

# **One Hundred Ninth Legislature - First Session - 2025**

## **Introducer's Statement of Intent**

### **LB75**

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**Chairperson: Senator Kathleen Kauth**

**Committee: Business and Labor**

**Date of Hearing: February 10, 2025**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 75 would add clarity, employee protections, and an enforcement mechanism to existing tipped wage statutes.

Under current law, the sum of wages and gratuities paid to tipped workers must meet or exceed the standard minimum wage. Nebraska's minimum wage is currently \$13.50/hr, and the tipped wage is \$2.13/hr. That is, if a tipped worker's wages plus tips add up to less than \$13.50/hr, the employer is statutorily required to make up the difference.

However, current statute is vague and does not provide for enforcement of this part the law, nor does it provide a process or protections for tipped employees who believe that they are not receiving the proper wage. LB 75:

- Makes explicitly clear it is the responsibility of the employer to ensure that tipped employees are being paid an equivalent of the regular minimum wage,
- Establishes a process and protections for employees to submit complaints to the Department of Labor if they reasonably believe they aren't receiving the proper wage; and
- Requires employers to keep records of the amount paid each pay period to tipped employees and their hours worked; and to provide these records to the Commissioner of Labor upon request. The DOL is then authorized to take enforcement actions or to forward credible complaints to the appropriate county attorney.

**Principal Introducer:** \_\_\_\_\_

**Senator Megan Hunt**