The Commonwealth of Massachusetts

INITIATIVE PETITION OF IRENE S. LI AND OTHERS

OFFICE OF THE SECRETARY.

BOSTON, JANUARY 16, 2024.

Steven T. James *Clerk of the House of Representatives* State House Boston, Massachusetts 02133

Sir: — I herewith transmit to you, in accordance with the requirements of Article XLVIII of the Amendments to the Constitution an initiative petition for "A Law Requiring the Full Minimum Wage for Tipped Workers with Tips on Top," signed by ten qualified voters and filed with this department on or before December 6, 2023, together with additional signatures of qualified voters in the number of 84,804, being a sufficient number to comply with the Provisions of said Article.

Sincerely,

WILLIAM FRANCIS GALVIN Secretary of the Commonwealth.

AN INITIATIVE PETITION.

Pursuant to Article XLVIII of the Amendments to the Constitution of the Commonwealth, as amended, the undersigned qualified voters of the Commonwealth, ten in number at least, hereby petition for the enactment into law of the following measure:

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Third General Court (2023-2024)

An Act to require the full minimum wage for tipped workers with tips on top.

Be it enacted by the People, and by their authority, as follows:

1 SECTION 1.

Section 7 of Chapter 151 of the General Laws is hereby amended by striking the third
paragraph, as amended by Chapter 121 of the Acts of 2018, and inserting in place thereof the
following paragraph:-

5 In determining the wage an employer is required to pay a tipped employee, the amount 6 paid to such employee by the employer shall be an amount equal to: (1) the cash wage paid such 7 employee, which for purposes of such determination shall be not less than sixty-four percent of 8 the wage in effect under section 1; and (2) an additional amount on account of the tips received 9 by such employee, which amount is at least the difference between the wage specified in clause 10 (1) and the wage in effect under section 1, with payments to the employee to be consistent with 11 section 148 of chapter 149. This paragraph shall not apply with respect to any tipped employee 12 unless such employee has been informed by the employer of the provisions of this paragraph, 13 and all tips received by such employee have been retained by the employee, except that this

paragraph shall not be construed to prohibit the pooling of tips among employees whocustomarily and regularly receive tips.

16 SECTION 2.

Said section 7 of said chapter 151 is hereby amended by striking the third paragraph and
inserting in place thereof the following paragraph:-

19 In determining the wage an employer is required to pay a tipped employee, the amount 20 paid to such employee by the employer shall be an amount equal to: (1) the cash wage paid such 21 employee, which for purposes of such determination shall be not less than seventy-three percent 22 of the wage in effect under section 1; and (2) an additional amount on account of the tips 23 received by such employee, which amount is at least the difference between the wage specified 24 in clause (1) and the wage in effect under section 1, with payments to the employee to be 25 consistent with section 148 of chapter 149. This paragraph shall not apply with respect to any 26 tipped employee unless such employee has been informed by the employer of the provisions of 27 this paragraph, and all tips received by such employee have been retained by the employee, 28 except that employer of the provisions of this paragraph, and all tips received by such employee 29 have been retained by the employee, except that this paragraph shall not be construed to prohibit 30 the pooling of tips among employees who customarily and regularly receive tips.

31 SECTION 3.

32 Said section 7 of said chapter 151 is hereby amended by striking the third paragraph and
 33 inserting in place thereof the following paragraph:-

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34 In determining the wage an employer is required to pay a tipped employee, the amount 35 paid to such employee by the employer shall be an amount equal to: (1) the cash wage paid such 36 employee, which for purposes of such determination shall be not less than eighty-two percent of 37 the wage in effect under section 1; and (2) an additional amount on account of the tips received 38 by such employee, which amount is at least the difference between the wage specified in clause 39 (1) and the wage in effect under section 1, with payments to the employee to be consistent with 40 section 148 of chapter 149. This paragraph shall not apply with respect to any tipped employee 41 unless such employee has been informed by the employer of the provisions of this paragraph, 42 and all tips received by such employee have been retained by the employee, except that this 43 paragraph shall not be construed to prohibit the pooling of tips among employees who 44 customarily and regularly receive tips.

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SECTION 4.

46 Said section 7 of said chapter 151 is hereby amended by striking the third paragraph and 47 inserting in place thereof the following paragraph:-

48 In determining the wage an employer is required to pay a tipped employee, the amount 49 paid to such employee by the employer shall be an amount equal to: (1) the cash wage paid such 50 employee, which for purposes of such determination shall be not less than ninety-one percent of 51 the wage in effect under section 1; and (2) an additional amount on account of the tips received 52 by such employee, which amount is at least the difference between the wage specified in clause 53 (1) and the wage in effect under section 1, with payments to the employee to be consistent with 54 section 148 of chapter 149. This paragraph shall not apply with respect to any tipped employee 55 unless such employee has been informed by the employer of the provisions of this paragraph,

