

**HOUSE BILL NO. 384**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY THE HOUSE RULES COMMITTEE

Introduced: 4/4/14

Referred: Labor and Commerce

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act increasing the minimum wage; and providing for an effective date."

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

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

4 (a) Except as provided in (b) and (e) of this section and as otherwise provided  
5 by law, for hours worked in a pay period, whether the work is measured by time,  
6 piece, commission, or otherwise, an employer shall pay to each employee wages at a  
7 rate that is not less than \$8.75 [\$7.25] an hour until December 31, 2015 [2009], [AND  
8 THEREAFTER] not less than \$9.75 an hour on and after January 1, 2016, until  
9 December 31, 2017, and thereafter adjusted annually for inflation under (d) of  
10 this section [50 CENTS AN HOUR MORE THAN THE FEDERAL MINIMUM  
11 WAGE]. An employer may not apply tips or gratuities bestowed on employees as a  
12 credit toward payment of the minimum hourly wage required by this section. Tip  
13 credit as defined by the Fair Labor Standards Act of 1938, as amended, does not apply  
14 to the minimum wage established by this section.

15 \* **Sec. 2.** AS 23.10.065 is amended by adding new subsections to read:

1           (d) Subject to (e) of this section, the commissioner of labor and workforce  
2           development shall calculate the adjustment for inflation under (a) of this section  
3           annually, on or before September 30, for the following calendar year in an amount that  
4           is equal to the percentage increase in the Consumer Price Index for all urban  
5           consumers for the Anchorage metropolitan area during the previous calendar year as  
6           determined by the United States Department of Labor, Bureau of Labor Statistics. The  
7           department shall round the adjusted minimum hourly wage up to the nearest cent.

8           (e) Notwithstanding (a) of this section, for a year in which the minimum wage  
9           in the state adjusted for inflation under (d) of this section would be less than \$1 above  
10          the federal minimum wage, the minimum wage in the state is \$1 more than the federal  
11          minimum wage.

12       \* **Sec. 3.** This Act takes effect January 1, 2015.