

20100830D

## HOUSE BILL NO. 56

House Amendments in [ ] - January 21, 2020

A BILL to amend and reenact § 40.1-28.9 of the Code of Virginia, relating to the minimum wage; tipped employees.

Patron Prior to Engrossment—Delegate Carter

Referred to Committee on Labor and Commerce

**Be it enacted by the General Assembly of Virginia:**

**1. That § 40.1-28.9 of the Code of Virginia is amended and reenacted as follows:**

**§ 40.1-28.9. Definitions; determining wage of tipped employee.**

A. As used in this article:

"Employee" includes any individual employed by an employer, except the following:

1. Any person employed as a farm laborer or farm employee;
2. Any person employed in domestic service or in or about a private home or in an eleemosynary institution primarily supported by public funds;
3. Any person engaged in the activities of an educational, charitable, religious, or nonprofit organization where the relationship of employer-employee does not, in fact, exist; or where the services rendered to such organizations are organization is on a voluntary basis;
4. Caddies on golf courses;
5. Traveling salesmen or outside salesmen working on a commission basis; taxicab drivers and operators;
6. Any person under the age of 18 in the employ of his father, mother parent or legal guardian;
7. Any person confined in any penal or corrective institution of the State Commonwealth or any of its political subdivisions or admitted to a state hospital or training center operated by the Department of Behavioral Health and Developmental Services;
8. Any person employed by a summer camp for boys, girls, or both boys and girls;
9. Any person under the age of 16, regardless of by whom employed;
10. Any person who normally works and is paid based on the amount of work done;
11. Any person whose employment is covered by the Fair Labor Standards Act of 1938, as amended;
12. Any person whose earning capacity is impaired by physical deficiency, mental illness, or intellectual disability;
13. Students participating in a bona fide educational program;
14. Any person employed by an employer who that does not have four or more persons employed at any one time; provided that husbands, wives the spouse, sons, daughters children, and parents of the an individual employer shall not be counted in determining the number of persons employed;
15. Any person who is less than 18 years of age and who is currently enrolled on a full-time basis in any secondary school, institution of higher education, or trade school, provided that the person is not employed more than 20 hours per week;
16. Any person of any age who is currently enrolled on a full-time basis in any secondary school, institution of higher education, or trade school and is in a work-study program or its equivalent at the institution at which he or she is enrolled as a student;
17. Any person who is less than 18 years of age and who is under the jurisdiction and direction of a juvenile and domestic relations district court; or
18. Any person who works as a babysitter for fewer than 10 hours per week.

"Employer" includes any individual, partnership, association, corporation, or business trust; or any person or groups group of persons acting directly or indirectly in the interest of an employer in relation to an employee.

[ "Tip" means money given to an employee by a customer, in cash or its equivalent, or transferred to the employee by the employer pursuant to directions from a credit card customer who designates a sum to be added to the bill as a tip, or added as a gratuity or service charge to a customer's bill, in recognition of service performed. ]

"Tipped employee" means an employee who in the course of employment customarily and regularly receives tips totaling more than \$30 each month from persons other than the employee's employer.

"Wages" means legal tender of the United States or checks or drafts on banks negotiable into cash on demand or upon acceptance at full value; provided, wages may include. "Wages" [ includes may include ] the reasonable cost to the employer of furnishing meals and for lodging to an employee, if such board or lodging is customarily furnished by the employer; and used by the employee.

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59 B. In determining the wage of a tipped employee, the amount paid such employee by his employer  
60 shall be deemed to be increased on account of tips by an amount determined by the employer, except in  
61 the case of an employee who establishes by clear and convincing evidence that the actual amount of tips  
62 received by him was less than the amount determined by the employer. In such case, the amount paid  
63 such employee by his employer shall be deemed to have been increased by such lesser amount. *An*  
64 *employer shall not classify an individual as a tipped employee if the individual is prohibited by*  
65 *applicable federal or state law or regulation from soliciting tips.*