56	and all tips received by such employee have been retained by the employee, except that this
57	paragraph shall not be construed to prohibit the pooling of tips among employees who
58	customarily and regularly receive tips.
59	SECTION 5.
60	Said section 7 of said chapter 151 is hereby amended by striking the third paragraph and
61	inserting in place thereof the following paragraph:-
62	In determining the wage an employer is required to pay a tipped employee, the amount
63	paid to such employee by the employer shall be an amount equal to: (1) the cash wage paid such
64	employee, which for purposes of such determination shall be not less than one hundred percent
65	of the wage in effect under section 1; and (2) an additional amount on account of the tips
66	received by such employee, with payments to the employee to be consistent with section 148 of
67	chapter 149. This paragraph shall not be construed to prohibit the pooling of tips among
68	employees who customarily and regularly receive tips.
69	SECTION 6.
70	Section 152A of Chapter 149 of the General Laws is hereby amended by striking
71	paragraph (c) and inserting in place thereof the following paragraph:-
72	(c) Provided that an employer is paying all employees a wage that is not less than the full
73	minimum wage as provided in section 1 of chapter 151, the employer may require that wait staff
74	employees, service employees or service bartenders participate in a tip pool through which such
75	employee remits any wage, tip or service charge, or any portion thereof, for distribution to
76	employees that are not wait staff employees, service employees or service bartenders. An

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77 employer may administer a valid tip pool and may keep a record of the amounts received for

78 bookkeeping or tax reporting purposes.

79	SECTION 7.

80 Sections 1 and 6 shall take effect on January 1, 2025.

81 SECTION 8.

82 Section 2 shall take effect on January 1, 2026.

83 SECTION 9.

84 Section 3 shall take effect on January 1, 2027.

85 SECTION 10.

86 Section 4 shall take effect on January 1, 2028.

87 SECTION 11.

88 Section 5 shall take effect on January 1, 2029.

FIRST TEN SIGNERS

NAME	RESIDENCE	<u>CITY OR TOWN</u>
IRENE S. LI	141 SUTHERLAND ROAD, #3	BOSTON
SHEILA IRVIN	63 COMMONWEALTH AVENUE	PITTSFIELD
DAN J. TOTTEN	54 BISHOP ALLEN DRIVE, #2	CAMBRIDGE
SITARA NAHEED	354 RINDGE AVENUE, #1	CAMBRIDGE
JUNE M. BILLIEL	9 EDGEMERE ROAD	QUINCY
SUNIEL SOTO-POL	38 SILVER ROAD	<u>Everett</u>
ELLEN C. PROODIAN	18 DANBY ROAD	STONEHAM
CAROL L. LEVINE	270 LITTLETON ROAD, # 183	CHELMSFORD
LUCIA GARDINER RAY	37 CHERRY STREET	SOMERVILLE
MADELINE CLAIRE HANAFIN	125 Pleasant Street, # 105	ARLINGTON

CERTIFICATE OF THE ATTORNEY GENERAL.

Honorable William Francis Galvin Secretary of the Commonwealth One Ashburton Place, Room 1705 Boston, Massachusetts 02108

RE: Initiative Petition No. 23-12 : An Act to require the full minimum wage for tipped workers with tips on top

Dear Secretary Galvin:

In accordance with the provisions of Article 48 of the Amendments to the Massachusetts Constitution, I have reviewed the above-referenced initiative petition, which was submitted to me on or before the first Wednesday of August of this year.

I hereby certify that this measure is in proper form for submission to the people; that the measure is not, either affirmatively or negatively, substantially the same as any measure which has been qualified for submission or submitted to the people at either of the two preceding biennial state elections; and that it contains only subjects that are related or are mutually dependent and which are not excluded from the initiative process pursuant to Article 48, the Initiative, Part 2, Section 2.

In accordance with Article 48, I enclose a fair, concise summary of the measure.

Sincerely,

ANDREA JOY CAMPBELL, Attorney General.

Summary of 23-12

This proposed law would gradually increase the minimum hourly wage an employer must pay a tipped worker, over the course of five years, on the following schedule: - To 64% of the state minimum wage on January 1, 2025; - To 73% of the state minimum wage on January 1, 2026; - To 82% of the state minimum wage on January 1, 2027; - To 91% of the state minimum wage on January 1, 2028; and - To 100% of the state minimum wage on January 1, 2029. The proposed law would require employers to continue to pay tipped workers the difference between the state minimum wage and the total amount a tipped worker receives in hourly wages plus tips through the end of 2028. The proposed law would also permit employers to calculate this difference over the entire weekly or bi-weekly payroll period. The requirement to pay this difference would cease when the required hourly wage for tipped workers would become 100% of the state minimum wage on January 1, 2029. Under the proposed law, if an employer pays its workers an hourly wage that is at least the state minimum wage, the employer would be permitted to administer a "tip pool" that combines all the tips given by customers to tipped workers and distributes them among all the workers, including non-tipped workers.