

JAN 24 2007

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# 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~~  
11 ~~sentence of~~] section [~~387-2,~~] 387-2(b), "wage" shall not include  
12 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  
16 387-9 and this section, every employer shall pay to each  
17 employee employed by the employer, wages at the rate of not less  
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[~~-~~]; and
- 4 (4) \$7.75 per hour beginning July 1, 2007.

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 25 cents below the applicable minimum wage by the  
8 employee's employer and the combined amount the employee  
9 receives from the employee's employer and in tips is at least 50  
10 cents more than the applicable minimum wage.

11 (c) On September 30, 2007, and on each following September  
12 30th, the department of labor and industrial relations shall  
13 calculate an adjusted minimum wage rate to maintain employee  
14 purchasing power by increasing the current year's minimum wage  
15 rate by the rate of inflation. The adjusted minimum wage rate  
16 shall be calculated to the nearest cent using the consumer price  
17 index for urban wage earners and clerical workers, CPI-W, or a  
18 successor index, for the twelve months prior to each September  
19 1st as calculated by the United States Department of Labor.  
20 Each adjusted minimum wage rate calculated under this subsection  
21 shall take effect on the following January 1."

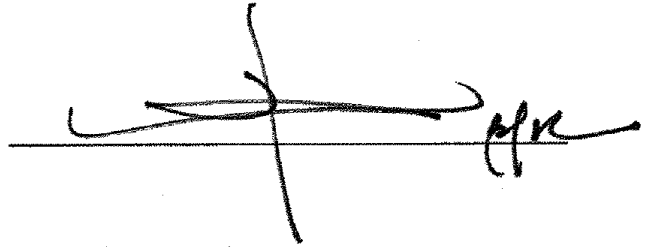


1 SECTION 3. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 4. This Act shall take effect on July 1, 2007.

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INTRODUCED BY:

A handwritten signature in black ink is written over a horizontal line. The signature is stylized and appears to be 'J. P. ...'.



**Report Title:**

Minimum Wage; Consumer Price Index

**Description:**

Calculates minimum hourly wage in accordance with consumer price index. Increases minimum hourly wage to \$7.75 per hour beginning July 1, 2007.

