

1 H.618

2 Introduced by Representatives Wright of Burlington, Baser of Bristol,
3 Brumsted of Shelburne, Juskiewicz of Cambridge, Murphy of
4 Fairfax, and Poirier of Barre City

5 Referred to Committee on

6 Date:

7 Subject: Labor; employment practices; minimum wage; tips

8 Statement of purpose of bill as introduced: This bill proposes to amend the
9 minimum wage law to provide that tips are the property of the employee to
10 whom they are given.

11 An act relating to tipped employees

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 Sec. 1. 21 V.S.A. § 383 is amended to read:

14 § 383. DEFINITIONS

15 Terms used in this subchapter have the following meanings, unless a
16 different meaning is clearly apparent from the language or context:

17 (1) "Commissioner;" means the Commissioner of Labor or designee;

18 (2) "Employee;" means any individual employed or permitted to work

19 by an employer except:

20 * * *

1 (3) “Occupation;” means an industry, trade, ~~or~~ business or branch
2 thereof, or a class of work in which workers are gainfully employed.

3 (4) “Tip” means a sum of money gratuitously and voluntarily left by a
4 customer for service, or indicated on a bill or charge statement, to be paid to a
5 service or tipped employee for directly and personally serving the customer in
6 a hotel, motel, tourist place, or restaurant. An employer-mandated service
7 charge shall not be considered a tip.

8 Sec. 2. 21 V.S.A. § 384 is amended to read:

9 § 384. EMPLOYMENT; WAGES

10 * * *

11 (e)(1) A tip shall be the sole property of the employee or employees to
12 whom it was paid, given, or left. An employer that permits patrons to pay tips
13 by credit card shall pay an employee the full amount of the tip that the
14 customer indicated, without any deductions for credit card processing fees or
15 costs that may be charged to the employer by the credit card company.

16 (2) An employer shall not collect, deduct, or receive any portion of a tip
17 left for an employee or credit any portion of a tip left for an employee against
18 the wages due to the employee pursuant to subsection (a) of this section.

19 (3) This subsection shall not be construed to prohibit the pooling of tips
20 among service or tipped employees as defined pursuant to subsection (a) of
21 this section.

1 Sec. 3. EFFECTIVE DATE

2 This act shall take effect on July 1, 2018.