

HOUSE BILL NO. 125

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES PETERSEN, Gara, Gruenberg

Introduced: 2/11/09

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act increasing the minimum hourly wage and creating an annual adjustment to the**
2 **minimum hourly wage based on the rate of inflation; and providing for an effective**
3 **date."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** AS 23.10.065(a) is amended to read:

6 (a) Except as provided under (b) of this section and as otherwise provided for
7 in law, for work performed on or after January 1, 2010 [2003], an employer shall pay
8 to each employee wages at a rate of not less than **the wage established in this**
9 **subsection** [\$7.15 AN HOUR] for hours worked in a pay period, whether the work is
10 measured by time, piece, commission, or otherwise. An employer may not apply tips
11 or gratuities bestowed upon employees as a credit toward payment of the minimum
12 hourly wage required by this section. Tip credit as defined by the Fair Labor Standards
13 Act of 1938 as amended does not apply to the minimum wage established by this
14 section. **The minimum hourly wage under this subsection is \$7.85 an hour for**

1 work performed on or after January 1, 2010; however, for work performed in
2 years after December 31, 2010, the minimum hourly wage under this subsection
3 is the greater of

4 (1) \$1 more an hour than the federal minimum wage; or

5 (2) \$8.60 an hour for work performed on or after January 1, 2011,
6 and \$9.45 an hour for work performed on or after January 1, 2012; thereafter,
7 the department shall, by regulation, not later than September 30 of each calendar
8 year, adjust the minimum hourly wage established in this paragraph for inflation
9 effective for the following calendar year; the adjusted minimum hourly wage
10 shall be the most recent wage under this paragraph adjusted for 100 percent of
11 the rate of inflation based on the Consumer Price Index for all urban consumers
12 for the Anchorage metropolitan area, compiled by the Bureau of Labor Statistics,
13 United States Department of Labor; the department shall round the adjusted
14 minimum hourly wage up to the nearest one cent; the adjusted minimum hourly
15 wage shall apply to work performed beginning on January 1 through
16 December 31 of the year for which it is effective, and the first adjustment takes
17 effect January 1, 2013.

18 * Sec. 2. This Act takes effect January 1, 2010.