
A BILL FOR AN ACT

RELATING TO THE 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:

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

17 (1) 25 cents;



1 (2) 50 cents per hour beginning January 1, 2015; and
2 (3) 75 cents per hour beginning January 1, 2016,
3 below the applicable minimum wage by the employee's employer and
4 the combined amount the employee receives from the employee's
5 employer and in tips is at least 50 cents more than the
6 applicable minimum wage; provided that beginning January 1,
7 2015, the combined amount the employee receives from the
8 employee's employer and in tips is at least \$7.00 more than the
9 applicable minimum wage.

10 (c) On September 30, 2018, and on September 30 each year
11 thereafter, the department of labor and industrial relations
12 shall calculate the minimum wage rate for the following year to
13 be effective each January 1. The minimum wage rate for the
14 following year shall be calculated to the nearest cent by adding
15 to the current year's minimum wage rate an amount equal to the
16 current year's minimum wage rate multiplied by the Honolulu
17 region consumer price index for urban wage earners and clerical
18 workers, CPI-W, or a successor index, for the twelve months
19 prior to September 1 of the current year, as calculated by the
20 United States Department of Labor; provided that if this
21 calculation results in a minimum wage rate for the following



1 year that is less than the minimum wage rate for the current
 2 year, the calculation shall not apply and the minimum wage rate
 3 for the following year shall be the same as the minimum wage
 4 rate for the current year.

5 (d) On September 30, 2016, and on September 30 each year
 6 thereafter, the department of labor and industrial relations
 7 shall calculate the tip credit for the following year to be
 8 effective each January 1. The tip credit for the following year
 9 shall be calculated to the nearest cent by adding to the current
 10 year's tip credit an amount equal to the current year's tip
 11 credit multiplied by the lower of the adjustments set forth as
 12 follows:

13 (1) Percentage increase established at the immediately
 14 preceding September 1 over the year-earlier level to
 15 the hourly rate that, at forty hours of work a week
 16 for fifty-two weeks a year, would be equal to the
 17 poverty threshold in Hawaii for a family of four, as
 18 published by the United States Department of Health
 19 and Human Services; or

20 (2) Percentage increase established at the immediately
 21 preceding September 1 over the year-earlier level of



1 the annual average consumer price index for all urban
 2 consumers in Honolulu, as published by the Bureau of
 3 Labor Statistics, United States Department of Labor;
 4 provided that if this calculation results in a tip credit for
 5 the following year that is less than the tip credit for the
 6 current year, the calculation shall not apply and the tip credit
 7 for the following year shall be the same as the tip credit for
 8 the current year."

9 SECTION 2. New statutory material is underscored.

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

11

INTRODUCED BY:

Sen. Sam

[Signature]
Kul Nho
[Signature]
[Signature]
John M. [Signature]
Tom Brown

JAN 27 2015



H.B. NO. 1132

Report Title:

Minimum Wage; Living Wage; Tip Credit; Consumer Price Index

Description:

Establishes the minimum wage annually pursuant to the consumer price index. Adjusts the tip credit annually according to adjustments in the living wage.

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