

**I MINA' BENTE OCHO NA LIHESLATURAN GUAHAN
2005 (FIRST) REGULAR SESSION**

Bill No. 148 (LS)

Introduced by:

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R.J. Respicio
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**AN ACT TO REPEAL AND REENACT SECTION 3105
OF TITLE 22 OF THE GUAM CODE ANNOTATED,
RELATIVE TO RAISING THE MINIMUM WAGE TO
FIVE DOLLARS AND SEVENTY-FIVE CENTS PER
HOUR BY JANUARY 1, 2006 AND SIX DOLLARS
AND TWENTY-TWENTY-FIVE CENTS PER HOUR BY
JANUARY 1, 2007**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Intent.** *I Liheslaturan Guahan* finds that
3 Guam's current minimum wage, which pursuant to Section 3121 of
4 Title 22 of the Guam Code Annotated, is based on the established
5 federal minimum wage rate of Five Dollars and Fifteen Cents (\$5.15)
6 per hour, is below the poverty line and deficient for the purpose of
7 minimum wage earners caring for children, the elderly, and their
8 families. *I Liheslaturan Guahan* further finds that aside from the
9 federal laws increasing the minimum wage, the 19th Guam
10 Legislature made the last local minimum wage adjustment to Three
11 Dollars and Seventy-five Cents (\$3.75) per hour.

12 Seventeen state legislatures and the District of Columbia have
13 adopted a minimum wage higher than the federally established

1 minimum wage. They are as follows: Alaska - \$7.15, California -
2 \$6.75, Connecticut - \$7.10 with increases on January 1, 2006 to \$7.40
3 and \$7.65 by January 1, 2007, Delaware - \$6.15, District of Columbia -
4 \$6.60 with an increase to \$7.00 by January 1, 2006, Florida - \$6.15 with
5 annual increases based on inflation, Illinois - \$6.50, Maine - \$6.35 with
6 an increase to \$6.50 by October 1, 2005, Massachusetts - \$6.75,
7 Minnesota - \$6.15 on August 1, 2005, New Jersey - \$6.15 on October 1,
8 2005 with an increase to \$7.15 by October 1, 2006, New York - \$6.00
9 with an increase to \$6.15 on October 1, 2005 and \$7.15 by October 1,
10 2006, Oregon - \$7.25 with annual increases based on inflation, Rhode
11 Island - \$6.75, Vermont - \$7.00 with a tentative plan to increase to
12 \$7.25, Washington - \$7.35 with annual increases based on inflation,
13 and Wisconsin - \$5.70 beginning June 1, 2005 with an increase to
14 \$6.50 by June 1, 2006.

15 The state of Hawaii, whose economy in greater scale is most
16 similar to Guam, has adopted a minimum wage rate of Six Dollars
17 and Twenty-five Cents (\$6.25) per hour with increases on January 1,
18 2006 to \$6.75 and a tentative increase by January 1, 2007 to \$7.25.

19 With the increase in economic activity resulting from the
20 stabilization of tourism and federal defense spending, combined with
21 the positive economic indicators announced by *I Maga'lahaen Guahan*
22 which have enabled the restoration of employee increments to
23 government of Guam employees, it is the intent of *I Liheslaturan*
24 *Guahan* to increase the minimum wage on Guam from the federally
25 established rate of Five Dollars and Fifteen Cents (\$5.15) per hour to
26 the rate of Five Dollars and Seventy-Five Cents (\$5.75) per hour by
27 January 1, 2006 and then to Six Dollars and Twenty-Five Cents (\$6.25)
28 per hour by January 1, 2007.

1 **Section 2. Minimum Wage.** Section 3105 of Division 1, Article
2 1, Chapter 3 of Title 22 of the Guam Code Annotated is hereby
3 *repealed and reenacted* as follows:

4 §3105. Minimum Wages. Every employer shall pay each person
5 employed by him wages at a rate not less than ~~Three Dollars~~
6 ~~and Seventy-five Cents (\$3.75)~~ Five Dollars and Seventy-Five
7 Cents (\$5.75) per hour effective ~~January, 1989~~ January 1, 2006
8 until January 1, 2007, when the rate shall increase to Six Dollars
9 and Twenty-Five Cents (\$6.25) per hour.