

**AMENDMENT TO H.R. 582, AS REPORTED
OFFERED BY MR. SCHRADER OF OREGON**

Strike sections 2 through 8 and insert the following:

1 SEC. 2. COST-OF-LIVING BASED MINIMUM WAGE.

2 (a) IN GENERAL.—Section 6(a)(1) of the Fair Labor
3 Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended
4 to read as follows:

5 “(1) except as otherwise provided in this sec-
6 tion, not less than the amount determined by the
7 Secretary under subsection (h) for the metropolitan
8 statistical area or the nonmetropolitan portion in
9 which the employer resides;”.

10 (b) DETERMINATION OF REGIONAL MINIMUM
11 WAGE.—Section 6 of the Fair Labor Standards Act of
12 1938 (29 U.S.C. 206) is amended by adding at the end
13 the following:

14 “(h) DETERMINATION OF MINIMUM WAGE.—

15 “(1)(A) On the effective date of the Paying
16 Hourly Americans Stronger Earnings (PHASE) in
17 \$15 Wage Act, the wage determined under this
18 paragraph for a metropolitan statistical area or non-
19 metropolitan portion shall be equal to the result ob-
20 tained—

1 “(i) by multiplying—

2 “(I) 40 percent of the national aver-
3 age hourly wage of private sector, non-su-
4 pervisory workers (as reported by the Bu-
5 reau of Labor Statistics of the Department
6 of Labor for the most recent month for
7 which data are available); by

8 “(II) the adjustment percentage speci-
9 fied in paragraph (2) for the area or por-
10 tion; and

11 “(ii) by rounding the result obtained under
12 clause (i) to the nearest tenth of a dollar.

13 “(B) Not later than 1 year after such effective
14 date, subparagraph (A)(i)(I) shall be applied by sub-
15 stituting ‘45 percent’ for ‘40 percent’.

16 “(C) Not later than 2 years after such effective
17 date, subparagraph (A)(i)(I) shall be applied by sub-
18 stituting ‘50 percent’ for ‘40 percent’.

19 “(D) Not later than 5 years after such effective
20 date, and for each 3-year period thereafter, the wage
21 determined under this paragraph for a metropolitan
22 statistical area or nonmetropolitan portion shall be
23 equal to the greater of—

24 “(i) the result obtained under subpara-
25 graph (C); or

1 “(ii) the wage determined under this para-
2 graph for such area or portion for the preceding
3 three-year period.

4 “(2) The adjustment percentage specified in
5 this paragraph for a metropolitan statistical area or
6 nonmetropolitan portion shall be—

7 “(A) 87.5 percent, for a metropolitan sta-
8 tistical area or nonmetropolitan portion with a
9 regional price parity of less than 90;

10 “(B) 92.5 percent, for a metropolitan sta-
11 tistical area or nonmetropolitan portion with a
12 regional price parity of less than 95, but not
13 less than 90;

14 “(C) 100 percent, for a metropolitan sta-
15 tistical area or nonmetropolitan portion with a
16 regional price parity of less than 105, but not
17 less than 95;

18 “(D) 107.5 percent, for a metropolitan sta-
19 tistical area or nonmetropolitan portion with a
20 regional price parity of less than 110, but not
21 less than 105; and

22 “(E) 115 percent, for a metropolitan sta-
23 tistical area or nonmetropolitan portion with a
24 regional price parity of not less than 110.

25 “(3) In this subsection:

1 “(A) The term ‘metropolitan statistical
2 area’ means a geographic area, defined by the
3 Office of Management and Budget for statis-
4 tical purposes, containing a large population
5 nucleus and adjacent communities having a
6 high degree of social and economic integration
7 with that nucleus.

8 “(B) The term ‘nonmetropolitan portion’
9 means any county (or portion thereof) which is
10 not within a metropolitan statistical area. All
11 nonmetropolitan portions of a State shall be
12 treated, in aggregate, as a single nonmetropoli-
13 tan portion for the State.

14 “(C) The term ‘regional price parity’
15 means the regional price parity for a metropoli-
16 tan statistical area or nonmetropolitan portion
17 determined by the Bureau of Economic Anal-
18 ysis of the Department of Commerce for the
19 most recent year for which data are available.
20 In determining regional price parities for pur-
21 poses of this subsection, the Bureau of Eco-
22 nomic Analysis shall use the same methodology
23 used to determine such parities for the most re-
24 cent year for which such parities were reported

1 by the Bureau before the date of the enactment
2 of this subsection.”.

3 **SEC. 3. REPEAL OF SEPARATE MINIMUM WAGE FOR TIPPED**
4 **EMPLOYEES.**

5 Subparagraph (A) of section 3(m)(2) of the Fair
6 Labor Standards Act of 1938 (29 U.S.C. 203(m)(2)) is
7 amended to read as follows: “(A) The wage required to
8 be paid to a tipped employee shall be the wage set forth
9 in section 6(a)(1).”.

10 **SEC. 4. REPEAL OF SEPARATE MINIMUM WAGE FOR NEWLY**
11 **HIRED EMPLOYEES WHO ARE LESS THAN 20**
12 **YEARS OLD.**

13 Section 6(g)(1) of the Fair Labor Standards Act of
14 1938 (29 U.S.C. 206(g)(1)) is repealed.

15 **SEC. 5. EFFECTIVE DATE.**

16 The amendments and repeals made by this Act shall
17 take effect on the first day of the third month that begins
18 after the date of the enactment of this Act.

