

2018 Regular Session

HOUSE BILL NO. 126

BY REPRESENTATIVE JORDAN

EMPLOYMENT/WAGES-MINIMUM: Provides for a minimum wage for certain tipped employees

1 AN ACT

2 To enact Chapter 6-B of Title 23 of the Louisiana Revised Statutes of 1950, to be comprised
3 of R.S. 23:671 through 673, relative to minimum wage; to establish a state minimum
4 wage for tipped employees; to provide for definitions; to provide for enforcement;
5 to provide for penalties; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. Chapter 6-B of Title 23 of the Louisiana Revised Statutes of 1950,
8 comprised of R.S. 23:671 through 673, is hereby enacted to read as follows:

9 CHAPTER 6-B. MINIMUM WAGE

10 §671. Minimum wage for tipped employees; establishment

11 A. Notwithstanding any other provision of law to the contrary, the state
12 minimum wage is established for tipped employees and set at the level of the federal
13 minimum hourly wage rate of seven dollars and twenty-five cents per hour as
14 established by Section 6 of the federal Fair Labor Standards Act of 1938, or a
15 successor federal law, for employees who engage in interstate commerce.

16 B. If at any time the federal minimum hourly wage rate set for employees
17 who engage in interstate commerce as provided by Section 6 of the federal Fair
18 Labor Standards Act of 1938, or a successor federal law, is raised to a higher rate,
19 then the state minimum wage rate for tipped employees shall be increased to that
20 rate.

1 C. For the purposes of this Chapter, "tipped employee" shall mean an
2 employee who customarily and regularly receives more than thirty dollars per month
3 in tips.

4 §672. Enforcement

5 The Louisiana Workforce Commission shall be responsible for the
6 enforcement of this Chapter and is authorized and directed to promulgate rules and
7 regulations in accordance with the Administrative Procedure Act, R.S. 49:950 et
8 seq., necessary for the implementation of the provisions of this Chapter.

9 §673. Penalties

10 A. Whoever violates the provisions of this Chapter shall be fined not less
11 than five hundred dollars and not more than one thousand dollars per employee not
12 receiving minimum wage. Additionally, the employer shall pay the employee the
13 difference between the wages actually paid to the employee and the minimum wage
14 rate in effect at the time the employee was paid.

15 B. Penalties may be imposed by a ruling of the executive director pursuant
16 to an adjudicatory hearing held in accordance with the Administrative Procedure Act,
17 R.S. 49:950 et seq.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 126 Original

2018 Regular Session

Jordan

Abstract: Creates a state minimum wage rate for tipped employees.

Present law Fair Labor and Standards Act requires that an employer shall compensate a tipped employee at a rate of \$2.13 per hour, and if the employee fails to earn sufficient tips to bring his hourly earnings to the federal minimum wage rate of \$7.25, the employer shall pay the difference to ensure the employee earns at least \$7.25 per hour.

Proposed law creates a state minimum wage rate for tipped employees and sets it at the rate set by the federal Fair Labor and Standards Act (FLSA) rate required to be paid to any employee engaged in interstate commerce. Proposed law further requires that the rate be adjusted to match the rate set by the FLSA in proposed law if the FLSA rate is increased.

Proposed law defines a tipped employee as an employee who regularly earns at least \$30 per month in tips.

Proposed law directs the La. Workforce Commission to promulgate rules for the enforcement of proposed law.

(Adds R.S. 23:671-673)