

HOUSE BILL NO. 199

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST

Introduced: 3/19/03

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act removing the annual adjustment to the minimum wage based on the rate of**
2 **inflation; and providing for an effective date."**

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

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

5 (a) Except as provided under (b) of this section and as otherwise provided for
6 in law, for work performed on or after January 1, 2003, an employer shall pay to each
7 employee wages at a rate of not less than \$7.15 an hour for hours worked in a pay
8 period, whether the work is measured by time, piece, commission, or otherwise. An
9 employer may not apply tips or gratuities bestowed upon employees as a credit toward
10 payment of the minimum hourly wage required by this section. Tip credit as defined
11 by the Fair Labor Standards Act of 1938 as amended does not apply to the minimum
12 wage established by this section. [THE DEPARTMENT SHALL, BY
13 REGULATION, NOT LATER THAN SEPTEMBER 30 OF EACH CALENDAR
14 YEAR, ADJUST THE MINIMUM WAGE FOR INFLATION, EFFECTIVE FOR

1 THE FOLLOWING CALENDAR YEAR. THE MINIMUM WAGE SHALL BE
2 EITHER THE MOST RECENT WAGE ADJUSTED FOR 100 PERCENT OF THE
3 RATE OF INFLATION BASED ON THE CONSUMER PRICE INDEX FOR ALL
4 URBAN CONSUMERS FOR ANCHORAGE, ALASKA, PREPARED BY THE
5 UNITED STATES BUREAU OF LABOR STATISTICS OR \$1 MORE THAN THE
6 FEDERAL MINIMUM WAGE, WHICHEVER IS GREATER. THE
7 DEPARTMENT SHALL ROUND THE ADJUSTED MINIMUM WAGE UP TO
8 THE NEAREST ONE CENT. THE ADJUSTED WAGE SHALL APPLY TO WORK
9 PERFORMED BEGINNING ON JANUARY 1 THROUGH DECEMBER 31 OF
10 THE YEAR FOR WHICH IT IS EFFECTIVE.]

11 * **Sec. 2.** This Act takes effect September 30, 2003.