

BILL NO. 35-0332

Thirty-Fifth Legislature of the Virgin Islands

September 18, 2024

An Act amending title 24 Virgin Islands Code, chapter 1, section 4, increasing the Virgin Islands minimum wages

PROPOSED BY: Senators Franklin D. Johnson and Marvin A. Blyden

WHEREAS, the Government of the United States first established a minimum wage in 1938 with the enactment of the Fair Labor Standards Act of 1938; and

WHEREAS, the minimum wage has proven to be one of the most effective and enduring public policy tools to ensure that working people enjoy an acceptable standard of living and quality of life; and

WHEREAS, studies have demonstrated that increases in the minimum wage improve worker productivity and workplace retention, and positively affects consumer demand; and

WHEREAS, although the federal minimum wage has been raised an average of every three years between 1938 and 2009, it remains stagnant at \$7.25 per hour since 2009; and

WHEREAS, the Virgin Islands and thirty-three other states and territories of the United States have found it necessary to enact minimum wage increases through legislation or automatic mechanisms for periodic increase; and

WHEREAS, studies have found that the highest rates of child poverty exist in states that have not raised their minimum wages above the federal standard; and

1 **WHEREAS**, an economic impact study undertaken by the Virgin Islands Bureau of
2 Economic Research found that the minimum wage increases enacted by Act No. 7856
3 improved conditions for both workers and businesses in the Virgin Islands; and

4 **WHEREAS**, Act No. 7856 mandated the appointment of members to the Wage Board
5 which is tasked with periodically reviewing and revising the minimum wage; and

6 **WHEREAS**, the failure of successive governors to appoint members to the Wage Board
7 has resulted in the Virgin Islands minimum wage remaining at \$10.50 since 2018; and

8 **WHEREAS**, housing market studies have found that housing rents rose by an average
9 of nearly 100% between 2017 and 2023; and

10 **WHEREAS**, the combination of rising prices and wage stagnation have created an
11 affordability crisis wherein many Virgin Islands families simply cannot meet their daily needs;
12 and

13 **WHEREAS**, a low minimum wage contributes to an emigration of labor and a reduction
14 in workforce capacity in the Virgin Islands; Now, Therefore

15 ***Be it enacted by the Legislature of the Virgin Islands:***

16 **SECTION 1.** Title 24 Virgin Islands Code, chapter 1, section 4, amended as follows:

17 (a) In subsection (a):

18 (1) By inserting a comma after “students”;

19 (2) By striking “\$8.35” and inserting “\$12.00”;

20 (3) By striking “\$9.50” and inserting “\$14.00”;

21 (4) By striking “June 1, 2017” and inserting “October 1, 2025”;

22 (5) By striking “\$10.50” and inserting “\$16.00”;

23 (6) By striking “June 1, 2018” and inserting “October 1, 2026”;

24 (7) By striking “June 1, 2019 and inserting “October 1, 2027”;

25 (8) By striking “2020” and inserting “2028”; and

26 (9) By inserting at the end of the subsection “, whichever is greater”.

1 (b) In subsection (b) by striking “December 31, 2018” and inserting “December 31,
2 2026”.

3 **BILL SUMMARY**

4 This bill amends title 24 Virgin Islands Code, chapter 1, section 4 by increasing the
5 Virgin Islands minimum wages.

6 **BR23-0296/September 17, 2024 (Revised)/LMW**