

SENATE BILL NO. 26

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST LEGISLATURE - FIRST SESSION

BY SENATOR BEGICH

Introduced: 1/18/19

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to an annual report concerning the payment of equal pay for**
2 **comparable work; increasing the minimum wage; and providing for an effective date."**

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

4 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
5 to read:

6 **SHORT TITLE.** This Act may be known as the Equal Pay and Living Wage Act.

7 * **Sec. 2.** AS 18.80 is amended by adding a new section to read:

8 **Sec. 18.80.062. Powers and duties of executive director.** In addition to the
9 powers and duties delegated by the commission under AS 18.80.060, the executive
10 director shall, upon request, consult and collaborate with the commissioner of
11 administration or the commissioner's designee to prepare the annual report required
12 under AS 23.05.062.

13 * **Sec. 3.** AS 23.05.060 is amended to read:

14 **Sec. 23.05.060. Powers of the department.** The department may

- 1 (1) enforce all state labor laws;
- 2 (2) act as mediator and appoint deputy commissioners of conciliation
3 in labor disputes whenever it considers the interest of industrial peace requires it;
- 4 (3) make investigations and collect and compile statistical information
5 concerning the conditions of labor generally and **on** [UPON] all matters relating to the
6 enforcement of this chapter;
- 7 (4) institute court proceedings against an employer of labor without
8 cost to the employee when it is satisfied that the employer has failed to pay an
9 employee an amount due by contract;
- 10 (5) issue cease and desist orders and other orders and regulations
11 necessary for the enforcement of state labor laws;
- 12 (6) in accordance with AS 37.07 (the Executive Budget Act), receive
13 and spend money derived from agreements with local governments, nongovernmental
14 organizations, or other persons;
- 15 **(7) consult and collaborate with the executive director of the State**
16 **Commission for Human Rights to prepare the annual report required under**
17 **AS 23.05.062.**

18 * **Sec. 4.** AS 23.05 is amended by adding a new section to read:

19 **Sec. 23.05.062. Report on fair pay practices.** Not later than January 15 of
20 each year, the commissioner or the commissioner's designee shall prepare a report
21 regarding pay practices in the state by election district and make it available to the
22 public, file it with the executive director of the State Commission for Human Rights,
23 the senate secretary, and the chief clerk of the house of representatives, and notify the
24 legislature that the report is available. The report must include

- 25 (1) information about compensation practices in the state and to what
26 extent employees in one or more election districts of the state are paid
- 27 (A) equal pay for work of comparable character, regardless of
28 race, religion, color, national origin, age, physical or mental disability, sex,
29 marital status, change in marital status, pregnancy, or parenthood;
- 30 (B) wages that, based on a full-time weekly work schedule and
31 a 12-month work year in that district, are sufficient to pay the reasonable living

1 expenses of a family of four individuals, including two children, who live in
2 that district;

3 (2) recommended action by the legislature.

4 * **Sec. 5.** AS 23.10.065(a) is amended to read:

5 (a) Except as otherwise provided for in law, an employer shall pay to each
6 employee a minimum wage, as established herein, for hours worked in a pay period,
7 whether the work is measured by time, piece, commission or otherwise. An employer
8 may not apply tips or gratuities bestowed on [UPON] employees as a credit toward
9 payment of the minimum hourly wage required by this section. Tip credit as defined
10 by the Fair Labor Standards Act of 1938, as amended, does not apply to the minimum
11 wage established by this section. Beginning February 24, 2015, the minimum wage
12 shall be \$8.75 an [PER] hour effective January 1, 2015, \$9.75 an [PER] hour effective
13 January 1, 2016, \$15.00 an hour effective January 1, 2020, and thereafter adjusted
14 annually for inflation. The adjustment shall be calculated each September 30, for the
15 proceeding January-December calendar year, by the Alaska Department of Labor and
16 Workforce Development, using 100 percent of the rate of inflation based on the
17 Consumer Price Index for all urban consumers for the Anchorage metropolitan area,
18 compiled by the Bureau of Labor Statistics, United States Department of Labor; the
19 department shall round the adjusted minimum hourly wage up to the nearest one cent;
20 the adjusted minimum hourly wage shall apply to work performed beginning on
21 January 1 through December 31 of the year for which it is effective.

22 * **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to
23 read:

24 APPLICABILITY. The increase in the minimum wage to \$15.00 an hour effective
25 January 1, 2020, in AS 23.10.065(a), as amended by sec. 5 of this Act, applies to contracts
26 made on or after July 1, 2019.

27 * **Sec. 7.** This Act takes effect July 1, 2019.