

119TH CONGRESS  
1ST SESSION

# H. R. 3662

To amend the Fair Labor Standards Act of 1938 to provide for an increase to the minimum wage, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 29, 2025

Ms. TITUS introduced the following bill; which was referred to the Committee on Education and Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Fair Labor Standards Act of 1938 to provide for an increase to the minimum wage, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4           (a) This Act may be cited as the “Labor Income Fair-  
5       ness and Transparency Act” or “LIFT Act”.

6       **SEC. 2. MINIMUM WAGE INCREASE.**

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

1 “(1) except as otherwise provided in this section, not  
2 less than—

3 “(A) \$10.25 an hour, beginning on the effective  
4 date described in section 2(c) the Labor Income  
5 Fairness and Transparency Act;

6 “(B) \$13.75 an hour, beginning 12 months  
7 after such effective date;

8 “(C) \$17.00 an hour, beginning 24 months  
9 after such effective date; and

10 “(D) the amount determined under subsection  
11 (h) for the 1-year period beginning 36 months after  
12 such effective date, and for each 1-year period there-  
13 after;”.

14 (b) MINIMUM WAGE DETERMINATION BASED ON IN-  
15 CREASES IN THE MEDIAN HOURLY WAGE OF ALL EM-  
16 PLOYEES.—Section 6 of the Fair Labor Standards Act of  
17 1938 is amended by adding at the end the following:

18 “(h)(1) Not later than 90 days prior to the date on  
19 which the minimum wage under subsection (a)(1)(D) shall  
20 take effect for a 1-year period, the Secretary shall deter-  
21 mine the minimum wage for such 1-year period. Such min-  
22 imum wage for such period shall be calculated by multi-  
23 plying—

24 “(A) the minimum wage for the 1-year period  
25 preceding the covered 1-year period, by

1 “(B) the ratio obtained by dividing—

2 “(i) the median hourly wage of all employ-  
3 ees for the covered 1-year period, by

4 “(ii) the median hourly wage of all employ-  
5 ees for the 1-year period preceding the covered  
6 1-year period.

7 “(2)(A) In this subsection, the term ‘median hourly  
8 wage’ means, when used with respect to a 1-year period,  
9 the median hourly wage for the most recent four-quarter  
10 period for which data are available that precedes such 1-  
11 year period.

12 “(B) In this subsection, the term ‘covered 1-year pe-  
13 riod’ means the 1-year period for which the minimum  
14 wage is being determined under this subsection.

15 “(3) Not later than 90 days after the last day of each  
16 calendar quarter, the Secretary, through the Bureau of  
17 Labor Statistics, shall determine the median hourly wage  
18 of all employees for such calendar quarter.

19 “(4) The minimum wage for a covered 1-year period  
20 shall not be less than the minimum wage for the 1-year  
21 period preceding the covered 1-year period.

22 “(5) In setting the minimum wage for any covered  
23 1-year period, such minimum wage shall be rounded up  
24 to the nearest multiple of \$0.05 if the amount calculated  
25 under this subsection is not a multiple of \$0.05.”.

1 (c) EFFECTIVE DATE.—The amendments made by  
 2 this section shall take effect on the date that is 1 year  
 3 after the date of enactment of this Act.

4 **SEC. 3. ELIMINATION OF SUBMINIMUM WAGES.**

5 (a) YOUTH WAGES.—Section 6(g) of the Fair Labor  
 6 Standards Act of 1938 (28 U.S.C. 206(g)) is amended to  
 7 read as follows:

8 “(g) In lieu of the rate prescribed by subsection  
 9 (a)(1), any employer may pay any employee of such em-  
 10 ployer, during the first 90 consecutive calendar days after  
 11 such employee is initially employed by such employer, a  
 12 wage which is not less than—

13 “(1) \$8.50 an hour, beginning on the date de-  
 14 scribed in subsection (a)(1)(A);

15 “(2) \$12.75 an hour, beginning 12 months  
 16 after such date;

17 “(3) \$17.00 an hour, beginning 24 months  
 18 after such date; and

19 “(4) the amount in effect under subsection  
 20 (a)(1), beginning 36 months after such date.”.

