

JAN 18 2019

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[-]; living wage. (a) Except as
4 provided in section 387-9 and this section, every employer shall
5 pay to each employee employed by the employer, wages at the rate
6 of not less than:

- 7 (1) \$6.25 per hour beginning January 1, 2003;
8 (2) \$6.75 per hour beginning January 1, 2006;
9 (3) \$7.25 per hour beginning January 1, 2007;
10 (4) \$7.75 per hour beginning January 1, 2015;
11 (5) \$8.50 per hour beginning January 1, 2016;
12 (6) \$9.25 per hour beginning January 1, 2017; [~~and~~]
13 (7) \$10.10 per hour beginning January 1, 2018[-];
14 (8) \$11.00 per hour beginning January 1, 2020;
15 (9) \$12.00 per hour beginning January 1, 2021;
16 (10) \$13.00 per hour beginning January 1, 2022;
17 (11) \$14.00 per hour beginning January 1, 2023;



- 1 (12) \$15.50 per hour beginning January 1, 2024;
- 2 (13) \$17.00 per hour beginning January 1, 2025; and
- 3 (14) The rate established under subsection (d) beginning
- 4 January 1, 2026.

5 (b) The hourly wage of a tipped employee may be deemed to
6 be increased on account of tips if the employee is paid not less
7 than:

- 8 (1) 25 cents;
 - 9 (2) 50 cents per hour beginning January 1, 2015; and
 - 10 (3) 75 cents per hour beginning January 1, 2016,
- 11 below the applicable minimum wage by the employee's employer and
12 the combined amount the employee receives from the employee's
13 employer and in tips is at least 50 cents more than the
14 applicable minimum wage; provided that beginning January 1,
15 2015, the combined amount the employee receives from the
16 employee's employer and in tips is at least \$7.00 more than the
17 applicable minimum wage.

18 (c) On September 30, 2019, and on September 30 each year
19 thereafter, the department shall calculate an adjusted living
20 wage rate. The department shall determine the percentage
21 increase in the rate of inflation, as measured by the Honolulu



1 region consumer price index for all urban consumers, CPI-U, as
2 calculated by the United States Department of Labor during the
3 twelve-month period immediately preceding that September or, if
4 that data is unavailable, during the most recent twelve-month
5 period for which data is available. The living wage rate shall
6 be increased by the percentage calculated by the department,
7 rounded to the nearest cent; provided that if, after conducting
8 the calculations required under this subsection, the
9 calculations for the current year lead to a lower living wage
10 than that of the previous year, the department shall set the
11 living wage for the current year at the same rate as the
12 previous year.

13 (d) On January 1, 2026, and on January 1 of each year
14 thereafter, the minimum wage rate in paragraph (a) shall either
15 increase ten per cent or change to the new adjusted living wage
16 established pursuant to subsection (c), whatever is lower, and
17 then rounded to the nearest cent."

18 SECTION 2. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.


20



1 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:


Karl Rhoad



S.B. NO. 744

Report Title:

Labor; Minimum Wage; Living Wage; Department of Labor and Industrial Relations; Consumer Price Index

Description:

Establishes a living wage rate to be adjusted according to the consumer price index. Requires the Department of Labor and Industrial Relations, on January 1, 2026, and each subsequent year, to increase the minimum wage rate by ten per cent or pursuant to the most recent adjusted living wage, whichever is lower.

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