

JAN 25 2006

A BILL FOR AN ACT

RELATING TO WAGES.

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:

7 (1) \$6.25 per hour beginning January 1, 2003;

8 (2) \$6.75 per hour beginning January 1, 2006; and

9 (3) \$7.25 per hour beginning January 1, 2007.

10 (b) The hourly wage of a tipped employee may be deemed to
11 be increased on account of tips if the employee is paid:

12 (1) Prior to January 1, 2007, not less than 25 cents;

13 (2) After December 31, 2006, not less than 75 cents; or

14 (3) After December 31, 2007, not less than \$1.25;

15 below the applicable minimum wage by the employee's employer and
16 the combined amount the employee receives from the employee's
17 employer and in tips is at least 50 cents more than the
18 applicable minimum wage."



- 1 SECTION 2. New statutory material is underscored.
- 2 SECTION 3. This Act shall take effect upon its approval.
- 3

INTRODUCED BY: Noman Satomah
Clarence K. Fishburn

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Report Title:

Minimum wage; Tipped Employees; Tip Credit

Description:

Incrementally raises the minimum wage tip credit for tipped employees. Establishes that the hourly wage of a tipped employee is deemed to be increased on account of tips if the employee is paid an amount that is not less than 75 cents in calendar year 2007, and \$1.25 in calendar year 2008, below applicable minimum wage by the employee's employer and the combined amount the employee receives from the employer and in tips is at least 50 cents more than the applicable minimum wage.

