ALASKA STATE LEGISLATURE

REPRESENTATIVE KURT OLSON

- Chair, Labor and Commerce
- Member: Rules, Resources, Military and Veterans Affairs

Official Business

<u>Interim: May – December</u> 145 Main Street Loop, Ste 221 Kenai, AK 99611 Phone: 907-283-2690 Fax: 907-283-2763

Sponsor Statement HB 29 - Increasing the Minimum Wage

Alaska's minimum wage has not been increased since 2002, when it rose to \$7.15 an hour. Since that time, the cost of living in the state has risen dramatically. Alaska is among the most expensive states in which to live; with a minimum wage that has remained stagnant, working Alaskans are feeling the pinch.

A minimum wage employee earns under \$15,000 a year. This is an inadequate income for a full time worker — especially in a state where the cost of living is so high. Hardworking Alaskans should be able to afford basic necessities and to provide for their families. House Bill 29 addresses this fact.

House Bill 29 sets Alaska's minimum wage at \$7.15 an hour or 50 cents above the federal minimum, whichever is higher. The bill reflects the increases in cost of living since 2003 and brings Alaska closer in line with our west coast counterparts Washington, Oregon, and California.

With the federal minimum set to increase in July 2009, I urge the legislature address Alaska's minimum wage as soon as possible. Alaska's minimum wage has not fallen below the federal level since 1959. Now is not the time to buck the trend.

I respectfully ask for your favorable consideration of this bill. If you have any questions or concerns, please do not hesitate to contact me or my staff.

Session: January – April State Capitol Juneau, AK 99801-1182 Phone: 907-465-2693 Fax: 907-465-3835