
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1500 Session of
2023

INTRODUCED BY DAWKINS, KIM, McNEILL, PROBST, VENKAT, HILL-EVANS,
KRUEGER, SCHLOSSBERG, DELLOSO, KENYATTA, GALLAGHER, MADDEN,
GIRAL, N. NELSON, SOLOMON, HADDOCK, SANCHEZ, GUENST, NEILSON,
SCOTT, BOROWSKI, STURLA, KINSEY, CERRATO, BOYLE, WAXMAN AND
WARREN, JUNE 12, 2023

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, JUNE 12, 2023

AN ACT

1 Amending the act of January 17, 1968 (P.L.11, No.5), entitled
2 "An act establishing a fixed minimum wage and overtime rates
3 for employes, with certain exceptions; providing for minimum
4 rates for learners and apprentices; creating a Minimum Wage
5 Advisory Board and defining its powers and duties; conferring
6 powers and imposing duties upon the Department of Labor and
7 Industry; imposing duties on employers; and providing
8 penalties," further providing for definitions and for minimum
9 wages.

10 The General Assembly of the Commonwealth of Pennsylvania
11 hereby enacts as follows:

12 Section 1. Sections 3(d) and 4(a) of the act of January 17,
13 1968 (P.L.11, No.5), known as The Minimum Wage Act of 1968, are
14 amended to read:

15 Section 3. Definitions.--As used in this act:

16 * * *

17 (d) "Wages" mean compensation due to any employe by reason
18 of his or her employment, payable in legal tender of the United
19 States or checks on banks convertible into cash on demand at
20 full face value, subject to such deductions, charges or

1 allowances as may be permitted by regulations of the secretary
2 under section 9.

3 "Wage" paid to any employe includes the reasonable cost, as
4 determined by the secretary, to the employer for furnishing such
5 employe with board, lodging, or other facilities, if such board,
6 lodging, or other facilities are customarily furnished by such
7 employer to his or her employes: Provided, That the cost of
8 board, lodging, or other facilities shall not be included as a
9 part of the wage paid to any employe to the extent it is
10 excluded therefrom under the terms of a bona fide collective-
11 bargaining agreement applicable to the particular employe:
12 Provided, further, That the secretary is authorized to determine
13 the fair value of such board, lodging, or other facilities for
14 defined classes of employes and in defined areas, based on
15 average cost to the employer or to groups of employers similarly
16 situated, or average value to groups of employes, or other
17 appropriate measures of fair value. Such evaluations, where
18 applicable and pertinent, shall be used in lieu of actual
19 measure of cost in determining the wage paid to any employe.

20 In determining the hourly wage an employer is required to pay
21 a tipped employe, the amount paid such employe by his or her
22 employer shall be an amount equal to: (i) the cash wage paid the
23 employe which for the purposes of the determination shall be not
24 less than [the cash wage required to be paid the employe on the
25 date immediately prior to the effective date of this
26 subparagraph] sixty percent of the cash wage required to be paid
27 the employe under section 4 of this act; and (ii) an additional
28 amount on account of the tips received by the employe which is
29 equal to the difference between the wage specified in
30 subparagraph (i) and the wage in effect under section 4 of this

1 act. The additional amount on account of tips may not exceed the
2 value of tips actually received by the employe. The previous
3 sentence shall not apply with respect to any tipped employe
4 unless:

5 (1) Such employe has been informed by the employer of the
6 provisions of this subsection;

7 (2) All tips received by such employe have been retained by
8 the employe and shall not be surrendered to the employer to be
9 used as wages to satisfy the requirement to pay the current
10 hourly minimum rate in effect; where the gratuity is added to
11 the charge made by the establishment, either by the management,
12 or by the customer, the gratuity shall become the property of
13 the employe; except that this subsection shall not be construed
14 to prohibit the pooling of tips among employes who customarily
15 and regularly receive tips.

16 * * *

17 Section 4. Minimum Wages.--Except as may otherwise be
18 provided under this act:

19 (a) Every employer shall pay to each of his or her employes
20 wages for all hours worked at a rate of not less than:

21 (1) Two dollars sixty-five cents (\$2.65) an hour upon the
22 effective date of this amendment.

23 (2) Two dollars ninety cents (\$2.90) an hour during the year
24 beginning January 1, 1979.

25 (3) Three dollars ten cents (\$3.10) an hour during the year
26 beginning January 1, 1980.

27 (4) Three dollars thirty-five cents (\$3.35) an hour after
28 December 31, 1980.

29 (5) Three dollars seventy cents (\$3.70) an hour beginning
30 February 1, 1989.

1 (6) Five dollars fifteen cents (\$5.15) an hour beginning
2 September 1, 1997.

3 (7) Six dollars twenty-five cents (\$6.25) an hour beginning
4 January 1, 2007.

5 (8) Seven dollars fifteen cents (\$7.15) an hour beginning
6 July 1, 2007.

7 (9) Eleven dollars (\$11) an hour beginning January 1, 2024.

8 (10) Thirteen dollars (\$13) an hour beginning January 1,
9 2025.

10 (11) Fifteen dollars (\$15) an hour beginning January 1,
11 2026.

12 (12) Beginning January 1, 2027, and each January 1
13 thereafter, the minimum wage shall be increased by an annual
14 cost-of-living adjustment calculated by the secretary using the
15 percentage change in the Consumer Price Index for All Urban
16 Consumers (CPI-U) for the Pennsylvania, New Jersey, Delaware and
17 Maryland area. In calculating the adjustment, the secretary
18 shall use the most recent twelve-month period for which figures
19 have been officially reported by the United States Department of
20 Labor, Bureau of Labor Statistics. At least sixty days prior to
21 the date the adjustment is due to take effect, the percentage
22 increase and the minimum wage amount, rounded to the nearest
23 multiple of five cents (5¢), shall be determined by the
24 secretary. The secretary shall, within ten days following the
25 determination, transmit a notice of the determination to the
26 Legislative Reference Bureau for publication in the next
27 available issue of the Pennsylvania Bulletin.

28 * * *

29 Section 2. This act shall take effect in 60 days.