SB 1758

Introduced by
Senator Quezada

AN ACT

REPEALING SECTION 23-362, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1997, CHAPTER 51, SECTION 1; AMENDING SECTION 23-363, ARIZONA REVISED STATUTES; RELATING TO EMPLOYMENT PRACTICES.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Repeal
Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 23-362, Arizona Revised Statutes, as amended by Laws 1997, chapter 51, section 1, is repealed.

Sec. 2. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 23-363, Arizona Revised Statutes, is amended to read:

23-363. Minimum wage
A. Employers shall pay employees \textit{not} less than the minimum wage, which shall be not less than:
1. $10 on and after January 1, 2017.
2. $10.50 on and after January 1, 2018.
3. $11 on and after January 1, 2019.
4. $12 on and after January 1, 2020 $20 PER HOUR ON AND AFTER THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS SECTION.

B. The minimum wage shall be increased on January 1, 2021 and on January 1 of successive years, by the increase in the cost of living. The increase in the cost of living shall be measured by the percentage increase as of August of the immediately preceding year over the level as of August of the previous year of the consumer price index (all urban consumers, \textit{U.S. UNITED STATES} city average for all items) or its successor index as published by the \textit{U.S. UNITED STATES} department of labor or its successor agency, with the amount of the minimum wage increase rounded to the nearest multiple of \textit{five-cents $.05}.

C. For any employee who customarily and regularly receives tips or gratuities from patrons or others, the employer may pay a wage up to $3.00 per hour less than the minimum wage if the employer can establish by its records of charged tips or by the employee's declaration for federal insurance contributions act (FICA) purposes that for each week, when adding tips received to wages paid, the employee received not less than the minimum wage for all hours worked. Compliance with this provision will be determined by averaging tips received by the employee over the course of the employer's payroll period or any other period selected by the employer that complies with regulations adopted by the commission.

Sec. 3. Requirements for enactment; three-fourths vote
Pursuant to article IV, part 1, section 1, Constitution of Arizona, section 23-362, Arizona Revised Statutes, as amended by Laws 1997, chapter 51, section 1 and repealed by this act, and section 23-363, Arizona Revised Statutes, as amended by this act, are effective only on the affirmative vote of at least three-fourths of the members of each house of the legislature.