SENATE CONCURRENT RESOLUTION 1040

A CONCURRENT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE XVIII, CONSTITUTION OF ARIZONA, BY ADDING SECTION 11; RELATING TO WAGES.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it resolved by the Senate of the State of Arizona, the House of Representatives concurring:

1. Article XVIII, Constitution of Arizona, is proposed to be amended by adding section 11 as follows if approved by the voters and on proclamation of the Governor:

   11. **Tipped workers; wages**

   **SECTION 11.** FOR ANY EMPLOYEE WHO CUSTOMARILY AND REGULARLY RECEIVES TIPS OR GRATUITIES FROM PATRONS OR OTHERS, THE EMPLOYER MAY PAY A WAGE UP TO TWENTY-FIVE PERCENT PER HOUR LESS THAN THE MINIMUM WAGE ESTABLISHED BY STATUTE IF THE EMPLOYER CAN ESTABLISH BY THE EMPLOYER'S RECORDS OF CHARGED TIPS OR GRATUITIES OR BY THE EMPLOYEE'S DECLARATION FOR FEDERAL INSURANCE CONTRIBUTIONS ACT PURPOSES THAT FOR EACH WEEK, WHEN ADDING TIPS OR GRATUITIES RECEIVED TO WAGES PAID, THE EMPLOYEE RECEIVED NOT LESS THAN THE MINIMUM WAGE PLUS $2 FOR ALL HOURS WORKED. COMPLIANCE WITH THIS SECTION IS DETERMINED BY AVERAGING TIPS OR GRATUITIES RECEIVED BY THE EMPLOYEE OVER THE COURSE OF THE EMPLOYER'S PAYROLL PERIOD OR ANY OTHER PERIOD SELECTED BY THE EMPLOYER THAT COMPLIES WITH LAWS ENACTED BY THE LEGISLATURE.

   Sec. 2. **Short title**

   This act may be cited as the "Tipped Workers Protection Act".

   2. The Secretary of State shall submit this proposition to the voters at the next general election as provided by article XXI, Constitution of Arizona.

PASSED BY THE HOUSE APRIL 3, 2024.

PASSED BY THE SENATE MARCH 12, 20224.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 13, 2024.