A BILL FOR AN ACT

RELATING TO MINIMUM HOURLY WAGE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 Section 387-1, Hawaii Revised Statutes, is SECTION 1. 2 amended by amending the definition of "wage" to read as follows: ""Wage" means (except as the department may provide under 3 section 387-11) legal tender of the United States or checks on 4 5 banks convertible into cash on demand at full face value thereof 6 and in addition thereto the reasonable cost as determined by the 7 department, to the employer of furnishing an employee with 8 board, lodging, or other facilities if such board, lodging, or 9 other facilities are customarily furnished by such employer to 10 the employer's employees. Except for the purposes of [the last sentence of section 387-2, section 387-2(b), "wage" shall not 11 12 include tips or gratuities of any kind." 13 SECTION 2. Section 387-2, Hawaii Revised Statutes, is 14 amended to read as follows: 15 "\$387-2 Minimum wages. (a) Except as provided in section 387-9 and this section, every employer shall pay to each 16 17 employee employed by the employer, wages at the rate of not less
- HB LRB 10-0856-1.doc

18

than:

```
1
         (1)
              $6.25 per hour beginning January 1, 2003;
2
         (2)
              $6.75 per hour beginning January 1, 2006; [and]
3
         (3)
              $7.25 per hour beginning January 1, 2007[-];
4
              $8.50 per hour beginning July 1, 2010 and ending on
         (4)
5
              December 31, 2011; and
              Beginning January 1, 2012, a wage adjusted in
6
         (5)
7
              accordance with subsection (c).
8
              The hourly wage of a tipped employee may be deemed to
         (b)
9
    be increased on account of tips if the employee is paid not less
10
    than 25 cents below the applicable minimum wage by the
11
    employee's employer and the combined amount the employee
12
    receives from the employee's employer and in tips is at least 50
13
    cents more than the applicable minimum wage.
14
         (c) On September 30, 2011, and on each following September
15
    30th, the department of labor and industrial relations shall
16
    calculate an adjusted minimum wage rate to maintain employee
17
    purchasing power by increasing the current year's minimum wage
    rate by the rate of inflation. The adjusted minimum wage rate
18
19
    shall be calculated to the nearest cent using the consumer price
20
    index for urban wage earners and clerical workers, CPI-W, or a
21
    successor index, for the twelve months prior to each September
22
    1st as calculated by the United States Department of Labor.
```

- 1 Each adjusted minimum wage rate calculated under this subsection
- 2 shall take effect on the following January 1."
- 3 SECTION 3. Statutory material to be repealed is bracketed
- 4 and stricken. New statutory material is underscored.
- 5 SECTION 4. This Act shall take effect on July 1, 2010.

6

INTRODUCED BY:

JAN 1 9 2010

Karl Month

Report Title:

Minimum Wage; Consumer Price Index

Description:

Increases the minimum hourly wage to \$8.50 per hour beginning July 1, 2010 and ending January 1, 2012. Adjusts the minimum hourly wage thereafter in accordance with consumer price index.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.