the new minimum fair wage and shall be effective on the January first immediately following. All wage orders in effect on October 1, 1971, wherein a lower minimum fair wage has been established, are amended to provide for the payment of the minimum fair wage herein established except as hereinafter provided. Whenever the highest federal minimum wage is increased, the minimum fair wage established under this part shall be increased to the amount of said federal minimum wage plus one-half of one per cent more than said federal rate, rounded to the nearest whole cent, effective on the same date as the increase in the highest federal minimum wage, and shall apply to all wage orders and administrative regulations then in force. The rates for learners, beginners, and persons under the age of eighteen years shall be not less than [eighty-five] the greater of eight

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dollars and sixty cents per hour or seventy-five per cent of the minimum fair wage for the first [two hundred hours] ninety calendar days of such employment and equal to the minimum fair wage thereafter, except institutional training programs specifically exempted by the commissioner.

Sec. 2. Section 31-60 of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2019):
(a) Any employer who pays or agrees to pay to an employee less than the minimum fair wage or overtime wage shall be deemed in violation of the provisions of this part.
(b) The Labor Commissioner shall adopt such regulations, in accordance with the provisions of chapter 54, as may be appropriate to carry out the purposes of this part. Such regulations may include, but are not limited to, regulations defining and governing an executive, administrative or professional employee and outside salesperson; learners and apprentices, their number, proportion and length of service; and piece rates in relation to time rates; and shall recognize, as part of the minimum fair wage, gratuities in an amount (1) equal to twenty-nine and three-tenths per cent, and effective January 1, 2009, equal to thirty-one per cent of the minimum fair wage per hour, and effective January 1, 2014, equal to thirty-four and six-tenths per cent of the minimum fair wage per hour, and effective January 1, 2015, equal to thirty-six and eight-tenths per cent of the minimum fair wage per hour for persons, other than bartenders, who are employed in the hotel and restaurant industry, including a hotel restaurant, who customarily and regularly receive gratuities, (2) equal to eight and two-tenths per cent, and effective January 1, 2009, equal to eleven per cent of the minimum fair wage per hour, and effective January 1, 2014, equal to fifteen and six-tenths per cent of the minimum fair wage per hour, and effective January 1, 2015, equal to eighteen and one-half per cent of the minimum fair wage per hour for persons employed as bartenders who customarily and regularly receive gratuities, and (3) not to exceed thirty-five cents per hour in any other industry, and shall also
recognize deductions and allowances for the value of board, in the amount of eighty-five cents for a full meal and forty-five cents for a light meal, lodging, apparel or other items or services supplied by the employer; and other special conditions or circumstances which may be usual in a particular employer-employee relationship. The commissioner may provide, in such regulations, modifications of the minimum fair wage herein established for learners and apprentices; persons under the age of eighteen years; and for such special cases or classes of cases as the commissioner finds appropriate to prevent curtailment of employment opportunities, avoid undue hardship and safeguard the minimum fair wage herein established. Regulations in effect on July 1, 1973, providing for a board deduction and allowance in an amount differing from that provided in this section shall be construed to be amended consistent with this section.
(c) Regulations adopted by the commissioner pursuant to subsection (b) of this section which define executive, administrative and professional employees shall be updated not later than October 1, 2000, and every four years thereafter, to specify that such persons shall be compensated on a salary basis at a rate determined by the Labor Commissioner.
(d) No employer may take any action to displace an employee, including, but not limited to, a partial displacement of an employee, such as reducing the employee's hours, wages or employment benefits for purposes of hiring learners, beginners and persons under the age of eighteen years at a rate below the minimum fair wage. If the Labor Commissioner determines that an employer has knowingly violated the provisions of this subsection, the commissioner shall suspend the employer's right to pay the reduced rate for employees for a period of time specified in regulations adopted pursuant to subsection (b) of this section.

This act shall take effect as follows and shall amend the following sections:

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| Section 1 | October 1, 2019 | $31-58(\mathrm{i})$ |
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| Sec. 2 | October 1, 2019 | $31-60$ |

LAB Joint Favorable

