## STATE OF NEW YORK

\_\_\_\_\_\_

4405

2017-2018 Regular Sessions

## IN SENATE

February 14, 2017

Introduced by Sen. STEWART-COUSINS -- read twice and ordered printed, and when printed to be committed to the Committee on Labor

AN ACT to amend the labor law, in relation to the minimum wage for food service workers and service employees who receive tips

## The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivisions 2 and 4 of section 652 of the labor law, subdivision 2 as amended by chapter 38 of the laws of 1990 and subdivision 4 as amended by section 2 of part K of chapter 54 of the laws of 2016, are amended to read as follows:

2. Existing wage orders. The minimum wage orders in effect on the effective date of this act shall remain in full force and effect, except as modified in accordance with the provisions of this article.

7

8 Such minimum wage orders shall be modified by the commissioner to 9 increase all monetary amounts specified therein in the same proportion 10 as the increase in the hourly minimum wage as provided in subdivision one of this section, including the amounts specified in such minimum 12 wage orders as allowances for gratuities, and when furnished by the employer to its employees, for meals, lodging, apparel and other such 13 14 items, services and facilities, except that the hourly cash wage for 15 food service workers and service employees who receive tips shall not be 16 less than the cash wage as provided in subdivision four of this section 17 and the maximum credit for tips in minimum wage orders shall be modified 18 so that such credit, when combined with this cash wage, is equal to the minimum wage. All amounts so modified shall be rounded off to the near-19 20 est five cents. The modified orders shall be promulgated by the commissioner without a public hearing, and without reference to a wage board, 22 and shall become effective on the effective date of such increases in the minimum wage except as otherwise provided in this subdivision, 24 notwithstanding any other provision of this article.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

LBD09901-01-7

S. 4405 2

1

3

4

7

8

9

10

11 12

13 14

15

16

17 18

19

24

25

26

27

30

31

32

33

34

35

36

37

38

39 40

- 4. Notwithstanding subdivisions one and two of this section, the wage for an employee who is a food service worker receiving tips shall be a cash wage of at least two-thirds of the minimum wage rates set forth in subdivision one of this section, rounded to the nearest five cents or seven dollars and fifty cents, whichever is higher, provided that the tips of such an employee, when added to such cash wage, are equal to or exceed the minimum wage in effect pursuant to subdivision one of this section and provided further that no other cash wage is established pursuant to section six hundred fifty-three of this article, except that any cash wage established pursuant to section six hundred fifty-three of this article shall not be less than the cash wage established by this subdivision.
- (a) New York City. Notwithstanding subdivisions one and two of this section and section six hundred fifty-three of this article, the wage for an employee who is a food service worker or service employee receiving tips and paid in accordance with part one hundred forty-six of title twelve of the New York state compilation of codes, rules and regulations shall be, for each hour worked in the city of New York, a cash wage of not less than:
- \$9.00 per hour on and after December thirty-first, two thousand seven-21 teen;
- 22 <u>\$10.50 per hour on and after December thirty-first, two thousand eigh-</u>
  23 teen;
  - \$12.00 per hour on an after December thirty-first, two thousand nine-teen;
  - \$13.50 per hour on and after December thirty-first, two thousand twenty;
- \$\frac{\$15.00 \text{ per hour on and after December thirty-first, two thousand twen-}}{\text{ty-one.}}
  - Beginning on December thirty-first, two thousand twenty-two, the cash wage payable to a food service worker or service worker under this paragraph shall be not less than the wage established pursuant to paragraph (a) of subdivision one of this section.
  - (b) Remainder of downstate. Notwithstanding subdivisions one and two of this section and section six hundred fifty-three of this article, the wage for an employee who is a food service worker or service employee receiving tips and paid in accordance with part one hundred forty-six of title twelve of the New York state compilation of codes, rules and regulations shall be, for each hour worked in the counties of Nassau, Suffolk and Westchester, a cash wage of not less than:
- \$8.00 per hour on and after December thirty-first, two thousand seven-42 teen;
- \$9.50 per hour on and after December thirty-first, two thousand eigh-44 teen;
- \$\frac{\$11.00 \text{ per hour on and after December thirty-first, two thousand nine-}}{\$46\$\$\$ \frac{\$\text{teen;}}{\$}\$\$
- \$13.00 per hour on and after December thirty-first, two thousand twen-48 ty;
- \$15.00 per hour on and after December thirty-first, two thousand twen-50 ty-one.
- Beginning on December thirty-first, two thousand twenty-two, the cash wage payable to a food service worker or service worker under this paragraph shall be not less than the wage established pursuant to paragraph (b) of subdivision one of this section.
- 55 <u>(c) Remainder of state. Notwithstanding subdivisions one and two of</u> 56 <u>this section and section six hundred fifty-three of this article, the</u>

3 S. 4405

7

8

13

17

18 19

20

21

43

wage for an employee who is a food service worker or service employee receiving tips and paid in accordance with part one hundred forty-six of 3 title twelve of the New York state compilation of codes, rules and requlations shall be, for each hour worked outside the city of New York and 5 the counties of Nassau, Suffolk and Westchester, a wage of not less 6 than:

- \$8.00 per hour on and after December thirty-first, two thousand seventeen;
- 9 \$9.25 per hour on and after December thirty-first, two thousand eigh-10
- 11 \$10.50 per hour on and after December thirty-first, two thousand nine-12
- \$11.50 per hour on and after December thirty-first, two thousand twen-14 **ty**;
- 15 \$12.50 per hour on and after December thirty-first, two thousand twen-16 ty-one.

Beginning on December thirty-first, two thousand twenty-two, the cash wage payable to a food service worker or service worker under this paragraph shall be not less than the wage established pursuant to paragraph (c) of subdivision one of this section.

- § 2. Subdivision 2 of section 653 of the labor law, as added by chapter 14 of the laws of 2000, is amended to read as follows:
- 22 23 (2) The commissioner shall, within six months after enactment of any 24 change in the statutory minimum wage set forth in subdivision one of 25 section six hundred fifty-two of this article, appoint a wage board to 26 inquire and report and recommend any changes to wage orders governing 27 wages payable to food service workers. Such wage board shall be established consistent with the provisions of subdivision one of section six 28 29 hundred fifty-five of this article, except the representatives of the employees shall be selected upon the nomination of the state American 30 31 Federation of Labor/Congress of Industrial Organizations; and provided, 32 further, that the representatives of the employers shall be selected 33 upon the nomination of the New York State Business Council. [Any wage 34 order authorizing a lesser wage than the previously and statutorily 35 mandated minimum wage for such employees shall be reviewed by the wage 36 board to aggertain at what level such wage order is sufficient to provide adequate maintenance and to protect the health and livelihood of 37 employees subject to such a wage order after a statutory increase in the 38 39 mandated minimum wage. ] Notwithstanding section six hundred fifty-five of this article, a wage order under this subdivision shall not authorize 40 41 a lesser wage than the previously and statutorily mandated minimum wage 42 for such employees.
  - § 3. This act shall take effect immediately.