
SENATE BILL 6734

State of Washington

59th Legislature

2006 Regular Session

By Senators Parlette, Benson, Honeyford, Schoesler, Morton, Zarelli, Deccio, Hewitt and Mulliken

Read first time 01/19/2006. Referred to Committee on Labor, Commerce, Research & Development.

1 AN ACT Relating to freezing the minimum wage law to study its
2 effects; amending RCW 49.46.020; and creating a new section.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** The Washington state institute for public
5 policy, in consultation with the employment security department, shall
6 conduct a study to address the impacts of Washington state's minimum
7 wage law, and must report its findings to the legislature by December
8 1, 2006. The study shall address:

9 (1) The extent to which the minimum wage is paid in various
10 industries and occupations in Washington;

11 (2) A demographic analysis of persons earning the minimum wage,
12 including race, ethnicity, gender, marital status, age, household
13 composition, the number of dependents a minimum wage earner supports,
14 and whether or not the person is the sole wage earner in the household;

15 (3) The average amount of time an employee who remains with the
16 same employer is paid the minimum wage;

17 (4) A comparison of minimum wage laws in other states;

18 (5) The impact of the minimum wage on job creation and job loss
19 from 1990 to the present;

1 (6) Whether there is any correlation between changes in the state
2 minimum wage and the state unemployment rate, or the unemployment rate
3 in a particular industry;

4 (7) Wage compression or expansion for workers earning up to one
5 hundred thirty percent of the minimum wage;

6 (8) Economic activity and wage progression in industries with large
7 numbers of low-wage workers compared to economic activity and wage
8 progression in moderate to high-wage industries in Washington;

9 (9) The minimum wage's effect on the federal poverty level rates of
10 low-income workers in this state;

11 (10) The rate at which minimum wage workers and their families use
12 public benefits;

13 (11) Differences in economic activity attributable to the minimum
14 wage in comparison with similar activity in Oregon, Idaho, and other
15 states similar in economic size and industrial base to Washington; and

16 (12) The potential impact on employers and employees of a minimum
17 tipped wage.

18 **Sec. 2.** RCW 49.46.020 and 1999 c 1 s 1 are each amended to read as
19 follows:

20 (1) ~~((Until January 1, 1999, every employer shall pay to each of~~
21 ~~his or her employees who has reached the age of eighteen years wages at~~
22 ~~a rate of not less than four dollars and ninety cents per hour.~~

23 ~~(2) Beginning January 1, 1999, and until January 1, 2000, every~~
24 ~~employer shall pay to each of his or her employees who has reached the~~
25 ~~age of eighteen years wages at a rate of not less than five dollars and~~
26 ~~seventy cents per hour.~~

27 ~~(3) Beginning January 1, 2000, and until January 1, 2001, every~~
28 ~~employer shall pay to each of his or her employees who has reached the~~
29 ~~age of eighteen years wages at a rate of not less than six dollars and~~
30 ~~fifty cents per hour.~~

31 ~~(4)(a))~~ Beginning on January 1, 2001, and each following January
32 1st as set forth under ~~((b) of this))~~ subsection (2) of this section,
33 every employer shall pay to each of his or her employees who has
34 reached the age of eighteen years wages at a rate of not less than the
35 amount established under ~~((b) of this))~~ subsection (2) of this
36 section.

1 ~~((b) On)~~ (2) Beginning September 30, 2000, ~~((and on each~~
2 ~~following))~~ on every September 30th~~((7))~~ until September 30, 2005, the
3 department of labor and industries shall calculate an adjusted minimum
4 wage rate to maintain employee purchasing power by increasing the
5 current year's minimum wage rate by the rate of inflation. The
6 adjusted minimum wage rate shall be calculated to the nearest cent
7 using the consumer price index for urban wage earners and clerical
8 workers, CPI-W, or a successor index, for the twelve months prior to
9 each September 1st as calculated by the United States department of
10 labor. Each adjusted minimum wage rate calculated under this
11 subsection ~~((4)(b))~~ takes effect on the following January 1st.

12 ~~((5))~~ (3) The director shall by regulation establish the minimum
13 wage for employees under the age of eighteen years.

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