

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

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 23-0708.01 Yelana Love x2295

HOUSE BILL 23-1146

HOUSE SPONSORSHIP

Valdez,

SENATE SPONSORSHIP

(None),

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.

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 EMPLOYERS FROM
10 REQUIRING EMPLOYEES WHO ACCEPT CASH GRATUITIES OFFERED BY
11 PATRONS OF THE BUSINESS TO SHARE OR ALLOCATE THE GRATUITIES ON A
12 PREESTABLISHED BASIS AMONG THE EMPLOYEES.

13 (c) AS USED IN THIS SUBSECTION (7), "ADVERSE ACTION" HAS THE
14 MEANING SET FORTH IN SECTION 8-2-126 (2).

15 **SECTION 2. Appropriation.** For the 2023-24 state fiscal year,
16 \$38,436 is appropriated to the department of labor and employment for
17 use by the division of labor standards and statistics. This appropriation is
18 from the general fund and is based on an assumption that the division will
19 require an additional 0.4 FTE. To implement this act, the division may
20 use this appropriation for program costs related to labor standards.

21 **SECTION 3. Act subject to petition - effective date -**
22 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
23 the expiration of the ninety-day period after final adjournment of the
24 general assembly; except that, if a referendum petition is filed pursuant
25 to section 1 (3) of article V of the state constitution against this act or an
26 item, section, or part of this act within such period, then the act, item,
27 section, or part will not take effect unless approved by the people at the

1 general election to be held in November 2024 and, in such case, will take
2 effect on the date of the official declaration of the vote thereon by the
3 governor.

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