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## Wage & Hour Law Update

### Hawaii Becomes First State to Enact \$18 Minimum Wage

By Andrew L. Pepper on June 23, 2022

Citing poverty concerns in, and the economic effects of the COVID-19 pandemic on, the Aloha State, Hawaii Governor David Ige has signed House Bill 2510, gradually raising the State's minimum wage to \$18.00 per hour on January 1, 2028. Although, given HB 2510's nearly six-year phase-in period, other states may reach that mark first, Hawaii nevertheless becomes the first state to officially enact an \$18 minimum wage.

Under the Act the minimum wage, which was last increased to \$10.10 in 2018, will increase to \$12.00 per hour on October 1, 2022; to \$14.00 per hour on January 1, 2024; to \$16.00 per hour on January 1, 2026; and finally to \$18.00 per hour on January 1, 2028.

In addition, the tip credit an employer may take for traditionally tipped employees will increase from its current level of 75 cents per hour to \$1.00 per hour on October 1, 2022; to \$1.25 per hour on January 1, 2024; and to \$1.50 per hour on January 1, 2028. As already is the law in Hawaii, the employer may take the tip credit only if the combined amount the employee receives from the employer and in tips is at least \$7.00 more than the applicable minimum wage.

Jackson Lewis will continue to monitor minimum wage changes and other wage and hour issues. If you have any questions, please contact the Jackson Lewis attorney(s) with whom you regularly work.