## SENATE BILL No. 141

By Senators Holland, Faust-Goudeau, Francisco, Hawk, Hensley, Miller, Pettey and Ware

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AN ACT concerning labor and employment; relating to increasing the minimum wage; amending K.S.A. 2018 Supp. 44-1203 and repealing the existing section.

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Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2018 Supp. 44-1203 is hereby amended to read as follows: 44-1203. (a) Except as otherwise provided in the minimum wage and maximum hours law, every employer shall pay to each employee wages at a rate as follows:

- (1) Prior to January 1, 2010, employee wages shall be paid at a rate of not less than \$2.65 an hour; and
- (2)—On and after January 1, 2010, and prior to January 1, 2020, employee wages shall be paid at a rate of not less than \$7.25 an hour;
- (2) on and after January 1, 2020, and prior to January 1, 2021, employee wages shall be paid at a rate of not less than \$8.60 an hour;
- (3) on and after January 1, 2021, and prior to January 1, 2022, employee wages shall be paid at a rate of not less than \$9.60 an hour;
- (4) on and after January 1, 2022, and prior to January 1, 2023, employee wages shall be paid at a rate of not less than \$10.80 an hour;
- (5) on and after January 1, 2023, and prior to January 1, 2024, employee wages shall be paid at a rate of not less that \$12.00 an hour;
- (6) on and after January 1, 2024, and prior to January 1, 2025, employee wages shall be paid at a rate of not less than \$13.00 an hour; and
- (7) on and after January 1, 2025, and on and after January 1 of each year thereafter, employee wages shall be paid at the rate for the immediately preceding year, increased by the percentage that is the sum of:
- (A) The percentage increase in the cost of living determined by the percentage increase in the not seasonally adjusted 12-month average consumer price index for urban wage earners and clerical workers (CPI-W), or its successor index published by the United States department of labor, or its successor agency, for the immediately preceding 12 months as published in July of the previous year, with the amount of the minimum wage rate increase so determined rounded up to the nearest \$.05; and

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(B) the percentage increase in the average statewide wage rate for all industries based on the quarterly census of employment and wages published by the labor market information services of the Kansas department of labor (QCEW), or its successor agency, for the immediately preceding 12 months as published in July of the previous year, with the amount of the minimum wage rate increase so determined rounded up to the nearest \$.05.

- (b) In calculating such minimum wage rate, an employer may include tips and gratuities received by an employee if such tips and gratuities have customarily constituted part of the remuneration of the employee and if the employee concerned actually received and retained such tips and gratuities. For employees receiving tips and gratuities, the employer shall pay a minimum wage of at least \$2.13 an hour prior to January 1, 2020, and on and after January 1, 2020, and on and after each successive January 1, at least 70% of the minimum wage rate required for the year as provided by subsection (a), rounded up to the nearest \$.05. If, when combined with the minimum wage rate prescribed in this subsection, the amount of the employee's tips and gratuities are:
- (1) At least equal to \$7.25 an hour 70% of the minimum wage rate per hour prescribed by subsection (a), rounded up to the nearest \$.05, no further payment is required by the employer; or
- (2) less than \$7.25 an hour 70% of the minimum wage rate per hour prescribed by subsection (a), rounded up to the nearest \$.05, the employer must pay the employee the difference between \$7.25 an hour 70% on the minimum wage rate per hour prescribed by subsection (a), rounded up to the nearest \$.05, and the actual hourly amount received by the employee determined by combining the amount of tips and gratuities received by the employee with the minimum wage prescribed by this subsection paid by the employer.
- (c) The provisions of this section shall not apply to any employers and employees who are covered under the provisions of the federal fair labor standards act-(, 29-U.S.C.A. U.S.C. § 201 et seq.), and any other acts amendatory thereof or supplemental amendments thereto.
  - Sec. 2. K.S.A. 2018 Supp. 44-1203 is hereby repealed.
- Sec. 3. This act shall take effect and be in force from and after January 1, 2020, and its publication in the statute book.