

House Bill 3054

Sponsored by COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes minimum wage for tipped employee of not less than \$10 per hour if employee earns in tips at least \$5 per hour more than minimum wage otherwise required by law.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to tipped employees; creating new provisions; amending ORS 653.035; and declaring an
3 emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2017 Act is added to and make a part of ORS 653.010 to**
6 **653.261.**

7 **SECTION 2. (1) For the purpose of this section, a "tipped employee" is an employee who**
8 **earns tips that average, for the pay period for which wages are computed, an hourly rate of**
9 **at least the total of:**

10 (a) **The minimum wage the employer would otherwise be required to pay the employee**
11 **under ORS 653.025; and**

12 (b) **\$5.**

13 (2) **Regardless of an employer's location in this state, an employer may not employ or**
14 **agree to employ any tipped employee at wages computed at a rate lower than \$10 for each**
15 **hour of work time that the tipped employee is gainfully employed.**

16 (3) **An employer may subsidize an employee's earnings to render the employee a tipped**
17 **employee under this section.**

18 (4) **This section does not negate provisions under ORS 652.020 or the rules of the Com-**
19 **missioner of the Bureau of Labor and Industries issued under ORS 653.030 and 653.261.**

20 **SECTION 3. ORS 653.035 is amended to read:**

21 653.035. (1) Employers may deduct from the minimum wage to be paid employees under ORS
22 653.025, 653.030 or 653.261, the fair market value of lodging, meals or other facilities or services
23 furnished by the employer for the private benefit of the employee.

24 (2) Employers may include commission payments to employees as part of the applicable minimum
25 wage for any pay period in which the combined wage and commission earnings of the employee will
26 comply with ORS 653.010 to 653.261. In any pay period where the combined wage and commission
27 payments to the employee do not add up to the applicable minimum wage under ORS 653.010 to
28 653.261, the employer shall pay the minimum rate as prescribed in ORS 653.010 to 653.261.

29 [(3) *Employers, including employers regulated under the federal Fair Labor Standards Act, may*
30 *not include any amount received by employees as tips in determining the amount of the minimum wage*
31 *required to be paid by ORS 653.010 to 653.261.]*

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 **SECTION 4. This 2017 Act being necessary for the immediate preservation of the public**
2 **peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect**
3 **on its passage.**

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