



General Assembly

January Session, 2015

Committee Bill No. 5865

LCO No. 4141



Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by:
(LAB)

AN ACT CONCERNING CREDIT CARD TRANSACTIONS AND GRATUITIES.

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

1 Section 1. Section 31-60 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2015*):

3 (a) Any employer who pays or agrees to pay to an employee less
4 than the minimum fair wage or overtime wage shall be deemed in
5 violation of the provisions of this part.

6 (b) The Labor Commissioner shall adopt such regulations, in
7 accordance with the provisions of chapter 54, as may be appropriate to
8 carry out the purposes of this part. Such regulations may include, but
9 are not limited to, regulations defining and governing an executive,
10 administrative or professional employee and outside salesperson;
11 learners and apprentices, their number, proportion and length of
12 service; and piece rates in relation to time rates; and shall recognize, as
13 part of the minimum fair wage, gratuities in an amount (1) equal to
14 twenty-nine and three-tenths per cent, and effective January 1, 2009,
15 equal to thirty-one per cent of the minimum fair wage per hour, and

16 effective January 1, 2014, equal to thirty-four and six-tenths per cent of
17 the minimum fair wage per hour, and effective January 1, 2015, equal
18 to thirty-six and eight-tenths per cent of the minimum fair wage per
19 hour for persons, other than bartenders, who are employed in the hotel
20 and restaurant industry, including a hotel restaurant, who customarily
21 and regularly receive gratuities, (2) equal to eight and two-tenths per
22 cent, and effective January 1, 2009, equal to eleven per cent of the
23 minimum fair wage per hour, and effective January 1, 2014, equal to
24 fifteen and six-tenths per cent of the minimum fair wage per hour, and
25 effective January 1, 2015, equal to eighteen and one-half per cent of the
26 minimum fair wage per hour for persons employed as bartenders who
27 customarily and regularly receive gratuities, and (3) not to exceed
28 thirty-five cents per hour in any other industry, [and] except that if an
29 employer imposes a surcharge on or reduces the gratuity paid to any
30 employee through a credit card transaction, such gratuity shall not be
31 recognized as part of the minimum fair wage. The commissioner shall
32 also recognize deductions and allowances for the value of board, in the
33 amount of eighty-five cents for a full meal and forty-five cents for a
34 light meal, lodging, apparel or other items or services supplied by the
35 employer; and other special conditions or circumstances which may be
36 usual in a particular employer-employee relationship. The
37 commissioner may provide, in such regulations, modifications of the
38 minimum fair wage herein established for learners and apprentices;
39 persons under the age of eighteen years; and for such special cases or
40 classes of cases as the commissioner finds appropriate to prevent
41 curtailment of employment opportunities, avoid undue hardship and
42 safeguard the minimum fair wage herein established. Regulations in
43 effect on July 1, 1973, providing for a board deduction and allowance
44 in an amount differing from that provided in this section shall be
45 construed to be amended consistent with this section.

46 (c) Regulations adopted by the commissioner pursuant to
47 subsection (b) of this section which define executive, administrative
48 and professional employees shall be updated not later than October 1,
49 2000, and every four years thereafter, to specify that such persons shall

50 be compensated on a salary basis at a rate determined by the Labor
51 Commissioner.

52 Sec. 2. (NEW) (*Effective from passage*) Any employer who imposes a
53 surcharge on or reduces the gratuity paid to any employee through a
54 credit card transaction, shall post notice of such surcharge or
55 reduction, in a prominent place on the premises of such employer,
56 notifying the patrons of such employer of such surcharge or reduction.

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| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>October 1, 2015</i> | 31-60 |
| Sec. 2 | <i>from passage</i> | New section |

Statement of Purpose:

To discourage employers from imposing a surcharge on or reducing the gratuity paid to any employee through a credit card transaction.

[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.]

Co-Sponsors: REP. LUXENBERG, 12th Dist.

H.B. 5865