

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 19-0572.01 Jery Payne x2157

HOUSE BILL 19-1254

HOUSE SPONSORSHIP

McLachlan and Van Winkle,

SENATE SPONSORSHIP

Fields and Priola,

House Committees
Business Affairs & Labor

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE NOTICE REQUIREMENTS OF EMPLOYERS WITH**
102 **REGARD TO THE SHARING OF GRATUITIES.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Current law authorizes an employer to require employees to share gratuities if the employer posts a sign in a conspicuous place. The bill changes this law by requiring notification to each patron in writing, such as on the menu, table, or receipt.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 8-4-103, **amend** (6)
3 as follows:

4 **8-4-103. Payment of wages - insufficient funds - pay statement**
5 **- record retention - gratuity notification.** (6) It is unlawful for ~~any~~ AN
6 employer engaged in ~~any~~ A business where the custom prevails of the
7 giving of ~~presents, tips, or gratuities~~ by patrons ~~thereof~~ to an employee of
8 ~~said~~ THE business to assert ~~any~~ A claim to, or right of ownership in, or
9 control over ~~such presents, tips, or gratuities. and such presents, tips, or~~
10 THESE gratuities ~~shall be~~ ARE the sole property of the employee of ~~said~~
11 ~~business~~ unless the employer ~~posts in his or her place of business in a~~
12 ~~conspicuous place a printed card, at least twelve inches by fifteen inches~~
13 ~~in size, containing a notice to the general public in letters at least one-half~~
14 ~~inch high that all presents, tips, or gratuities given by any patron of said~~
15 ~~business to an employee thereof are not the property of said employee but~~
16 ~~belong to the employer~~ NOTIFIES EACH PATRON IN WRITING, INCLUDING BY
17 A NOTICE ON A MENU, TABLE TENT, OR RECEIPT, THAT GRATUITIES ARE
18 SHARED BY EMPLOYEES. Nothing in this section ~~shall prevent~~ PREVENTS
19 an employer ~~covered hereby~~ from requiring employees to share or
20 allocate ~~such presents, tips, or gratuities~~ on a preestablished basis among
21 the employees of ~~such~~ THE business.

22 **SECTION 2. Act subject to petition - effective date -**
23 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
24 the expiration of the ninety-day period after final adjournment of the
25 general assembly (August 2, 2019, if adjournment sine die is on May 3,
26 2019); except that, if a referendum petition is filed pursuant to section 1
27 (3) of article V of the state constitution against this act or an item, section,

1 or part of this act within such period, then the act, item, section, or part
2 will not take effect unless approved by the people at the general election
3 to be held in November 2020 and, in such case, will take effect on the
4 date of the official declaration of the vote thereon by the governor.

5 (2) This act applies to gratuities given on or after the applicable
6 effective date of this act.