



## Raise the Wage Act of 2017 – Section by Section

### Section 1. Short Title

The *Raise the Wage Act* (the Act)

### Section 2. Minimum Wage Increases

*Federal Minimum Wage.* The Act increases the federal minimum wage for employees over a seven-year span of time. On the first day of the third month that begins after the date of enactment, the federal minimum wage per hour will increase from \$7.25 to \$9.25. One year after enactment, the minimum wage will increase to \$10.10; two years after enactment, the minimum wage will increase to \$11.00; three years after enactment, the minimum wage will increase to \$12.00; four years after enactment, the minimum wage will increase to \$13.00; five years after enactment, the minimum wage will increase to \$13.50; six years after enactment, the minimum wage will increase to \$14.25; seven years after enactment, the minimum wage will increase to \$15.00. Eight years after enactment, the minimum wage will be indexed to median wages. This document cites this minimum wage as the “6(a)(1) wage.”

*Median Wages.* Eight years after enactment, and each subsequent year, the minimum wage will increase based on the percentage increase, if any, in the median hourly wages of all employees. The Secretary of Labor, through the Bureau of Labor Statistics (BLS), will calculate this change by compiling data on the hourly wages of all employees.

### Section 3. Tipped Employees

*Tipped Wages.* The Act increases the tipped wage from \$2.13 to \$4.15. For each succeeding year, the Act increases the tipped wage by \$1.15 or the difference between the tipped wage and the 6(a)(1) wage. Once the tipped wage reaches \$15, the Act eliminates the tipped wage by stipulating that the tipped wage will be the 6(a)(1) wage.

### Section 4. Newly Hired Employees Who Are Less than 20 Years Old

*Youth Wages.* The Act increases the wage for youth under 20 years old from \$4.25 to \$5.00. Each subsequent year, the Act increases the youth wage by \$1.05 or the difference between the youth wage and the 6(a)(1) wage. The Act eliminates the youth wage by stipulating that the youth wage will be the 6(a)(1) wage.

### Section 5. Publication of Notice

The Secretary shall publish in the Federal Register and on its website, announcements of the increases in the 6(a)(1), tipped, and youth wages sixty days prior to each effective date.

### Section 6. Promoting Economic Self-Sufficiency for Individuals with Disabilities

*Subminimum Wage Certificates for Individuals with Disabilities.* The Secretary will discontinue issuing 14(c) certificates effective on the date of enactment. Existing 14(c) certificate holders will be permitted to continue

using their subminimum wage certificates for six years after enactment. Certificate holders will increase the hourly wages paid to individuals with disabilities who are being paid subminimum wages pursuant to 14(c) on the following schedule: one year after enactment, the subminimum wage paid shall be at least \$4.25; two years after enactment, the subminimum wage paid shall be at least \$6.25; three years after enactment, the subminimum wage paid shall be at least \$8.25; four years after enactment, the subminimum wage paid shall be at least \$10.25; and five years after enactment, the subminimum wage paid shall be at least \$12.25. Six years after enactment, the subminimum wage paid to 14(c) covered employees must be the same as the 6(a)(1) wage. During the six years of transition, if requested, transition assistance shall be provided to employers during the phase out from the Secretary of Labor to assist with compliance and continuing employment opportunities for individuals with disabilities.

**Appendix: Scheduled Minimum Wages Increases**

<b>YEAR</b>	<b>Minimum Wage</b>	<b>Tipped Wage</b>	<b>Youth Wage</b>	<b>14(c)</b>
	\$7.25	\$2.13	\$4.25	<i>Subminimum wage</i>
2017	\$9.25	\$4.15	\$5	
2018	10.10	5.30	6.05	\$4.25
2019	11.00	6.45	7.10	6.25
2020	12.00	7.60	8.15	8.25
2021	13.00	8.75	9.20	10.25
2022	13.50	9.90	10.25	12.25
2023	14.25	11.05	11.30	14.25
2024	15.00	12.20	12.35	15.00
2025	Index to median wages	13.35	13.40	Standard MW & index moving forward
2026		14.50	14.45	
2027		Standard MW & index moving forward	Standard MW & index moving forward	
2028				
2029				
2030				
2031				