

By: Garcia

S.B. No. 1162

A BILL TO BE ENTITLED

AN ACT

relating to the payment of gratuities to certain employees.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 61, Labor Code, is amended by adding Section 61.021 to read as follows:

Sec. 61.021. GRATUITIES PAID TO TIPPED EMPLOYEES. (a) In this section, "tipped employee" has the meaning assigned by Section 62.052.

(b) A gratuity paid to or left for a tipped employee is the property of the tipped employee. An employer may not collect or receive any portion of the gratuity for the purpose of compensating a credit or debit card issuer for any financial services rendered on account of the gratuity.

SECTION 2. Section 61.021, Labor Code, as added by this Act, applies only to a gratuity paid to or left for an employee on or after the effective date of this Act.

SECTION 3. This Act takes effect September 1, 2017.