

ASSEMBLY BILL NO. 357—ASSEMBLYMEN BEERS, GOEDHART,
GOICOECHEA, STEWART AND WOMACK

MARCH 15, 2007

Referred to Committee on Judiciary

SUMMARY—Revises provisions governing tips and gratuities received by employees. (BDR 53-1166)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.
Effect on the State: No.

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EXPLANATION – Matter in **bolded italics** is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to labor; prohibiting under certain circumstances certain acts by an employer with regard to tips and gratuities received by his employees; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under existing law, it is unlawful for an employer to take any tips or gratuities
2 received by his employees or to apply such tips or gratuities toward the payment of
3 the statutory minimum wage. (NRS 608.160) This bill provides additional
4 protections for employees by prohibiting an employer from exercising any control
5 over the collection, counting or distribution of such tips or gratuities or from
6 performing certain other acts that conflict with a written agreement entered into by
7 his employees which provides for the division of such tips and gratuities among
8 themselves. This bill further provides that such additional protections do not apply
9 to the extent that they conflict with the provisions of a collective bargaining
10 agreement which covers such employees.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 608.160 is hereby amended to read as follows:
2 608.160 1. It is unlawful for any ~~person~~ **employer** to:
3 (a) Take all or part of any tips or gratuities bestowed upon his
4 employees ~~or~~ **;** **or**



(b) Apply as a credit toward the payment of the statutory minimum hourly wage established by any law of this State any tips or gratuities bestowed upon his employees.

2. ~~[Nothing contained in this section shall be construed to prevent such]~~ Except as otherwise provided in subsection 4, it is unlawful for any employer to:

(a) Exercise any control over the collection, counting or distribution of any tips or gratuities bestowed upon his employees;

(b) Require that his employees agree to or participate in any program or other arrangement for the pooling and distribution of such tips or gratuities; or

(c) Prevent a group of his employees from entering into ~~[an]~~ a written agreement to divide such tips or gratuities among themselves.

3. Except as otherwise provided in subsection 4, if a group of employees enters into a written agreement to divide among themselves any tips or gratuities bestowed upon those employees and provides a copy of the agreement to their employer:

(a) The employer shall recognize the rights of the employees under the agreement; and

(b) It is unlawful for the employer to:

(1) Treat the agreement as if it were void;

(2) Require that the employees void or amend any portion of the agreement;

(3) Determine which employees are eligible to receive any allocation of those tips or gratuities; or

(4) Require that any other employee share in the allocation of those tips or gratuities.

4. The protections provided for employees pursuant to subsections 2 and 3 do not apply to any employee who is covered by a collective bargaining agreement to the extent that the provisions of the collective bargaining agreement conflict with the provisions of those subsections. The requirements and prohibitions imposed upon employers pursuant to subsections 2 and 3 do not apply with respect to any employee who is covered by a collective bargaining agreement to the extent that the provisions of the collective bargaining agreement conflict with the provisions of those subsections.

Sec. 2. This act becomes effective upon passage and approval.

