

INITIATIVE PETITION BILL LANGUAGE

by Petition Sponsors

A Bill Increasing Alaska's Minimum Wage

Proposed Bill:

FOR AN ACT ENTITLED "An Act increasing the Alaska minimum wage to \$8.75 per hour effective January 1, 2015, \$9.75 per hour effective January 1, 2016 and thereafter adjusted annually for inflation."

BE IT ENACTED BY THE PEOPLE OF THE STATE OF ALASKA

Section 1. Findings and Declaration

The people of the State of Alaska find and declare that:

- (a) An increase in Alaska's minimum wage will help ensure a minimum standard of living for the health and well being of every Alaskan,
- (b) Alaskans working full-time at the current minimum wage earn far below the federal poverty level for a family of three,
- (c) The U.S. West Coast states of Washington, Oregon, and California already have a higher minimum wage than the State of Alaska,
- (d) A fair minimum wage indexed to the cost of living will help low-income workers keep pace with inflation.

Section 2. Purpose

The purpose and intent of enacting this legislation is to raise Alaska's minimum wage to \$8.75 per hour effective January 1, 2015, \$9.75 per hour effective January 1, 2016, and thereafter adjusted annually for inflation.

Section 3. AS 23.10.065(a) is repealed and reenacted to read:

(a) Except as otherwise provided for in law, an employer shall pay to each employee a minimum wage, as established herein, 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. Beginning with the passage of this Act, the minimum wage shall be \$8.75 per hour effective January 1, 2015, \$9.75 per hour effective January 1, 2016 and thereafter adjusted annually for inflation. The adjustment shall be calculated each September 30, for the proceeding January-December calendar year, by the Alaska Department of Labor and Workforce Development, using 100 percent of the rate of inflation based on the Consumer Price Index for all urban consumers for the Anchorage metropolitan area, compiled by the Bureau of Labor Statistics, United States Department of Labor; the department shall round the adjusted minimum hourly wage up to the nearest one cent; the adjusted minimum hourly wage shall apply to work performed beginning on January 1 through December 31 of the year for which it is effective.

Section 4. If the minimum wage determined under Section 3 is less than one dollar over the federal minimum wage, the Alaska minimum wage shall be set at one dollar over the federal minimum wage. This amount shall be adjusted in subsequent years by the method established in Section 3.