

REFERENCE TITLE: **minimum wage; exception; homeless**

State of Arizona
House of Representatives
Fifty-seventh Legislature
Second Regular Session
2026

HCR 2040

Introduced by
Representative Olson

A CONCURRENT RESOLUTION

ENACTING AND ORDERING THE SUBMISSION TO THE PEOPLE OF A MEASURE RELATING
TO THE MINIMUM WAGE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it resolved by the House of Representatives of the State of Arizona,
2 the Senate concurring:

3 1. Under the power of the referendum, as vested in the Legislature,
4 the following measure, relating to minimum wage, is enacted to become
5 valid as a law if approved by the voters and on proclamation of the
6 Governor:

7 AN ACT

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

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

11 Section 1. Section 23-363, Arizona Revised Statutes, is
12 amended to read:

13 23-363. Minimum wage

14 A. Employers shall pay employees ~~no~~ NOT less than the
15 minimum wage, which shall be not less than:

- 16 1. \$10 PER HOUR on and after January 1, 2017.
- 17 2. \$10.50 PER HOUR on and after January 1, 2018.
- 18 3. \$11 PER HOUR on and after January 1, 2019.
- 19 4. \$12 PER HOUR on and after January 1, 2020.

20 B. The minimum wage shall be increased on January 1,
21 2021 and on January 1 of successive years, by the increase in
22 the cost of living. The increase in the cost of living shall
23 be measured by the percentage increase as of August of the
24 immediately preceding year over the level as of August of the
25 previous year of the consumer price index (all urban
26 consumers, ~~U.S.~~ UNITED STATES city average for all items) or
27 its successor index as published by the ~~U.S.~~ UNITED STATES
28 department of labor or its successor agency, with the amount
29 of the minimum wage increase rounded to the nearest multiple
30 of ~~five cents~~ .05.

31 C. For any employee who customarily and regularly
32 receives tips or gratuities from patrons or others, the
33 employer may pay a wage up to \$3.00 per hour less than the
34 minimum wage if the employer can establish by ~~its~~ THE
35 EMPLOYER'S records of charged tips or by the employee's
36 declaration for federal insurance contributions act (FICA)
37 purposes that for each week, when adding tips received to
38 wages paid, the employee received not less than the minimum
39 wage for all hours worked. Compliance with this ~~provision~~
40 SUBSECTION will be determined by averaging tips received by
41 the employee over the course of the employer's payroll period
42 or any other period selected by the employer that complies
43 with regulations adopted by the commission.

1 D. AN INDIVIDUAL WHO IS HOMELESS OR WHO IS AT RISK OF
2 BECOMING HOMELESS MAY VOLUNTARILY OPT OUT OF THE MINIMUM WAGE
3 REQUIREMENT OF THIS SECTION BY SUBMITTING WRITTEN NOTICE TO AN
4 EMPLOYER OR A POTENTIAL EMPLOYER OF THE INDIVIDUAL'S DECISION
5 TO OPT OUT OF THE MINIMUM WAGE REQUIREMENT.

6 2. The Secretary of State shall submit this proposition to the
7 voters at the next general election as provided by article IV, part 1,
8 section 1, Constitution of Arizona.