#### AN ACT

# **D.C. ACT 21-429**

#### IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

## **JUNE 27, 2016**

To amend the Minimum Wage Act Revision Act of 1992 to progressively increase the minimum wage to \$15 an hour by 2020, beginning in 2021 to increase the minimum wage during each successive year pursuant to the Consumer Price Index, to progressively increase the minimum wage for an employee who receives gratuities to \$5 an hour by 2020, beginning in 2021 to increase the minimum wage for an employee who receives gratuities during each successive year pursuant to the Consumer Price Index, and to require the Mayor to submit a biannual compliance report to the Council; and to amend the Living Wage Act of 2006 to provide that the minimum wage requirements of the Minimum Wage Act Revision Act of 1992 shall apply to contracts and agreements for government assistance if the minimum wage is higher than the living wage.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Fair Shot Minimum Wage Amendment Act of 2016".

- Sec. 2. The Minimum Wage Act Revision Act of 1992, effective March 25, 1993 (D.C. Law 9-248; D.C. Official Code § 32-1001 et seq.), is amended as follows:
  - (a) Section 3(3) (D.C. Official Code § 32-1002(3) is amended as follows:
- (1) Strike the word "includes" and insert the phrase "includes the District of Columbia government," in its place.
- (2) Strike the phrase "or the District of Columbia" and insert the word "government" in its place.
  - (b) Section 4 (D.C. Official Code § 32-1003) is amended as follows:
    - (1) Subsection (a) is amended as follows:
      - (A) Paragraph (5) is amended to read as follows:
- "(5)(A) Except as provided in subsection (h) of this section and subparagraph (B) of this paragraph, the minimum hourly wage required to be paid to an employee by an employer shall be as of:
  - "(i) July 1, 2016: \$11.50;
  - "(ii) July 1, 2017: \$12.50;
  - "(iii) July 1, 2018: \$13.25;
  - "(iv) July 1, 2019: \$14.00; and
  - "(v) July 1, 2020: \$15.00.

- "(B) If the minimum wage set by the United States government pursuant to the Fair Labor Standards Act ("U.S. minimum wage") is greater than the minimum hourly wage currently being paid pursuant to subparagraph (A) of this paragraph, the minimum hourly wage paid to an employee by an employer shall be the U.S. minimum wage plus \$1.".
  - (B) Paragraph (6) is amended as follows:
- (i) Subparagraph (A) is amended by striking the date "July 1, 2017" and inserting the date "July 1, 2021," in its place.
  - (ii) Subparagraph (B) is repealed.
  - (2) Subsection (f) is amended to read as follows:
- "(f)(1) The minimum hourly wage required to be paid by an employer to an employee who receives gratuities ("tipped minimum wage"), provided that the employee actually receives gratuities in an amount at least equal to the difference between the hourly wage paid and the minimum hourly wage as set by subsection (a) of this section, shall be as of:
  - "(A) January 1, 2005: \$2.77; "(B) July 1, 2017: \$3.33;
  - "(C) July 1, 2018: \$3.89:
  - "(D) July 1, 2019: \$ 4.45; and
  - "(E) July 1, 2020: \$ 5.00.
- "(2) Beginning on July 1, 2021, and no later than July 1 of each successive year, the tipped minimum wage shall be increased in proportion to the annual average increase, if any, in the Consumer Price Index for All Urban Consumers in the Washington Metropolitan Statistical Area published by the Bureau of Labor Statistics of the United States Department of Labor for the previous calendar year. Any increase under this paragraph shall be adjusted to the nearest multiple of \$.05.".
  - (3) A new subsection (f-1) is added to read as follows:
- "(f-1) The Mayor shall publish in the District of Columbia Register, on the Department of Employment Services website, and make available to employers in a bulletin, the adjusted minimum hourly wage to be paid by an employer to an employee pursuant to subsections (a)(5) and (6) and (f) of this section at least 30 days before an increase is scheduled to go into effect."
- (c) Section 10a(c)(2) (D.C. Official Code § 32-1009.01(c)(2)) is amended by striking the phrase "an annual" and inserting the phrase "a quarterly" in its place.
  - (d) A new section 8a is added to read as follows:
  - "Sec. 8a. Reporting.
- "The Mayor shall submit biannually a report to the Council regarding any audits or inspections conducted related to compliance with this act or any regulation issued pursuant to this act. Each report shall include:
- "(1) The number of employers inspected for compliance due to complaints received, categorized by size of the employer based on the number of employees;
- "(2) The number of employers inspected for compliance as a result of a random audit, categorized by size of the employer based on the number of employees;
  - "(3) The number of violations, by type of violation; and

- "(4) An explication of the actions the Mayor took pursuant to section 12 against each employer charged with violating this act or any regulation issued pursuant to this act, including a list of fines assessed against the employer.".
- Sec. 3. The Living Wage Act of 2006, effective June 8, 2006 (D.C. Law 16-118; D.C. Official Code § 2-220.01 *et seq.*), is amended as follows:
- (a) Section 103 (D.C. Official Code § 2-220.03) is amended by adding a new subsection (f) to read as follows:
- "(f) Notwithstanding the requirements of subsections (a), (b), and (c) of this section, at no time shall the living wage be less than the minimum wage established pursuant to section 4 of the Minimum Wage Act Revision Act of 1992, effective March 25, 1993 (D.C. Law 9-248; D.C. Official Code § 32-1003)."
  - (b) Section 111 (D.C. Official Code § 2-220.11) is amended as follows:
- (1) Subsection (a) is amended by striking the phrase "The requirements of" and inserting the phrase "Except as provided in subsection (c) of this section, the requirements of" in its place.
  - (2) Subsection (b) is repealed.
  - (3) A new subsection (c) is added to read as follows:
- "(c) The minimum wage required by section 4 of the Minimum Wage Act Revision Act of 1992, effective March 25, 1993 (D.C. Law 9-248; D.C. Official Code § 32-1003) ("Minimum Wage Act"), shall apply to an agreement entered into, renewed, or extended on or after the effective date of the Fair Shot Minimum Wage Amendment Act of 2016, passed on 2nd reading on June 21, 2016 (Enrolled version of Bill 21-712); provided, that the living wage is lower than the minimum wage required by section 4 of the Minimum Wage Act.".

### Sec. 4. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

#### Sec. 5. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December

24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

Chairman

Council of the District of Columbia

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Maybr

District of Columbia
APPROVED 27, 20

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# COUNCIL OF THE DISTRICT OF COLUMBIA WASHINGTON, D.C. 20004

Docket No. **B21-712** 

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