

REFERENCE TITLE: **minimum wage increase**

State of Arizona  
House of Representatives  
Fifty-sixth Legislature  
First Regular Session  
2023

# **HB 2240**

Introduced by  
Representatives Aguilar: Sun

**AN ACT**

**AMENDING SECTION 23-363, ARIZONA REVISED STATUTES; RELATING TO THE MINIMUM WAGE.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Subject to the requirements of article IV, part 1,  
3 section 1, Constitution of Arizona, section 23-363, Arizona Revised  
4 Statutes, is amended to read:

5 23-363. Minimum wage

6 A. Employers shall pay employees no less than the minimum wage,  
7 which shall be not less than:

- 8 1. \$10 PER HOUR on and after January 1, 2017.
- 9 2. \$10.50 PER HOUR on and after January 1, 2018.
- 10 3. \$11 PER HOUR on and after January 1, 2019.
- 11 4. \$12 PER HOUR on and after January 1, 2020.
- 12 5. \$15 PER HOUR ON AND AFTER JANUARY 1, 2024.

13 B. The minimum wage shall be increased on January 1, ~~2021~~ 2025 and  
14 on January 1 of successive years, by the increase in the cost of living.  
15 The increase in the cost of living shall be measured by the percentage  
16 increase as of August of the immediately preceding year over the level as  
17 of August of the previous year of the consumer price index (all urban  
18 consumers, U.S. city average for all items) or its successor index as  
19 published by the U.S. department of labor or its successor agency, with  
20 the amount of the minimum wage increase rounded to the nearest multiple of  
21 five cents.

22 C. For any employee who customarily and regularly receives tips or  
23 gratuities from patrons or others, the employer may pay a wage up to \$3.00  
24 per hour less than the minimum wage if the employer can establish by its  
25 records of charged tips or by the employee's declaration for federal  
26 insurance contributions act (FICA) purposes that for each week, when  
27 adding tips received to wages paid, the employee received not less than  
28 the minimum wage for all hours worked. Compliance with this provision  
29 will be determined by averaging tips received by the employee over the  
30 course of the employer's payroll period or any other period selected by  
31 the employer that complies with regulations adopted by the commission.

32 Sec. 2. Requirements for enactment; three-fourths vote

33 Pursuant to article IV, part 1, section 1, Constitution of Arizona,  
34 section 23-363, Arizona Revised Statutes, as amended by this act, is  
35 effective only on the affirmative vote of at least three-fourths of the  
36 members of each house of the legislature.