

**First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 23-0708.01 Yelana Love x2295

HOUSE BILL 23-1146

HOUSE SPONSORSHIP

Valdez,

SENATE SPONSORSHIP

Rodriguez,

House Committees

Business Affairs & Labor
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A PROHIBITION AGAINST AN EMPLOYER TAKING ADVERSE**
102 **ACTION AGAINST AN EMPLOYEE WHO ACCEPTS A GRATUITY,**
103 **AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill prohibits an employer engaged in a business from taking adverse action against an employee who accepts a cash gratuity offered by a patron of the business.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

HOUSE
Amended 2nd Reading
April 29, 2023

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 8-4-103, **add** (7) as
3 follows:

4 **8-4-103. Payment of wages - insufficient funds - pay statement**
5 **- record retention - gratuity notification - penalties - definition.**

6 (7) (a) IT IS UNLAWFUL FOR AN EMPLOYER ENGAGED IN A BUSINESS TO
7 TAKE ADVERSE ACTION AGAINST AN EMPLOYEE WHO ACCEPTS A CASH
8 GRATUITY OFFERED BY A PATRON OF THE BUSINESS.

9 (b) NOTHING IN THIS SUBSECTION (7) PROHIBITS AN EMPLOYER
10 FROM REQUIRING EMPLOYEES WHO ACCEPT A CASH GRATUITY OFFERED BY
11 A PATRON OF THE BUSINESS TO SHARE OR ALLOCATE THE GRATUITY ON A
12 PREESTABLISHED BASIS AMONG THE EMPLOYEES.

13 (c) THIS SUBSECTION (7) DOES NOT APPLY TO:

14 (I) AN EMPLOYER THAT IS REGULATED BY THE DIVISION OF
15 GAMING, CREATED IN SECTION 44-30-201, IN THE DEPARTMENT OF
16 REVENUE;

17 (II) AN EMPLOYEE WHO IS LICENSED, CERTIFIED, OR REGISTERED
18 PURSUANT TO TITLE 12 AND WHO IS REQUIRED TO MAINTAIN SUCH
19 LICENSURE, CERTIFICATION, OR REGISTRATION AS A CONDITION OF
20 EMPLOYMENT WITH THE EMPLOYEE'S EMPLOYER;

21 (III) AN EMPLOYEE WORKING IN A HEALTH-CARE FACILITY
22 REGULATED BY THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT;

23 (IV) AN EMPLOYEE WORKING FOR THE PROGRAM OF
24 ALL-INCLUSIVE CARE FOR THE ELDERLY, CREATED IN SECTION 25.5-5-412;
25 OR

26 (V) AN EMPLOYEE PROVIDING HOUSING AND SERVICES TO ADULTS
27 SIXTY YEARS OF AGE OR OLDER.

1 (d) AS USED IN THIS SUBSECTION (7), "ADVERSE ACTION" HAS THE
2 MEANING SET FORTH IN SECTION 8-2-126 (2)(a).

3 **SECTION 2. Appropriation.** For the 2023-24 state fiscal year,
4 \$38,436 is appropriated to the department of labor and employment for
5 use by the division of labor standards and statistics. This appropriation is
6 from the general fund and is based on an assumption that the division will
7 require an additional 0.4 FTE. To implement this act, the division may
8 use this appropriation for program costs related to labor standards.

9 **SECTION 3. Act subject to petition - effective date -**
10 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
11 the expiration of the ninety-day period after final adjournment of the
12 general assembly; except that, if a referendum petition is filed pursuant
13 to section 1 (3) of article V of the state constitution against this act or an
14 item, section, or part of this act within such period, then the act, item,
15 section, or part will not take effect unless approved by the people at the
16 general election to be held in November 2024 and, in such case, will take
17 effect on the date of the official declaration of the vote thereon by the
18 governor.

19 (2) This act applies to conduct occurring on or after the applicable
20 effective date of this act.