

House Engrossed Senate Bill

~~permanent school fund; distribution; uses~~  
(now: tipped workers; wages)

State of Arizona  
Senate  
Fifty-sixth Legislature  
Second Regular Session  
2024

## **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)

1 Be it resolved by the Senate of the State of Arizona, the House of  
2 Representatives concurring:

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

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

20 Sec. 2. Short title  
21 This act may be cited as the "Tipped Workers Protection  
22 Act".

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

PASSED BY THE HOUSE APRIL 3, 2024.

PASSED BY THE SENATE MARCH 12, 2024.

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