

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H.B. 857
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HOUSE PRINCIPAL CLERK

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HOUSE DRH10329-LR-134A (04/02)

Short Title: Tipped Employee Minimum Wage Change. (Public)

Sponsors: Representative Fisher.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO AMEND THE LABOR LAWS OF NORTH CAROLINA TO REDUCE THE AMOUNT OF TIPS THAT MAY BE COUNTED AS WAGES OF TIPPED EMPLOYEES THROUGH DECEMBER 31, 2016, AND REQUIRING SUBSEQUENTLY THAT NO TIPS MAY BE COUNTED AS WAGES.

The General Assembly of North Carolina enacts:

SECTION 1. Effective January 1, 2016, until December 31, 2016, G.S. 95-25.3(f) reads as rewritten:

"(f) Tips earned by a tipped employee may be counted as wages only up to the amount permitted in section 3(m) of the Fair Labor Standards Act, 29 U.S.C. 203(m), if the tipped employee is notified in advance, is permitted to retain all tips and the employer maintains accurate and complete records of tips received by each employee as such tips are certified by the employee monthly or for each pay period. Even if the employee refuses to certify tips accurately, tips may still be counted as wages when the employer complies with the other requirements of this section and can demonstrate by monitoring tips that the employee regularly receives tips in the amount for which the credit is taken. wages only up to the amount of five dollars (\$5.00) per hour. Tip pooling shall also be is permissible among employees who customarily and regularly receive tips; however, no employee's tips may be reduced by more than fifteen percent (15%) under a tip pooling arrangement."

SECTION 2. Effective January 1, 2017, G.S. 95-25.3(f), as amended by Section 1 of this act, reads as rewritten:

"(f) Tips earned by a tipped employee ~~may be counted as wages only up to the amount of five dollars (\$5.00) per hour.~~ shall not be counted as wages. Tip pooling is permissible among employees who customarily and regularly receive tips; however, no employee's tips may be reduced by more than fifteen percent (15%) under a tip pooling arrangement."

SECTION 3. This act is effective when it becomes law.



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