

AMENDMENT TO RULES COMMITTEE PRINT
118-10
OFFERED BY MR. NORCROSS OF NEW JERSEY

At the end of title XVIII insert the following:

1 **SEC. 18 ____ . MINIMUM WAGE FOR FEDERAL CONTRACTORS**
2 **AND SUBCONTRACTORS.**

3 (a) INCREASING THE MINIMUM WAGE FOR FEDERAL
4 CONTRACTORS AND SUBCONTRACTORS.—

5 (1) IN GENERAL.—The head of each executive
6 agency shall ensure that each contract and contract-
7 like instruments includes a clause that the con-
8 tractor and any subcontractor (at any tier) of such
9 contractor shall incorporate into lower-tier sub-
10 contracts. Such clause shall require that, as a condi-
11 tion of payment, the minimum wage to be paid to
12 workers employed in the performance of the contract
13 or any subcontract (at any tier) of the contract, in-
14 cluding workers whose wages are calculated pursu-
15 ant to special certificates issued under section 14(c)
16 of the Fair Labor Standards Act of 1938 (29 U.S.C.
17 214(c)), shall be an amount, determined by the Sec-
18 retary of Labor, that is not less than—

1 (A) after the date of enactment of this Act,
2 \$16.20;

3 (B) for any calendar year after calendar
4 year 2024, the higher of—

5 (i) the amount determined for the cal-
6 endar year preceding such calendar year;

7 or

8 (ii) the amount that is equal to the
9 product of—

10 (I) the amount described under
11 clause (i), multiplied by

12 (II) the quotient obtained by di-
13 viding—

14 (aa) the Consumer Price
15 Index for Urban Wage Earners
16 and Clerical Workers (as pub-
17 lished by the Bureau of Labor
18 Statistics) for the most recent
19 month, quarter, or year available
20 (as selected by the Secretary
21 prior to calendar year 2024); by

22 (bb) the Consumer Price
23 Index for the same period in the
24 year immediately preceding the

1 year in which such period oc-
2 curred,
3 with such product, if not a multiple of
4 \$.05, being rounded to the nearest multiple
5 of \$.05.

6 (2) HIGHER MINIMUM WAGES ALLOWED.—

7 (A) STATUTORY MINIMUM WAGES.—Noth-
8 ing in this section shall be construed to prevent
9 any applicable prevailing wage law or any law
10 or ordinance of a State, or a subdivision there-
11 of, from setting a higher minimum wage than
12 that determined by the Secretary under para-
13 graph (1).

14 (B) OTHER MINIMUM WAGES.—Nothing in
15 this section shall be construed to prevent the
16 head of an executive agency or the President
17 from requiring any Federal contract entered
18 into on or after the date of the enactment of
19 this Act to include a clause requiring that work-
20 ers employed in the performance of such con-
21 tract or any covered subcontract or contract-
22 like instrument be paid at a minimum wage
23 that exceeds the minimum wage in effect pursu-
24 ant to this section.

1 (3) NOTICE.—Not later than 90 days before the
2 date on which a minimum wage determined under
3 paragraph (1)(B) for any calendar year takes effect,
4 the Secretary shall publish such minimum wage in
5 the Federal Register.

6 (b) APPLICATION TO TIPPED WORKERS.—

7 (1) IN GENERAL.—For workers described under
8 subsection (a)(1) who are tipped employees within
9 the meaning of section 3(t) of the Fair Labor Stand-
10 ards Act of 1938 (29 U.S.C. 203(t)), the cash wage
11 that must be paid by an employer to such workers
12 shall be at least—

13 (A) before calendar year 2023, \$10.50 per
14 hour;

15 (B) for calendar year 2023, 85 percent of
16 the wage determined under subsection (a)(1)
17 for calendar year 2023, rounded to the nearest
18 multiple of \$0.05; and

19 (C) for any calendar year after 2023, 100
20 percent of the wage in effect under subsection
21 (a)(1) for such calendar year.

22 (2) INCREASE IN CASH WAGE.—In a case in
23 which a worker does not receive a sufficient addi-
24 tional amount on account of tips, when combined
25 with the hourly cash wage paid by the employer,

1 such that their wages are equal to the minimum
2 wage determined under subsection (a)(1), the cash
3 wage paid by the employer, as determined under
4 paragraph (1) of this subsection, shall be increased
5 such that their wages are equal to such minimum
6 wage. If the wage required to be paid under chapter
7 67 of title 41, United States Code, or any other ap-
8 plicable law or regulation, is higher than the wage
9 determined under subsection (a)(1), the employer
10 shall pay additional cash wages sufficient to meet
11 the highest wage required to be paid.

12 (c) REGULATIONS AND IMPLEMENTATION.—

13 (1) REGULATIONS REQUIRED.—The Secretary
14 shall issue such regulations as necessary to imple-
15 ment this section. Within 60 days after the date on
16 which the Secretary issues any such regulation, the
17 Federal Acquisition Regulatory Council shall amend
18 the Federal Acquisition Regulation to provide for in-
19 clusion in Federal procurement solicitation, contract,
20 and contract-like instrument subject to the regula-
21 tions the relevant clauses described in this section.

