A BILL FOR AN ACT

RELATING TO MINIMUM HOURLY WAGE.

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

1 SECTION 1. Section 387-1, Hawaii Revised Statutes, is 2 amended by amending the definition of "wage" to read as follows: 3 ""Wage" means (except as the department may provide under 4 section 387-11) legal tender of the United States or checks on 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,] 387-2(b), "wage" shall not include 11 12 tips or gratuities of any kind." **13** SECTION 2. Section 387-2, Hawaii Revised Statutes, is 14 amended to read as follows: "§387-2 Minimum wages. (a) Except as provided in section 15 16 387-9 and this section, every employer shall pay to each

employee employed by the employer, wages at the rate of not less

18 than:

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H.B. NO. 1391

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1
              $6.25 per hour beginning January 1, 2003;
         (1)
 2
         (2)
              $6.75 per hour beginning January 1, 2006; [and]
 3
              $7.25 per hour beginning January 1, 2007[-]; and
         (3)
 4
              $7.75 per hour beginning July 1, 2011.
         (4)
 5
              The hourly wage of a tipped employee may be deemed to
         (b)
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    be increased on account of tips if the employee is paid not less
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    than 25 cents below the applicable minimum wage by the
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    employee's employer and the combined amount the employee
 9
    receives from the employee's employer and in tips is at least 50
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    cents more than the applicable minimum wage.
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         (c) On September 30, 2011, and on each following September
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    30th, the department of labor and industrial relations shall
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    calculate an adjusted minimum wage rate to maintain employee
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    purchasing power by increasing the current year's minimum wage
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    rate by the rate of inflation. The adjusted minimum wage rate
    shall be calculated to the nearest cent using the consumer price
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17
    index for urban wage earners and clerical workers, CPI-W, or a
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    successor index, for the twelve months prior to each September
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    1st as calculated by the United States Department of Labor.
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    Each adjusted minimum wage rate calculated under this subsection
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    shall take effect on the following January 1, with the initial
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    adjusted minimum wage rate to take effect on January 1, 2012."
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1	SECTION 3. Statutory material to be repealed is bracketed
2	and stricken. New statutory material is underscored.
3	SECTION 4. This Act shall take effect on July 1, 2011.
4	SIC

INTRODUCED BY:

JAN 2 6 2011

Report Title:

Minimum Wage; Consumer Price Index

Description:

Increases minimum hourly wage rate to \$7.75 per hour beginning July 1, 2011, and recalculate minimum hourly wage rate in accordance with consumer price index, effective each January 1 thereafter.

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