21 (b) STUDENT-LEARNER PROGRAM.—Section 14(a) of  
 22 the Fair Labor Standards Act of 1938 (28 U.S.C. 214(a))  
 23 is amended—

24 (1) by striking “The Secretary” and inserting

25 “(1) Subject to paragraph (2), the Secretary”; and

1 (2) by adding at the end the following:

2 “(2) Beginning on the date described in subsection  
3 (a)(1)(A) of section 6, the Secretary may not provide for  
4 a wage under paragraph (1) that is lower than—

5 “(A) \$9.29 an hour, beginning on such date;

6 “(B) \$13.14 an hour, beginning 12 months  
7 after such date;

8 “(C) \$17.00 an hour, beginning 24 months  
9 after such date; and

10 “(D) the amount in effect under section  
11 6(a)(1), beginning 36 months after such date.”.

12 (c) FULL-TIME STUDENT PROGRAM.—Section 14(b)  
13 of the Fair Labor Standards Act (28 U.S.C. 214(b)) is  
14 amended by adding at the end the following:

15 “(5) Beginning on the date described in subsection  
16 (a)(1)(A) of section 6, paragraphs (1)(A), (2), and (3)  
17 shall be applied by substituting for the dollar amounts in  
18 such paragraphs a dollar amount equal to—

19 “(A) \$9.77, beginning on such date;

20 “(B) \$13.38, beginning 12 months after such  
21 date;

22 “(C) \$17.00, beginning 24 months after such  
23 date; and

1 “(D) the amount in effect under subsection  
2 (a)(1) of section 6, beginning 36 months after such  
3 date.”.

4 (d) SPECIAL CERTIFICATE WAGES.—

5 (1) INCREMENTAL INCREASE.—Section  
6 14(c)(1)(A) of the Fair Labor Standards Act (28  
7 U.S.C. 214(c)(1)(A)) is amended to read as follows:

8 “(A) not lower than—

9 “(i) \$9.77 an hour, beginning on the date  
10 described in subsection (a)(1)(A) of section 6;

11 “(ii) \$13.38 an hour, beginning 12 months  
12 after such date;

13 “(iii) \$17.00 an hour, beginning 24  
14 months after such date; and

15 “(iv) the amount in effect under subsection  
16 (a)(1) of section 6, beginning 36 months after  
17 such date.”.

18 (2) ISSUANCE OF SPECIAL CERTIFICATES.—

19 Section 14(c) of the Fair Labor Standards Act (28  
20 U.S.C. 214(c)) is further amended by adding at the  
21 end the following:

22 “(6) Beginning on the date described in paragraph  
23 (1)(A)(iv), the Secretary may not issue a special certificate  
24 under this subsection.”.

1 (e) EFFECTIVE DATE.—The amendments made by  
2 this section shall take effect on the date that is 1 year  
3 after the date of enactment of this Act.

4 **SEC. 4. TIPPED EMPLOYEES.**

5 (a) Section 3(m)(2) of the Fair Labor Standards Act  
6 of 1938 (29 U.S.C. 203(m)(2)) is amended to read as fol-  
7 lows:

8 “(2)(A) In determining the wage an employer is re-  
9 quired to pay a tipped employee, the amount paid such  
10 employee by the employee’s employer shall be an amount  
11 equal to—

12 “(i) \$7.09 an hour, beginning on the date described  
13 in subsection (a)(1)(A) of section 6;

14 “(ii) \$12.05 an hour, beginning 12 months after such  
15 date;

16 “(iii) \$17.00 an hour, beginning 24 months after  
17 such date; and

18 “(iv) the amount in effect under section (a)(1) of sec-  
19 tion 6, beginning 36 months after such date.

20 Any employee shall have the right to retain any tips re-  
21 ceived by such employee, except that this subsection shall  
22 not be construed to prohibit the pooling of tips among em-  
23 ployees who customarily and regularly receive tips. An em-  
24 ployer shall provide to the employee a notice of the tips

1 received by such employee for each day that such employee  
2 works.

