

**Calendar No. 250**113<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION**S. 1737**

To provide for an increase in the Federal minimum wage and to amend the Internal Revenue Code of 1986 to extend increased expensing limitations and the treatment of certain real property as section 179 property.

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**IN THE SENATE OF THE UNITED STATES**

NOVEMBER 19, 2013

Mr. HARKIN (for himself and Mr. REID) introduced the following bill; which was read the first time

NOVEMBER 20, 2013

Read the second time and placed on the calendar

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**A BILL**

To provide for an increase in the Federal minimum wage and to amend the Internal Revenue Code of 1986 to extend increased expensing limitations and the treatment of certain real property as section 179 property.

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 This Act may be cited as the “Minimum Wage Fair-  
5 ness Act”.

1 **SEC. 2. MINIMUM WAGE INCREASES.**

2 (a) MINIMUM WAGE.—

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

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

8 “(A) \$8.20 an hour, beginning on the first  
9 day of the sixth month that begins after the  
10 date of enactment of the Minimum Wage Fair-  
11 ness Act;

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

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

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

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

24 “(h)(1) Each year, by not later than the date that  
25 is 90 days before a new minimum wage determined under  
26 subsection (a)(1)(D) is to take effect, the Secretary shall

1 determine the minimum wage to be in effect pursuant to  
2 this subsection for the subsequent 1-year period. The wage  
3 determined pursuant to this subsection for a year shall  
4 be—

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

7           “(B) increased from such amount by the annual  
8 percentage increase in the Consumer Price Index for  
9 Urban Wage Earners and Clerical Workers (United  
10 States city average, all items, not seasonally ad-  
11 justed), or its successor publication, as determined  
12 by the Bureau of Labor Statistics; and

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

14           “(2) In calculating the annual percentage increase in  
15 the Consumer Price Index for purposes of paragraph  
16 (1)(B), the Secretary shall compare such Consumer Price  
17 Index for the most recent month, quarter, or year avail-  
18 able (as selected by the Secretary prior to the first year  
19 for which a minimum wage is in effect pursuant to this  
20 subsection) with the Consumer Price Index for the same  
21 month in the preceding year, the same quarter in the pre-  
22 ceding year, or the preceding year, respectively.”.

23           (b) BASE MINIMUM WAGE FOR TIPPED EMPLOY-  
24 EES.—Section 3(m)(1) of the Fair Labor Standards Act

1 of 1938 (29 U.S.C. 203(m)(1)) is amended to read as fol-  
2 lows:

3 “(1) the cash wage paid such employee, which  
4 for purposes of such determination shall be not less  
5 than—

6 “(A) for the 1-year period beginning on  
7 the first day of the sixth month that begins  
8 after the date of enactment of the Minimum  
9 Wage Fairness Act, \$3.00 an hour;

10 “(B) for each succeeding 1-year period  
11 until the hourly wage under this paragraph  
12 equals 70 percent of the wage in effect under  
13 section 6(a)(1) for such period, an hourly wage  
14 equal to the amount determined under this  
15 paragraph for the preceding year, increased by  
16 the lesser of—

17 “(i) \$0.95; or

18 “(ii) the amount necessary for the  
19 wage in effect under this paragraph to  
20 equal 70 percent of the wage in effect  
21 under section 6(a)(1) for such period,  
22 rounded to the nearest multiple of \$0.05;  
23 and

24 “(C) for each succeeding 1-year period  
25 after the year in which the hourly wage under

1           this paragraph first equals 70 percent of the  
2           wage in effect under section 6(a)(1) for the  
3           same period, the amount necessary to ensure  
4           that the wage in effect under this paragraph re-  
5           mains equal to 70 percent of the wage in effect  
6           under section 6(a)(1), rounded to the nearest  
7           multiple of \$0.05; and”.

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

12           “(i) Not later than 60 days prior to the effective date  
13 of any increase in the minimum wage determined under  
14 subsection (h) or required for tipped employees in accord-  
15 ance with subparagraph (B) or (C) of section 3(m)(1), as  
16 amended by the Minimum Wage Fairness Act, the Sec-  
17 retary shall publish in the Federal Register and on the  
18 website of the Department of Labor a notice announcing  
19 the adjusted required wage.”.

20           (d) EFFECTIVE DATE.—The amendments made by  
21 subsections (a) and (b) shall take effect on the first day  
22 of the sixth month that begins after the date of enactment  
23 of this Act.

1 **SEC. 3. EXTENSION OF INCREASED EXPENSING LIMITA-**  
2 **TIONS AND TREATMENT OF CERTAIN REAL**  
3 **PROPERTY AS SECTION 179 PROPERTY.**

4 (a) IN GENERAL.—

5 (1) DOLLAR LIMITATION.—Section 179(b)(1) of  
6 the Internal Revenue Code of 1986 is amended—

7 (A) by striking “in 2010, 2011, 2012, or  
8 2013” in subparagraph (B) and inserting  
9 “after 2009 and before 2017”, and

10 (B) by striking “2013” in subparagraph  
11 (C) and inserting “2016”.

12 (2) REDUCTION IN LIMITATION.—Section  
13 179(b)(2) of such Code is amended—

14 (A) by striking “in 2010, 2011, 2012, or  
15 2013” in subparagraph (B) and inserting  
16 “after 2009 and before 2017”, and

17 (B) by striking “2013” in subparagraph  
18 (C) and inserting “2016”.

19 (b) COMPUTER SOFTWARE.—Section  
20 179(d)(1)(A)(ii) of the Internal Revenue Code of 1986 is  
21 amended by striking “2014” and inserting “2017”.

22 (c) ELECTION.—Section 179(c)(2) of the Internal  
23 Revenue Code of 1986 is amended by striking “2014” and  
24 inserting “2017”.

25 (d) SPECIAL RULES FOR TREATMENT OF QUALIFIED  
26 REAL PROPERTY.—

1           (1) IN GENERAL.—Section 179(f)(1) of the In-  
2           ternal Revenue Code of 1986 is amended by striking  
3           “in 2010, 2011, 2012, or 2013” and inserting “after  
4           2009 and before 2017”.

5           (2) CARRYOVER LIMITATION.—

6           (A) IN GENERAL.—Section 179(f)(4) of  
7           such Code is amended by striking “2013” each  
8           place it appears and inserting “2016”.

9           (B) CONFORMING AMENDMENT.—The  
10          heading of subparagraph (C) of section  
11          179(f)(4) of such Code is amended by striking  
12          “2010, 2011 AND 2012” and inserting “YEARS  
13          BEFORE 2016”.

14          (e) EFFECTIVE DATE.—The amendments made by  
15          this section shall apply to taxable years beginning after  
16          December 31, 2013.

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113<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session  
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