

**SENATE BILL NO. 1**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-SIXTH LEGISLATURE - FIRST SESSION

BY SENATORS WIELECHOWSKI, ELLIS, THOMAS, DAVIS, AND FRENCH

Introduced: 1/21/09

Referred: Labor and Commerce, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act increasing the minimum hourly wage, and creating an annual adjustment to  
2 the minimum hourly wage based on the rate of inflation; and providing for an effective  
3 date."

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

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

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

1                   **(1) \$1 more an hour than the federal minimum wage; or**  
2                   **(2) \$8.75 an hour, as adjusted under this paragraph; the**  
3 **department shall, by regulation, not later than September 30 of each calendar**  
4 **year, adjust the minimum hourly wage established in this paragraph for inflation**  
5 **effective for the following calendar year; the adjusted minimum hourly wage**  
6 **shall be the most recent wage under this paragraph adjusted for 100 percent of**  
7 **the rate of inflation based on the Consumer Price Index for all urban consumers**  
8 **for the Anchorage metropolitan area, compiled by the Bureau of Labor Statistics,**  
9 **United States Department of Labor; the department shall round the adjusted**  
10 **minimum hourly wage up to the nearest one cent; the adjusted minimum hourly**  
11 **wage shall apply to work performed beginning on January 1 through**  
12 **December 31 of the year for which it is effective.**

13 \* **Sec. 2.** This Act takes effect January 1, 2010.