



General Assembly

February Session, 2020

***Raised Bill No. 353***

LCO No. 2139



Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by:  
(LAB)

***AN ACT CONCERNING TIPPED CREDIT WORKERS AND INDEXING.***

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

1 Section 1. Section 31-60 of the 2020 supplement to the general statutes  
2 is repealed and the following is substituted in lieu thereof (*Effective from*  
3 *passage*):

4 (a) Except as provided in subdivision (5) of subsection (i) of section  
5 31-58, any employer who pays or agrees to pay to an employee less than  
6 the minimum fair wage or overtime wage shall be deemed in violation  
7 of the provisions of this part.

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

16 twenty-nine and three-tenths per cent, and effective January 1, 2009,  
17 equal to thirty-one per cent of the minimum fair wage per hour, and  
18 effective January 1, 2014, equal to thirty-four and six-tenths per cent of  
19 the minimum fair wage per hour, and effective January 1, 2015, and  
20 ending on June 30, 2019, equal to thirty-six and eight-tenths per cent of  
21 the minimum fair wage per hour, and effective September 1, 2020, equal  
22 to thirty-six and eight-tenths per cent of the minimum fair wage per  
23 hour, for persons, other than bartenders, who are employed in the hotel  
24 and restaurant industry, including a hotel restaurant, who customarily  
25 and regularly receive gratuities, (2) equal to eight and two-tenths per  
26 cent, and effective January 1, 2009, equal to eleven per cent of the  
27 minimum fair wage per hour, and effective January 1, 2014, equal to  
28 fifteen and six-tenths per cent of the minimum fair wage per hour, and  
29 effective January 1, 2015, and ending on June 30, 2019, equal to eighteen  
30 and one-half per cent of the minimum fair wage per hour, and effective  
31 September 1, 2020, equal to eighteen and one-half per cent of the  
32 minimum fair wage per hour, for persons employed as bartenders who  
33 customarily and regularly receive gratuities, and (3) not to exceed thirty-  
34 five cents per hour in any other industry, and shall also recognize  
35 deductions and allowances for the value of board, in the amount of  
36 eighty-five cents for a full meal and forty-five cents for a light meal,  
37 lodging, apparel or other items or services supplied by the employer;  
38 and other special conditions or circumstances which may be usual in a  
39 particular employer-employee relationship. The commissioner may  
40 provide, in such regulations, modifications of the minimum fair wage  
41 herein established for learners and apprentices; persons under the age  
42 of eighteen years; and for such special cases or classes of cases as the  
43 commissioner finds appropriate to prevent curtailment of employment  
44 opportunities, avoid undue hardship and safeguard the minimum fair  
45 wage herein established. Regulations in effect on July 1, 1973, providing  
46 for a board deduction and allowance in an amount differing from that  
47 provided in this section shall be construed to be amended consistent  
48 with this section.

49 (c) Regulations adopted by the commissioner pursuant to subsection

50 (b) of this section which define executive, administrative and  
51 professional employees shall be updated not later than October 1, 2000,  
52 and every four years thereafter, to specify that such persons shall be  
53 compensated on a salary basis at a rate determined by the Labor  
54 Commissioner.

55 (d) (1) Effective July 1, 2019, and ending on September 1, 2020, the  
56 Labor Commissioner shall recognize, as part of the minimum fair wage,  
57 gratuities in an amount equal to the difference between the minimum  
58 fair wage and the employer's share per hour for persons, other than  
59 bartenders, who are employed in the hotel and restaurant industry,  
60 including a hotel restaurant, who customarily and regularly receive  
61 gratuities. The Labor Commissioner shall also recognize, as part of the  
62 subminimum wage established in subdivision (5) of subsection (i) of  
63 section 31-58, gratuities in an amount equal to the difference between  
64 such subminimum wage and the employer's share per hour for persons,  
65 other than bartenders, who are employed in the hotel and restaurant  
66 industry, including a hotel restaurant, who customarily and regularly  
67 receive gratuities.

68 (2) Effective July 1, 2019, and ending on September 1, 2020, the Labor  
69 Commissioner shall recognize, as part of the minimum fair wage,  
70 gratuities in an amount equal to the difference between the minimum  
71 fair wage and the employer's share per hour for persons employed as  
72 bartenders who customarily and regularly receive gratuities.

73 (3) As used in this subsection "employer's share" means (A) six dollars  
74 and thirty-eight cents per hour for persons, other than bartenders, who  
75 are employed in the hotel and restaurant industry, including a hotel  
76 restaurant, who customarily and regularly receive gratuities, and (B)  
77 eight dollars and twenty-three cents per hour for persons employed as  
78 bartenders who customarily and regularly receive gratuities.

79 (e) On and after October 1, 2020, no employer may take any action to  
80 displace an employee, including, but not limited to, a partial  
81 displacement of an employee, such as reducing the employee's hours,

82 wages or employment benefits, for purposes of hiring persons under the  
83 age of eighteen years at a rate below the minimum fair wage. If the Labor  
84 Commissioner determines that an employer has violated this  
85 subsection, the commissioner shall suspend the employer's right to pay  
86 the reduced rate for employees for a period of time specified in  
87 regulations adopted pursuant to subsection (b) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	31-60

**Statement of Purpose:**

To make adjustments concerning tipped credit workers and indexing.

*[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.]*