

1 \_\_\_\_\_ BILL NO. \_\_\_\_\_

2 INTRODUCED BY \_\_\_\_\_  
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LAWS FOR PROVIDING FOR TIP POOLS;  
5 PROVIDING REQUIREMENTS FOR TIP POOLS; PROVIDING THAT EMPLOYERS MAY NOT PARTICIPATE  
6 IN THE TIP POOL; PROVIDING NOTICE REQUIREMENTS; DISTINGUISHING COMPULSORY CHARGES  
7 FROM TIP POOLS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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11 **NEW SECTION. Section 1. Tip pools allowed -- requirements -- prohibitions -- compulsory**  
12 **charges distinguished.** (1) An employer may impose a tip pooling arrangement as provided in this section.

13 (2) A tip pooling arrangement may include employees involved in providing customer service or food  
14 preparation, including but not limited to servers, hosts, bussers, dishwashers, cooks, or other employees. This  
15 section does not impose a minimum or maximum contribution percentage on mandatory tip pools.

16 (3) An employer:  
17 (a) shall notify its employees of any required tip pooling arrangement;  
18 (b) may not participate in a tip pool;  
19 (c) may not include supervisors or managers in a tip pool. However, an employer does not violate this  
20 subsection (3) if the employer, supervisors, or managers keep tips they receive directly from customers based  
21 on the service directly provided by them.

22 (d) may control an employee's tips only to distribute tips to the employee who received them or when  
23 the employer facilitates tip pooling by collecting and distributing tips to employees in a tip pool. An employer  
24 that facilitates tip pooling by collecting and redistributing employees' tips must fully distribute any tips the  
25 employer collects no later than the regular payday for the workweek in which the tips were collected. An  
26 employer that collects tips received by the employees to operate a mandatory tip pooling arrangement shall  
27 maintain and preserve payroll or other records containing information.

28 (4) For purposes of this section, the following terms apply:

