

## SENATE BILL NO. \_\_\_\_\_

By Senators Corson, Holscher, Pettey, Schmidt and Sykes

AN ACT concerning labor and employment; increasing the minimum wage of employees; amending K.S.A. 44-1202 and 44-1203 and repealing the existing sections.

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

Section 1. K.S.A. 44-1202 is hereby amended to read as follows: 44-1202. As used in K.S.A. 44-1201 to 44-1213, inclusive, and amendments thereto, unless the context otherwise requires:

- (a) "Secretary" means the secretary of labor.
- (b) "Wage" means compensation due to an employee by reason of the employee's employment, payable in legal tender of the United States or checks on banks convertible into cash on demand at full face value, subject to such allowances as may be permitted by regulations of the secretary under K.S.A. 44-1207, and amendments thereto.
- (c) "Employ" means to suffer or permit to work.
- (d) "Employer" means any individual, partnership, association, corporation, business trust or any person or group of persons acting directly or indirectly in the interest of an employer in relation to an employee, ~~but~~ For purposes other than K.S.A. 44-1203, and amendments thereto, "employer" shall not include any employer who is subject to the provisions of the fair labor standards act of 1938 (~~29 U.S.C.A. § 201 et seq.~~)<sub>2</sub> and any other acts amendatory thereof or supplemental thereto.
- (e) "Employee" means any individual employed by an employer, but shall not include:
  - (1) Any individual employed in agriculture;
  - (2) any individual employed in domestic service in or about a private home;
  - (3) any individual employed in a bona fide executive, administrative or professional capacity or in the capacity of an outside commission paid salesman, as such terms

are defined and delimited by rules and regulations of the secretary; (4) any individual employed by the United States; (5) any individual who renders service gratuitously for a nonprofit organization as such terms are defined by rules and regulations of the secretary; (6) persons eighteen years of age or less employed for any purpose on an occasional or part-time basis; or (7) any individual employed by a unified school district in an executive, administrative or professional capacity, if the individual is engaged in such capacity 50% or more of the hours during which the individual is so employed.

(f) "Occupation" means employment in any service, trade, business, industry or other gainful employment.

(g) "Gratuity" means voluntary monetary contribution received by an employee from a guest, patron or customer for services rendered.

(h) "Occasional or part-time basis" means any employee working less than 40 hours per week and, for the purposes of this definition, students 18 years of age and under working between academic terms shall be considered part-time employees regardless of the number of hours worked.

Sec. 2. K.S.A. 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, 2026, employee wages shall be paid at a rate of not less than \$7.25 ~~an~~ per hour;

(2) on and after January 1, 2026, and prior to January 1, 2027, employee wages shall be

paid at a rate of not less than \$15 per hour; and

(3) on and after January 1, 2027, through the end of the year, and on and after January 1 of each successive year, through the end of each year, employee wages shall be paid at a rate of not less than the rate per hour for the immediately preceding year increased by the increase in the cost of living. The increase in the cost of living means an amount equal to the percentage increase in the consumer price index for all urban consumers in the midwest region as published by the bureau of labor statistics of the United States department of labor during the immediately preceding year rounded to the nearest five cents.

(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~~ per hour prior to January 1, 2026, and at least 50% of the minimum wage rate per hour prescribed by subsection (a) on and after January 1, 2026. 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~~ the minimum wage rate per hour prescribed by subsection (a), no further payment is required by the employer; or

(2) less than ~~\$7.25 an hour~~ the minimum wage rate per hour prescribed by subsection (a), the employer must pay the employee the difference between ~~\$7.25 an hour~~ the minimum wage rate per hour prescribed by subsection (a) 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.

~~(e) 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. § 201 et seq.), and any other acts amendatory thereof or supplemental thereto.~~

Sec. 3. K.S.A. 44-1202 and 44-1203 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.

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