
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1099 Session of
2013

INTRODUCED BY TARTAGLIONE, SEPTEMBER 19, 2013

REFERRED TO LABOR AND INDUSTRY, SEPTEMBER 19, 2013

AN ACT

1 Amending the act of January 17, 1968 (P.L.11, No.5), entitled
2 "An act establishing a fixed minimum wage and overtime rates
3 for employes, with certain exceptions; providing for minimum
4 rates for learners and apprentices; creating a Minimum Wage
5 Advisory Board and defining its powers and duties; conferring
6 powers and imposing duties upon the Department of Labor and
7 Industry; imposing duties on employers; and providing
8 penalties," further providing for definitions and for rate of
9 minimum wages; and providing for reporting by the department.

10 The General Assembly of the Commonwealth of Pennsylvania
11 hereby enacts as follows:

12 Section 1. Section 3(d) of the act of January 17, 1968
13 (P.L.11, No.5), known as The Minimum Wage Act of 1968, amended
14 July 9, 2006 (P.L.1077, No.112), is amended to read:

15 Section 3. Definitions.--As used in this act:

16 * * *

17 (d) "Wages" mean compensation due to any employe by reason
18 of his or her employment, payable in legal tender of the United
19 States or checks on banks convertible into cash on demand at
20 full face value, subject to such deductions, charges or
21 allowances as may be permitted by regulations of the secretary
22 under section 9.

1 "Wage" paid to any employe includes the reasonable cost, as
2 determined by the secretary, to the employer for furnishing such
3 employe with board, lodging, or other facilities, if such board,
4 lodging, or other facilities are customarily furnished by such
5 employer to his or her employes: Provided, That the cost of
6 board, lodging, or other facilities shall not be included as a
7 part of the wage paid to any employe to the extent it is
8 excluded therefrom under the terms of a bona fide collective-
9 bargaining agreement applicable to the particular employe:
10 Provided, further, That the secretary is authorized to determine
11 the fair value of such board, lodging, or other facilities for
12 defined classes of employes and in defined areas, based on
13 average cost to the employer or to groups of employers similarly
14 situated, or average value to groups of employes, or other
15 appropriate measures of fair value. Such evaluations, where
16 applicable and pertinent, shall be used in lieu of actual
17 measure of cost in determining the wage paid to any employe.

18 In determining the hourly wage an employer is required to pay
19 a tipped employe, the amount paid such employe by his or her
20 employer shall be an amount equal to: (i) the cash wage paid the
21 employe which for the purposes of the determination shall be not
22 less than the cash wage required to be paid the employe [on the
23 date immediately prior to the effective date of this
24 subparagraph] under section 4 of this act; and (ii) an
25 additional amount on account of the tips received by the employe
26 which is equal to the difference between the wage specified in
27 subparagraph (i) and the wage in effect under section 4 of this
28 act. The additional amount on account of tips may not exceed the
29 value of tips actually received by the employe. The previous
30 sentence shall not apply with respect to any tipped employe

1 unless:

2 (1) Such employe has been informed by the employer of the
3 provisions of this subsection;

4 (2) All tips received by such employe have been retained by
5 the employe and shall not be surrendered to the employer to be
6 used as wages to satisfy the requirement to pay the current
7 hourly minimum rate in effect; where the gratuity is added to
8 the charge made by the establishment, either by the management,
9 or by the customer, the gratuity shall become the property of
10 the employe; except that this subsection shall not be construed
11 to prohibit the pooling of tips among employes who customarily
12 and regularly receive tips.

13 * * *

14 Section 2. Section 4(a) of the act, amended July 5, 2012
15 (P.L.987, No.109), is amended to read:

16 Section 4. Minimum Wages.--Except as may otherwise be
17 provided under this act:

18 (a) Every employer shall pay to each of his or her employes
19 wages for all hours worked at a rate of not less than:

20 (1) Two dollars sixty-five cents (\$2.65) an hour upon the
21 effective date of this amendment.

22 (2) Two dollars ninety cents (\$2.90) an hour during the year
23 beginning January 1, 1979.

24 (3) Three dollars ten cents (\$3.10) an hour during the year
25 beginning January 1, 1980.

26 (4) Three dollars thirty-five cents (\$3.35) an hour after
27 December 31, 1980.

28 (5) Three dollars seventy cents (\$3.70) an hour beginning
29 February 1, 1989.

30 (6) Five dollars fifteen cents (\$5.15) an hour beginning

1 September 1, 1997.

2 (7) Six dollars twenty-five cents (\$6.25) an hour beginning
3 January 1, 2007.

4 (8) Seven dollars fifteen cents (\$7.15) an hour beginning
5 July 1, 2007.

6 (9) For a tipped employe who customarily and regularly
7 receives tips, but who actually receives in tips an amount equal
8 to the rate otherwise applicable under this section:

9 (i) three dollars eighty-three cents (\$3.83) an hour in cash
10 wages beginning on the effective date of this paragraph;

11 (ii) four dollars eighty-three cents (\$4.83) an hour in cash
12 wages beginning January 1, 2014; and

13 (iii) seventy percent (70%) of the rate otherwise applicable
14 under this section or the Fair Labor Standards Act of 1938 (52
15 Stat. 1060, 29 U.S.C. § 201 et seq.), whichever is greater, an
16 hour in cash wages beginning January 1, 2015.

17 * * *

18 Section 3. The act is amended by adding a section to read:

19 Section 13.1. Reporting by Department.

20 The department shall collect information of the number of
21 employers who violate the provisions of this act, including the
22 amount of fines imposed for violations, and shall publish the
23 information on the department's publicly accessible Internet
24 website. The department shall update the information every six
25 months.

26 Section 4. Any and all regulations are hereby abrogated to
27 the extent of any inconsistency with this act.

28 Section 5. This act shall take effect immediately.