

HOUSE BILL NO. 171

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Commerce and Energy

on \_\_\_\_\_)

(Patron Prior to Substitute--Delegate Marshall)

A BILL to amend and reenact § 40.1-28.10 of the Code of Virginia, relating to minimum wage.

**Be it enacted by the General Assembly of Virginia:**

**1. That § 40.1-28.10 of the Code of Virginia is amended and reenacted as follows:**

**§ 40.1-28.10. Minimum wages.**

A. 1. Prior to May 1, 2021, every employer shall pay to each of its employees wages at a rate not less than the federal minimum wage.

2. Beginning May 1, 2021, every employer shall pay to each of ~~his~~ its employees at a rate not less than the federal minimum wage or 75 percent of the Virginia minimum wage provided for in this section, whichever is greater. For the purposes of this subdivision "employee" means any person or individual who is enrolled in an established employer on-the-job or other training program for a period not to exceed 90 days ~~which~~ that meets standards set by regulations adopted by the Commissioner.

B. From May 1, 2021, until January 1, 2022, every employer shall pay to each of its employees wages at a rate not less than the greater of (i) \$9.50 per hour or (ii) the federal minimum wage.

~~C. From 1. Except as provided in subdivision C 2, from~~ January 1, 2022, until January 1, 2023, every employer shall pay to each of its employees wages at a rate not less than the greater of (i) \$11.00 per hour or (ii) the federal minimum wage.

2. From on and after January 1, 2022, every employer located in Planning District 1, 2, 3, 4, 5, 12, or 13 shall pay to each of its employees wages at a rate not less than the greater of (i) \$11.00 per hour or (ii) the federal minimum wage.

25 D. ~~From~~ Except as provided in subdivision C 2, from January 1, 2023, until January 1, 2025, every  
26 employer shall pay to each of its employees wages at a rate not less than the greater of (i) \$12.00 per hour  
27 or (ii) the federal minimum wage.

28 E. (For effective date, see Acts 2020, cc. 1204 and 1242) ~~From~~ Except as provided in subdivision  
29 C 2, from January 1, 2025, until January 1, 2026, every employer shall pay to each of its employees wages  
30 at a rate not less than the greater of (i) \$13.50 per hour or (ii) the federal minimum wage.

31 F. (For effective date, see Acts 2020, cc. 1204 and 1242) ~~From~~ Except as provided in subdivision  
32 C 2, from January 1, 2026, until January 1, 2027, every employer shall pay to each of its employees wages  
33 at a rate not less than the greater of (i) \$15.00 per hour or (ii) the federal minimum wage.

34 G. ~~From~~ Except as provided in subdivision C 2, from and after January 1, 2027, every employer  
35 shall pay to each of his employees wages at a rate not less than the greater of (i) the adjusted state hourly  
36 minimum wage or (ii) the federal minimum wage.

37 H. By October 1, 2026, and annually thereafter, the Commissioner shall establish the adjusted state  
38 hourly minimum wage that shall be in effect during the 12-month period commencing on the following  
39 January 1. The Commissioner shall set the adjusted state hourly minimum wage at the sum of (i) the  
40 amount of the state hourly minimum wage rate that is in effect on the date such adjustment is made and  
41 (ii) a percentage of the amount described in clause (i) that is equal to the percentage by which the United  
42 States Average Consumer Price Index for all items, all urban consumers (CPI-U), as published by the  
43 Bureau of Labor Statistics of the U.S. Department of Labor, or a successor index as calculated by the U.S.  
44 Department of Labor, has increased during the most recent calendar year for which such information is  
45 available. The amount of each annual adjustment shall not be less than zero.

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