

JAN 18 2023

A BILL FOR AN ACT

RELATING TO THE TIP CREDIT.

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;
13 (7) \$10.10 per hour beginning January 1, 2018;
14 (8) \$12.00 per hour beginning October 1, 2022;
15 (9) \$14.00 per hour beginning January 1, 2024;
16 (10) \$16.00 per hour beginning January 1, 2026; and
17 (11) \$18.00 per hour beginning January 1, 2028.



1 (b) The hourly wage of a tipped employee may be deemed to
2 be increased on account of tips if the employee is paid [~~no~~] not
3 less than:

4 (1) 25 cents;

5 (2) 50 cents per hour beginning January 1, 2015;

6 (3) 75 cents per hour beginning January 1, 2016; and

7 (4) \$1.00 per hour beginning October 1, 2022 [~~+~~

8 ~~(5) \$1.25 per hour beginning January 1, 2024; and~~

9 ~~(6) \$1.50 per hour beginning January 1, 2028],~~

10 below the applicable minimum wage by the employee's employer and
11 the combined amount the employee receives from the employee's
12 employer and in tips is at least 50 cents more than the
13 applicable minimum wage; provided that beginning January 1,
14 2015, the combined amount the employee receives from the
15 employee's employer and in tips is at least \$7.00 more than the
16 applicable minimum wage.

17 (c) Beginning January 1, 2024, and each year thereafter,
18 the department shall calculate an adjusted tip credit amount to
19 be effective on the following January 1. The adjusted tip
20 credit amount shall be calculated by adjusting the effective tip



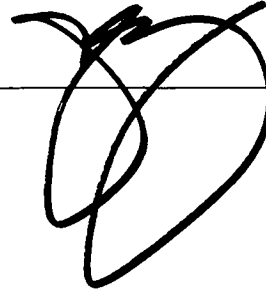
1 credit amount to be equal to twenty per cent of the effective
2 minimum wage as determined pursuant to subsection (a)."

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 Statutory material to be repealed is bracketed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

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

6

INTRODUCED BY: _____

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right, positioned over a horizontal line.

S.B. NO. 125

Report Title:

Tip Credit; Minimum Wage; Employment

Description:

Beginning January 1, 2024, increases the tip credit to be twenty per cent of the minimum wage.

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