22 (2) AGENCY IMPLEMENTATION.—After the date
23 on which the Secretary issues regulations pursuant
24 to paragraph (1), the head of each executive agency
25 shall ensure that any contract and contract-like in-

1 strument, entered into on or after the date on which
2 such regulations take effect, complies with the re-
3 quirements set forth in subsections (a) and (b) of
4 this section.

5 (3) USE OF EXISTING REGULATIONS.—Any reg-
6 ulation issued pursuant to this section shall, to the
7 extent practicable, incorporate any definition, prin-
8 ciple, procedure, remedy, and enforcement process
9 issued under the Fair Labor Standards Act of 1938
10 (29 U.S.C. 201 et seq.), chapter 67 of title 41,
11 United States Code, subchapter IV of chapter 31 of
12 title 40, United States Code, Executive Order 13658
13 (79 Fed. Reg. 9849; relating to establishing a min-
14 imum wage for contractors), and Executive Order
15 14026 (85 Fed. Reg. 22835; relating to increasing
16 the minimum wage for contractors).

17 (d) ENFORCEMENT.—The Secretary shall have the
18 authority to investigate potential violations of this section
19 and obtain compliance.

20 (e) DEFINITIONS.—In this section:

21 (1) CONTRACT; CONTRACT-LIKE INSTRU-
22 MENT.—The terms “contract” and “contract-like in-
23 strument” have the meanings given those terms in
24 section 23.20 of title 29, Code of Federal Regula-

1 tions, as in effect on the date of enactment of this
2 Act.

3 (2) EXECUTIVE AGENCY.—The term “executive
4 agency”—

5 (A) has the meaning such term in section
6 102 of title 40, United States Code; and

7 (B) includes a “federal agency” (as such
8 term is defined in section 102 of title 40,
9 United States Code).

10 (3) INDIAN TRIBE.—The term “Indian tribe”
11 has the meaning given such term in section 4 of the
12 Indian Self-Determination and Education Assistance
13 Act (Public Law 93-638).

14 (4) MICRO-PURCHASE THRESHOLD.—The term
15 “micro-purchase threshold” has the meaning given
16 that term in section 1902(a) of title 41, United
17 States Code.

18 (5) SECRETARY.—The term “Secretary” means
19 the Secretary of Labor.

20 (6) STATE.—The term “State” means each
21 State of the United States, the District of Columbia,
22 each commonwealth, territory, or possession of the
23 United States, and each Indian tribe.

24 (f) APPLICABILITY.—

1 (1) CONTRACTS.—This section shall apply to
2 any new contract; new contract-like instrument; new
3 solicitation; extension or renewal of an existing con-
4 tract or contract-like instrument; and exercise of an
5 option on an existing contract or contract-like in-
6 strument entered into on or after the date of the en-
7 actment of this Act, if—

8 (A) it is—

9 (i) a procurement contract or con-
10 tract-like instrument for services or con-
11 struction;

12 (ii) a contract or contract-like instru-
13 ment for services covered by chapter 67 of
14 title 41, United States Code;

15 (iii) a contract or contract-like instru-
16 ment for concessions, including any conces-
17 sions contract excluded by Department of
18 Labor regulations under section 4.133(b)
19 of title 29, Code of Federal Regulations;

20 (iv) a contract or contract-like instru-
21 ment entered into with the Federal Gov-
22 ernment in connection with Federal prop-
23 erty or lands and related to offering serv-
24 ices for Federal employees, their depend-
25 ents, or the general public; or

1 (v) fully or partially funded by grants
2 or loans from the Federal Government;
3 and

4 (B) the wages of workers under the con-
5 tract are governed by the Fair Labor Standards
6 Act, chapter 67 of title 41, United States Code,
7 or subchapter IV of chapter 31 of title 40,
8 United States Code.

9 (2) CONTRACT THRESHOLD.—For any contract
10 or contract-like instrument covered by chapter 67 of
11 title 41, United States Code, or subchapter IV of
12 chapter 31 of title 40, United States Code, this sec-
13 tion shall apply only to a contract or contract-like
14 instrument at the threshold specified in those stat-
15 utes. In a case in which the wage of a worker is gov-
16 erned by the Fair Labor Standards Act of 1938, this
17 section applies only to a contract or contract-like in-
18 strument that exceeds the micro-purchase threshold,
19 unless expressly made subject to this section as the
20 Secretary sees fit.

21 (3) EXCEPTION.—This section shall not apply
22 with respect to the following:

23 (A) A self-determination contract (as such
24 term is defined in section 4 of the Indian Self-

1 Determination and Education Assistance Act
2 (Public Law 93-638)).

3 (B) A contract or contract-like instrument
4 excluded by the regulations issued pursuant to
5 subsection (c)(1).

