A Bill to Raise the Minimum Wage to $25

BE IT ENACTED BY THE CONGRESS HERE ASSEMBLED THAT:

SECTION 1. The federal minimum wage established under 29 U.S.C. § 206 shall increase to $25 per hour over five years.

A. Beginning in Year 6, the minimum wage shall increase annually according to inflation as measured by the Consumer Price Index.

B. A federal surtax of three percent shall be imposed on individual incomes over $2.5 million per year. Revenue collected from the surtax shall establish a Small Business Wage Transition Fund. Small businesses may receive grants from the Fund to cover up to 50 percent of the increased wage costs directly caused by the minimum wage increases required herein.

SECTION 2. Definitions:

A. “Employer” and “employee” are as defined in 29 U.S.C. § 203.

B. “Wage” means compensation page for employment and shall be interpreted consistent with federal wage law.

C. “Taxable income” is as defined in 26 U.S.C. § 63.

D. “Small business” means an employer with fewer than 100 employees.

SECTION 3. Funding and Enforcement:

A. The Internal Revenue Service and the Department of the Treasury shall be responsible for administering and collecting the surtax.

B. Congress may appropriate additional funds if surtax revenue is insufficient to meet authorized grants.

C. The Department of Labor shall enforce the minimum wage requirements and administer the Small Business Wage Transition Fund.

SECTION 4. This legislation will take effect on 1 January 2027. All laws in conflict with this legislation are hereby declared null and void.

Introduced for Congressional Debate by Alejandro Rangel, Belen Jesuit Preparatory School, Miami FL