

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  
4 amended by adding section 11 as follows if approved by the voters and on  
5 proclamation 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  
12 TIPS OR GRATUITIES OR BY THE EMPLOYEE'S DECLARATION FOR  
13 FEDERAL INSURANCE CONTRIBUTIONS ACT PURPOSES THAT FOR EACH  
14 WEEK, WHEN ADDING TIPS OR GRATUITIES RECEIVED TO WAGES PAID,  
15 THE EMPLOYEE RECEIVED NOT LESS THAN THE MINIMUM WAGE PLUS \$2  
16 FOR ALL HOURS WORKED. COMPLIANCE WITH THIS SECTION IS  
17 DETERMINED BY AVERAGING TIPS OR GRATUITIES RECEIVED BY THE  
18 EMPLOYEE OVER THE COURSE OF THE EMPLOYER'S PAYROLL PERIOD OR  
19 ANY OTHER PERIOD SELECTED BY THE EMPLOYER THAT COMPLIES WITH  
20 LAWS ENACTED BY THE LEGISLATURE.

21 Sec. 2. Short title

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

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