



State of Wisconsin
2023 - 2024 LEGISLATURE

LRB-4414/1
MIM:klm

2023 ASSEMBLY BILL 488

October 12, 2023 - Introduced by Representatives HONG, EMERSON, MYERS, CABRERA, MOORE OMOKUNDE, RATCLIFF, CONLEY, J. ANDERSON, BARE, SUBECK, ORTIZ-VELEZ, BALDEH, JOERS, JACOBSON, CLANCY, OHNSTAD, C. ANDERSON, SINICKI and HAYWOOD, cosponsored by Senators LARSON, CARPENTER, ROYS, SPREITZER, TAYLOR and HESSELBEIN. Referred to Committee on Jobs, Economy and Small Business Development.

AUTHORS SUBJECT TO CHANGE

1 **AN ACT** *to repeal* 104.01 (7m), 104.035 (3) and 104.045 (1); and *to amend*
2 104.035 (1) (b) (intro.), 104.035 (2) (b) (intro.), 104.035 (2m) (a), 104.035 (2m)
3 (b) (intro.) and 104.045 (title) of the statutes; **relating to:** elimination of tipped
4 minimum wage.

Analysis by the Legislative Reference Bureau

This bill eliminates the separate, tipped minimum wage for all employees.

Generally, under current law, every wage paid by any employer to any employee must be at least the applicable minimum wage established under the statutes. However, if an employer of a tipped employee establishes that, when adding the tips received by the tipped employee in a week to the wages paid to the tipped employee in that week, the tipped employee receives not less than the applicable minimum wage (generally \$7.25 per hour), the minimum wage that the employer must pay the tipped employee is \$2.33 per hour or, with respect to an employee under 20 years of age in the first 90 consecutive days of employment with his or her employer (opportunity employee), \$2.13 per hour.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

ASSEMBLY BILL 488**SECTION 1**

1 **SECTION 1.** 104.01 (7m) of the statutes is repealed.

2 **SECTION 2.** 104.035 (1) (b) (intro.) of the statutes is amended to read:

3 104.035 (1) (b) *Allowances for meals and lodging.* (intro.) Except as provided
4 in subs. (2) (b), (2m) (b), and (4) (b) ~~and subject to sub. (3) (b)~~, if an employer furnishes
5 an employee with meals or lodging in accordance with rules promulgated by the
6 department under s. 104.045 (2), the employer may deduct the following amounts
7 from the wages of the employee:

8 **SECTION 3.** 104.035 (2) (b) (intro.) of the statutes is amended to read:

9 104.035 (2) (b) *Allowances for meals and lodging.* (intro.) Except as provided
10 in subs. (2m) (b) and (4) (b) ~~and subject to sub. (3) (b)~~, if an employer furnishes a minor
11 employee with meals or lodging in accordance with rules promulgated by the
12 department under s. 104.045 (2), the employer may deduct the following amounts
13 from the wages of the employee:

14 **SECTION 4.** 104.035 (2m) (a) of the statutes is amended to read:

15 104.035 (2m) (a) *Minimum rates.* Except as provided in subs. ~~(3)~~ (4) to (8), the
16 minimum wage for an opportunity employee is \$5.90 per hour.

17 **SECTION 5.** 104.035 (2m) (b) (intro.) of the statutes is amended to read:

18 104.035 (2m) (b) *Allowances for meals and lodging.* (intro.) Except as provided
19 in sub. (4) (b) ~~and subject to sub. (3) (b)~~, if an employer furnishes an opportunity
20 employee with meals or lodging in accordance with rules promulgated by the
21 department under s. 104.045 (2), the employer may deduct the following amounts
22 from the wages of the employee:

23 **SECTION 6.** 104.035 (3) of the statutes is repealed.

24 **SECTION 7.** 104.045 (title) of the statutes is amended to read:

25 **104.045** (title) ~~Tips, meals~~ **Meals, lodging, and hours worked.**

