

# One Hundred Seventh Legislature - Second Session - 2022

## Introducer's Statement of Intent

### LB1028

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**Chairperson: Senator Ben Hansen**

**Committee: Business and Labor**

**Date of Hearing: February 14, 2022**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 1028 would add clarity, employee protections, and an enforcement mechanism to the tipped wage law. Existing statute requires that for tipped workers, the sum of wages and gratuities paid must meet or exceed the standard minimum wage for all other workers. Nebraska's minimum wage is currently \$9/hr, and the tipped wage is \$2.13/hr. That is, if a tipped worker's wages plus tips add up to less than \$9/hr, the employer is statutorily required to make up the difference.

However, current statute is vague and does not provide for enforcement of this part the law, nor does it provide a process or protections for tipped employees who believe that they are not receiving the proper wage. LB 1028:

- Makes explicitly clear it is the responsibility of the employer to ensure that tipped employees are being paid an equivalent of the regular minimum wage
- Establishes a process and protections for employees to submit complaints to the Department of Labor if they reasonably believe they aren't receiving the proper wage; and
- Requires employers to keep records of the amount paid each pay period to employees and their hours worked; and to provide these records to the Commissioner of Labor upon request for investigation. The DOL is authorized to take enforcement actions or to forward credible complaints to the appropriate county attorney.

**Principal Introducer:** \_\_\_\_\_

**Senator Megan Hunt**