



General Assembly

February Session, 2004

Raised Bill No. 5394

LCO No. 1262

01262_____LAB

Referred to Committee on Labor and Public Employees

Introduced by:
(LAB)

AN ACT CONCERNING GRATUITIES IN THE HOTEL AND RESTAURANT INDUSTRY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (b) of section 31-60 of the general statutes, as
2 amended by section 91 of public act 03-278, is repealed and the
3 following is substituted in lieu thereof (*Effective January 1, 2005*):

4 (b) The Labor Commissioner shall adopt such regulations, in
5 accordance with the provisions of chapter 54, as may be appropriate to
6 carry out the purposes of this part. Such regulations may include, but
7 are not limited to, regulations defining and governing an executive,
8 administrative or professional employee and outside salesperson;
9 learners and apprentices, their number, proportion and length of
10 service; and piece rates in relation to time rates; and shall recognize, as
11 part of the minimum fair wage, gratuities in an amount [equal to
12 twenty-three per cent of the minimum fair wage per hour for persons
13 employed in the hotel and restaurant industry, including a hotel
14 restaurant, and] (1) equal to twenty-nine and three-tenths per cent of
15 the minimum fair wage per hour for persons, other than bartenders,
16 who are employed in the hotel and restaurant industry, including a

17 hotel restaurant, who customarily and regularly receive gratuities, (2)
18 equal to eight and two-tenths per cent of the minimum fair wage per
19 hour for persons employed as bartenders who customarily and
20 regularly receive gratuities, and (3) not to exceed thirty-five cents per
21 hour in any other industry, and shall also recognize deductions and
22 allowances for the value of board, in the amount of eighty-five cents
23 for a full meal and forty-five cents for a light meal, lodging, apparel or
24 other items or services supplied by the employer; and other special
25 conditions or circumstances which may be usual in a particular
26 employer-employee relationship. [Notwithstanding the provisions of
27 this subsection, for the period commencing January 1, 2002, and
28 ending December 31, 2004, such regulations shall recognize, as part of
29 the minimum fair wage, gratuities in an amount equal to (1) twenty-
30 nine and three-tenths per cent of the minimum fair wage per hour for
31 persons employed in the hotel and restaurant industry, including a
32 hotel restaurant, who customarily and regularly receive gratuities, and
33 (2) eight and two-tenths per cent of the minimum fair wage per hour
34 for persons employed as bartenders who customarily and regularly
35 receive gratuities.] The commissioner may provide, in such
36 regulations, modifications of the minimum fair wage herein
37 established for learners and apprentices; persons under the age of
38 eighteen years; and for such special cases or classes of cases as the
39 commissioner finds appropriate to prevent curtailment of employment
40 opportunities, avoid undue hardship and safeguard the minimum fair
41 wage herein established. Regulations in effect on July 1, 1973,
42 providing for a board deduction and allowance in an amount differing
43 from that provided in this section shall be construed to be amended
44 consistent with this section without the necessity of convening a wage
45 board or amending such regulations.

This act shall take effect as follows:	
Section 1	January 1, 2005

Statement of Purpose:

To make permanent a sunset provision that gives employers a larger tip credit toward the minimum wage for persons employed in the hotel and restaurant industry and bartenders who customarily and regularly receive gratuities.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]