

**SUBSTITUTE FOR THE AMENDMENT IN THE  
NATURE OF A SUBSTITUTE TO H.R. 4321  
OFFERED BY MR. POCAN AND MR. BISHOP**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Fair Minimum Wage  
3 Act of 2014”.

**4 SEC. 2. MINIMUM WAGE INCREASES.**

5       (a) MINIMUM WAGE.—

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

9           “(1) except as otherwise provided in this sec-  
10 tion, not less than—

11           “(A) \$8.20 an hour, beginning on the first  
12 day of the third month that begins after the  
13 date of enactment of the Fair Minimum Wage  
14 Act of 2014 Act;

15           “(B) \$9.15 an hour, beginning 1 year after  
16 that first day;

17           “(C) \$10.10 an hour, beginning 2 years  
18 after that first day; and

1           “(D) beginning on the date that is 3 years  
2           after that first day, and annually thereafter, the  
3           amount determined by the Secretary pursuant  
4           to subsection (h);”.

5           (2) DETERMINATION BASED ON INCREASE IN  
6           THE CONSUMER PRICE INDEX.—Section 6 of the  
7           Fair Labor Standards Act of 1938 (29 U.S.C. 206)  
8           is amended by adding at the end the following:

9           “(h)(1) Each year, by not later than the date that  
10          is 90 days before a new minimum wage determined under  
11          subsection (a)(1)(D) is to take effect, the Secretary shall  
12          determine the minimum wage to be in effect pursuant to  
13          this subsection for the subsequent 1-year period. The wage  
14          determined pursuant to this subsection for a year shall  
15          be—

16                 “(A) not less than the amount in effect under  
17                 subsection (a)(1) on the date of such determination;

18                 “(B) increased from such amount by the annual  
19                 percentage increase in the Consumer Price Index for  
20                 Urban Wage Earners and Clerical Workers (United  
21                 States city average, all items, not seasonally ad-  
22                 justed), or its successor publication, as determined  
23                 by the Bureau of Labor Statistics; and

24                 “(C) rounded to the nearest multiple of \$0.05.

1           “(2) In calculating the annual percentage increase in  
2 the Consumer Price Index for purposes of paragraph  
3 (1)(B), the Secretary shall compare such Consumer Price  
4 Index for the most recent month, quarter, or year avail-  
5 able (as selected by the Secretary prior to the first year  
6 for which a minimum wage is in effect pursuant to this  
7 subsection) with the Consumer Price Index for the same  
8 month in the preceding year, the same quarter in the pre-  
9 ceding year, or the preceding year, respectively.”.

10           (b) BASE MINIMUM WAGE FOR TIPPED EMPLOY-  
11 EES.—Section 3(m)(1) of the Fair Labor Standards Act  
12 of 1938 (29 U.S.C. 203(m)(1)) is amended to read as fol-  
13 lows:

14           “(1) the cash wage paid such employee, which  
15 for purposes of such determination shall be not less  
16 than—

17           “(A) for the 1-year period beginning on  
18 the first day of the third month that begins  
19 after the date of enactment of the Fair Min-  
20 imum Wage Act of 2014, \$3.00 an hour;

21           “(B) for each succeeding 1-year period  
22 until the hourly wage under this paragraph  
23 equals 70 percent of the wage in effect under  
24 section 6(a)(1) for such period, an hourly wage  
25 equal to the amount determined under this

1 paragraph for the preceding year, increased by  
2 the lesser of—

3 “(i) \$0.95; or

4 “(ii) the amount necessary for the  
5 wage in effect under this paragraph to  
6 equal 70 percent of the wage in effect  
7 under section 6(a)(1) for such period,  
8 rounded to the nearest multiple of \$0.05;  
9 and

10 “(C) for each succeeding 1-year period  
11 after the year in which the hourly wage under  
12 this paragraph first equals 70 percent of the  
13 wage in effect under section 6(a)(1) for the  
14 same period, the amount necessary to ensure  
15 that the wage in effect under this paragraph re-  
16 mains equal to 70 percent of the wage in effect  
17 under section 6(a)(1), rounded to the nearest  
18 multiple of \$0.05; and”.

19 (c) PUBLICATION OF NOTICE.—Section 6 of the Fair  
20 Labor Standards Act of 1938 (as amended by subsection  
21 (a)) (29 U.S.C. 206) is further amended by adding at the  
22 end the following:

23 “(i) Not later than 60 days prior to the effective date  
24 of any increase in the minimum wage determined under  
25 subsection (h) or required for tipped employees in accord-

1 ance with subparagraph (B) or (C) of section 3(m)(1), as  
2 amended by the Fair Minimum Wage Act of 2014, the  
3 Secretary shall publish in the Federal Register and on the  
4 website of the Department of Labor a notice announcing  
5 the adjusted required wage.”.

6 (d) EFFECTIVE DATE.—The amendments made by  
7 subsections (a) and (b) shall take effect on the first day  
8 of the third month that begins after the date of enactment  
9 of this Act.

