

JAN 19 2022

A BILL FOR AN ACT

RELATING TO THE MINIMUM WAGE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that Hawaii's minimum
2 wage should be increased to meet workers' basic needs.
3 According to the department of business, economic development,
4 and tourism, a single adult required an income of \$35,143 to
5 achieve self-sufficiency in Hawaii in 2018, while a single
6 parent with one child required \$59,428. Yet, at the current
7 statewide minimum wage rate of \$10.10 per hour, a full-time
8 employee earns only \$21,008 annually. Moreover, the National
9 Low Income Housing Coalition's Out of Reach 2018 report
10 estimates that a minimum wage worker would have to work one
11 hundred nine hours per week to afford a one-bedroom rental home
12 at local fair market rent.

13 The legislature further finds that increasing the State's
14 minimum wage will help Hawaii's economy by giving low wage
15 workers greater purchasing power in Hawaii's marketplace.
16 Additionally, according to the department of labor and
17 industrial relations, in 2018 and the following four consecutive



1 years of minimum wage increases, the State's unemployment level
2 reached an all-time low of two per cent, demonstrating that
3 increasing the minimum wage does not adversely impact statewide
4 employment.

5 The purpose of this Act is to support Hawaii's workforce
6 and essential workers by increasing the minimum wage rate in the
7 State.

8 SECTION 2. Section 387-2, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "**§387-2 Minimum wages.** (a) Except as provided in section
11 387-9 and this section, every employer shall pay to each
12 employee employed by the employer, wages at the rate of not less
13 than:

14 (1) \$6.25 per hour beginning January 1, 2003;

15 (2) \$6.75 per hour beginning January 1, 2006;

16 (3) \$7.25 per hour beginning January 1, 2007;

17 (4) \$7.75 per hour beginning January 1, 2015;

18 (5) \$8.50 per hour beginning January 1, 2016;

19 (6) \$9.25 per hour beginning January 1, 2017; and

20 (7) \$10.10 per hour beginning January 1, 2018.



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 not less~~
3 ~~than:~~

4 ~~(1) 25 cents;~~

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

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

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

14 (b) Beginning on January 1, 2026, and each January 1
15 thereafter, the State shall establish an adjusted hourly minimum
16 wage rate. The adjusted hourly minimum wage rate shall be
17 calculated to the nearest five cents using the most recent
18 self-sufficiency income standard for one adult in the State of
19 Hawaii as determined by the department of business, economic
20 development, and tourism in accordance with section 201-3(5);
21 provided that if in any year the adjustment based on the



1 self-sufficiency income standard for one adult in the State
2 would result in a lower hourly minimum wage rate, the adjusted
3 hourly minimum wage rate shall remain the same as the hourly
4 minimum wage rate in effect for the year in which it is
5 calculated. Each adjusted hourly minimum wage rate calculated
6 under this subsection shall take effect on July 1 of the
7 calendar year in which the adjusted hourly minimum wage rate is
8 calculated; provided that if an increase in the adjusted hourly
9 minimum wage rate exceeds ten per cent of the hourly minimum
10 wage rate in effect for the year in which it is calculated, the
11 adjusted hourly minimum wage rate shall be increased by ten per
12 cent of the hourly minimum wage rate in effect for the year in
13 which it is calculated."

14 SECTION 3. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 4. This Act shall take effect on July 1, 2022.

17
INTRODUCED BY:



By Request



S.B. NO. 2099

Report Title:

Maui County Council Package; Minimum Wage

Description:

Requires that beginning on 1/1/2026, and each year thereafter, the adjusted minimum wage rate to be recalculated using the most recent self-sufficiency income standard for one adult in the State of Hawaii. Requires that the adjusted minimum wage go into effect starting 7/1/2026 and each year thereafter. Repeals the tip credit.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

