

AMENDMENT

OFFERED IN THE HOUSE

TO: CSSB 1(FIN)

Page 1, lines 3 - 13:

Delete all material and insert:

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

(a) Except as provided under (b) of this section and as otherwise provided for in law, for work performed on or after January 1, **2010** [2003], an employer shall pay to each employee wages at a rate of not less than **the wage established in this subsection** [\$7.15 AN HOUR] for hours worked in a pay period, whether the work is measured by time, piece, commission, or otherwise. An employer may not apply tips or gratuities bestowed upon employees as a credit toward payment of the minimum hourly wage required by this section. Tip credit as defined by the Fair Labor Standards Act of 1938 as amended does not apply to the minimum wage established by this section. **The minimum hourly wage under this subsection is \$7.85 an hour for work performed on or after January 1, 2010; however, for work performed in years after December 31, 2010, the minimum hourly wage under this subsection is the greater of**

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

(2) \$8.60 an hour for work performed on or after January 1, 2011, and \$9.45 an hour for work performed on or after January 1, 2012; thereafter, the department shall, by regulation, not later than September 30 of each calendar year, adjust the minimum hourly wage established in this paragraph for inflation effective for the following calendar year; the adjusted minimum hourly wage shall be the most recent wage under this paragraph adjusted for 100 percent of the rate of inflation based on the Consumer Price Index for all urban consumers

1 for the Anchorage metropolitan area, compiled by the Bureau of Labor Statistics,
2 United States Department of Labor; the department shall round the adjusted
3 minimum hourly wage up to the nearest one cent; the adjusted minimum hourly
4 wage shall apply to work performed beginning on January 1 through
5 December 31 of the year for which it is effective, and the first adjustment takes
6 effect January 1, 2013.

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