3 “(B) An employer may not keep tips received by its  
4 employees for any purposes, including—

5 “(i) allowing managers or supervisors to keep  
6 any portion of employees’ tips, regardless of whether  
7 or not the employer takes a tip credit; or

8 “(ii) recovering the cost to the employer of  
9 processing tips.”.

10 (b) EFFECTIVE DATE.—The amendments made by  
11 this section shall take effect on the date that is 1 year  
12 after the date of enactment of this Act.

13 **SEC. 5. CIVIL PENALTIES.**

14 (a) IN GENERAL.—Section 16(e)(2) of the Fair  
15 Labor Standards Act (29 U.S.C. 214(e)(2)) is amended  
16 by striking “\$1,100” each place it appears and inserting  
17 “\$2,200”.

18 (b) EFFECTIVE DATE.—The amendments made by  
19 this section shall take effect on the date that is 120 days  
20 after the date of enactment of this Act.

21 **SEC. 6. PROHIBITION ON REDUCTION IN FORCE OF WAGE**  
22 **AND HOUR DIVISION INVESTIGATORS.**

23 Notwithstanding any other provision of law, any in-  
24 vestigator within the Wage and Hour Division of the De-



1 partment of Labor may not be removed under a reduction  
2 in force.

3 **SEC. 7. ASSISTANCE TO STATES.**

4 (a) IN GENERAL.—The Secretary of Labor is author-  
5 ized to make grants to assist eligible State, local, and  
6 Tribal governments to—

7 (1) develop and enforce wage laws and regula-  
8 tions; and

9 (2) improve compliance with wage laws and reg-  
10 ulations, including through the development and exe-  
11 cution of training and educational workshops.

12 (b) APPLICATION.—To be eligible to receive a grant  
13 under this section, a State or local government shall sub-  
14 mit an application at such time, in such manner, and con-  
15 taining such information and assurances as the Secretary  
16 may require.

17 **SEC. 8. NATIONAL ADVISORY COMMITTEE ON THE HOSPI-**  
18 **TALITY INDUSTRY.**

19 (a) ESTABLISHMENT.—The Secretary of Labor shall  
20 establish a commission to be known as the National Advi-  
21 sory Committee on the Hospitality Industry (in this Act  
22 referred to as the “Commission”).

23 (b) DUTIES OF COMMISSION.—The duties of the  
24 Commission shall be to advise the Secretary of Labor on

1 all matters related to workers in the hospitality industry,  
2 including—

3 (1) the Fair Labor Standards Act of 1938 (29  
4 U.S.C. 201 et seq.);

5 (2) tipped workers;

6 (3) worker safety;

7 (4) apprenticeships;

8 (5) regulation of independent contractors;

9 (6) visa programs; and

10 (7) such other matters as the Commission de-  
11 termines relevant.

12 (c) MEMBERSHIP.—The Commission shall be com-  
13 posed of 15 members, appointed by the Secretary, as fol-  
14 lows:

15 (1) 5 representatives of labor organizations, in-  
16 cluding a representative of each of the sectors within  
17 the hospitality industry that follow:

18 (A) Hotels and lodging.

19 (B) Food and beverage service, including  
20 restaurants.

21 (C) Gaming and other forms of entertain-  
22 ment.

23 (2) 5 representatives of employers, including a  
24 representative of each of the sectors within the hos-  
25 pitality industry that follow:

1 (A) Hotels and lodging.

2 (B) Food and beverage service, including  
3 restaurants.

4 (C) Gaming and other forms of entertain-  
5 ment.

6 (3) 3 members of the public with expertise in  
7 issues facing workers in the hospitality industry.

8 (4) 2 representatives of State, local, or Tribal  
9 government agencies related to tourism or wage en-  
10 forcement.

11 (d) MEETINGS.—The Commission shall meet not less  
12 than twice annually.

13 (e) STAFF.—The Secretary shall furnish to the Com-  
14 mittee an executive secretary and such secretarial, clerical,  
15 and other services as are deemed necessary by the  
16 Secretary to the conduct of the Committee’s duties.

