A BILL FOR AN ACT

RELATING TO MINIMUM WAGE.

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

1 SECTION 1. Section 387-2, Hawaii Revised Statutes, is 2 amended to read as follows: 3 "\$387-2 Minimum wages. (a) Except as provided in section 4 387-9 and this section, every employer shall pay to each 5 employee employed by the employer, wages at the rate of not less 6 than: (1) \$6.25 per hour beginning January 1, 2003; 8 (2) \$6.75 per hour beginning January 1, 2006; \$7.25 per hour beginning January 1, 2007; 9 (3) 10 (4) \$7.75 per hour beginning January 1, 2015; 11 (5) \$8.50 per hour beginning January 1, 2016; \$9.25 per hour beginning January 1, 2017; [and] 12 (6) 13 (7) [\$10.10] \$10.50 per hour beginning January 1, 2018[-]; 14 (8) \$12.00 per hour beginning January 1, 2019; 15 \$13.50 per hour beginning January 1, 2020; and (9) 16 (10)\$15.00 per hour beginning January 1, 2021.

1 The hourly wage of a tipped employee may be deemed to 2 be increased on account of tips if the employee is paid not less 3 than: 4 (1) 25 cents; 5 (2) 50 cents per hour beginning January 1, 2015; [and] 6 (3) 75 cents per hour beginning January 1, 2016 [-7]; and 7 (4) cents per hour beginning January 1, 2018, 8 below the applicable minimum wage by the employee's employer and 9 the combined amount the employee receives from the employee's 10 employer and in tips is at least 50 cents more than the 11 applicable minimum wage; provided that beginning January 1, **12** 2015, the combined amount the employee receives from the 13 employee's employer and in tips is at least \$7.00 more than the 14 applicable minimum wage. On September 30, 2021, and on 15 September 30 of each year thereafter, the department shall 16 calculate an adjusted minimum wage rate. The adjusted minimum 17 wage rate shall be calculated to the nearest 5 cents using the 18 Honolulu region consumer price index for urban wage earners and 19 clerical workers (CPI-W) or a successor index, for the twelve 20 months prior to September 1 of each year as calculated by the 21 United States Department of Labor; provided that if in any year

- 1 the adjustment based on the Honolulu region CPI-W would result
- 2 in a lower minimum wage rate, the minimum wage rate shall not be
- 3 decreased and the adjusted minimum wage rate shall remain at the
- 4 most recently established minimum wage rate. Each adjusted
- 5 minimum wage rate calculated under this subsection shall take
- 6 effect on the following January 1."
- 7 SECTION 2. Statutory material to be repealed is bracketed
- 8 and stricken. New statutory material is underscored.
- 9 SECTION 3. This Act shall take effect on January 7, 2059.

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Report Title:

Minimum Wage; Tipped Employees; Adjusted Minimum Wage Rate

Description:

Increases the minimum wage to \$10.50 per hour in 2018 and \$12 per hour in 2019, \$13.50 per hour in 2020, and \$15 per hour in 2021. Increases the tip credit to an unspecified amount of cents in 2018. Requires the department of labor and industrial relations to annually calculate the adjusted minimum wage rate to the nearest 5 cents using the Honolulu region CPI-W. Takes effect 1/7/2059. (SD1)

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