17 **SEC. 9. COVID-ERA EITC IMPROVEMENTS RESTORED AND**  
18 **MADE PERMANENT.**

19 (a) DECREASE IN MINIMUM AGE FOR CREDIT;  
20 ELIMINATION OF MAXIMUM AGE FOR CREDIT.—Section  
21 32(c)(1) of the Internal Revenue Code of 1986 is amend-  
22 ed—

23 (1) in paragraph (A)(ii)(II), by striking “age 25  
24 but not attained age 65” and inserting “the applica-  
25 ble minimum age”, and

1           (2) by adding at the end the following new sub-  
2 paragraphs:

3                   “(F) APPLICABLE MINIMUM AGE.—For  
4 purposes of this paragraph, the term ‘applicable  
5 minimum age’ means—

6                           “(i) except as otherwise provided in  
7 this paragraph, age 19,

8                           “(ii) in the case of a specified student  
9 (other than a qualified former foster youth  
10 or a qualified homeless youth), age 24, and

11                           “(iii) in the case of a qualified former  
12 foster youth or a qualified homeless youth,  
13 age 18.

14                   “(G) SPECIFIED STUDENT.—For purposes  
15 of this paragraph, the term ‘specified student’  
16 means, with respect to any taxable year, an in-  
17 dividual who is an eligible student (as defined  
18 in section 25A(b)(3)) during at least 5 calendar  
19 months during the taxable year.

20                   “(H) QUALIFIED FORMER FOSTER  
21 YOUTH.—For purposes of this paragraph, the  
22 term ‘qualified former foster youth’ means an  
23 individual who—

24                           “(i) on or after the date that such in-  
25 dividual attained age 14, was in foster care

1 provided under the supervision or adminis-  
2 tration of an entity administering (or eligi-  
3 ble to administer) a plan under part B or  
4 part E of title IV of the Social Security  
5 Act (without regard to whether Federal as-  
6 sistance was provided with respect to such  
7 child under such part E), and

8 “(ii) provides (in such manner as the  
9 Secretary may provide) consent for entities  
10 which administer a plan under part B or  
11 part E of title IV of the Social Security  
12 Act to disclose to the Secretary informa-  
13 tion related to the status of such individual  
14 as a qualified former foster youth.

15 “(I) QUALIFIED HOMELESS YOUTH.—For  
16 purposes of this paragraph, the term ‘qualified  
17 homeless youth’ means, with respect to any tax-  
18 able year, an individual who certifies, in a man-  
19 ner as provided by the Secretary, that such in-  
20 dividual is either an unaccompanied youth who  
21 is a homeless child or youth, or is unaccom-  
22 panied, at risk of homelessness, and self-sup-  
23 porting.”.

24 (b) INCREASE IN CREDIT AND PHASEOUT PERCENT-  
25 AGES.—The table contained in section 32(b)(1) of such

1 Code is amended by striking “7.65” and inserting “15.3”  
2 each place it appears.

3 (c) INCREASE IN EARNED INCOME AND PHASEOUT  
4 AMOUNTS.—

5 (1) IN GENERAL.—The table contained in sec-  
6 tion 32(b)(2)(A) of such Code is amended—

7 (A) by striking “\$4,220” and inserting  
8 “\$9,820”, and

9 (B) by striking “\$5,280” and inserting  
10 “\$11,610”.

11 (2) INFLATION ADJUSTMENT.—Section  
12 32(j)(1)(B)(i) of such Code is amended by striking  
13 “calendar year 1995” and inserting “calendar year  
14 2020”.

15 (d) EFFECTIVE DATE.—The amendments made by  
16 this section shall apply to taxable years beginning after  
17 December 31, 2025.

18 **SEC. 10. DEFINITIONS.**

19 In this Act:

20 (1) STATE.—The term “State” has the mean-  
21 ing given such term in section 3(c) of the Fair  
22 Labor Standards Act of 1938 (29 U.S.C. 3(c)).

23 (2) TRIBAL GOVERNMENT.—The term “Tribal  
24 government” means the government of an Indian  
25 Tribe, as such term is defined in section 4(e) of the

- 1 Indian Self-Determination and Education Assistance
- 2 Act (25 U.S.C. 5304(e)).

