

**Order of Commissioner of Labor Roberta Reardon  
Pursuant to Labor Law Section 659(2)**

The Department of Labor has held hearings pursuant to Labor Law § 659(2) and has issued a report and recommendation that summarizes the testimony and comments received and the issues identified and provides the following recommendation:

The New York State Department of Labor **recommends eliminating the tip credit for all miscellaneous industry workers** (those covered by the Minimum Wage Order for Miscellaneous Industries and Occupations). Implementation should be phased in.

On June 30, 2020 New York State should reduce the low and high tip credit for all industries covered by the miscellaneous wage order by 50%. The tip credit should be completely eliminated on December 31, 2020.

For the reasons set forth in the report and recommendation and based on my participation in each of the hearings and my review of the testimony and the comments received, I hereby accept that recommendation.

Now, in accordance with the requirements of Article 19 of the Labor Law and my authority under that Article, by this Order I hereby propose the appended modifications to the Minimum Wage Order for Miscellaneous Industries and Occupations (12 NYCRR Part 142) to effectuate the purposes of Article 19 of the Labor Law.

This Order is hereby filed with the Secretary of the Department, to be effective thirty (30) days after publication of a notice of such filing in at least ten newspapers of general circulation in the state.

  
Roberta Reardon

Dated: December 31, 2019  
New York, New York

## Proposed Modifications to Regulation

Section 142-2.21 of title 12 of the New York Code of Rules and Regulations is amended to read as follows:

§ 142-2.21 Tips. Tips, or gratuities, shall mean voluntary contributions received by the employee from a guest, patron, customer or other person for services rendered. No gratuities or tips shall be deemed received for the purpose of this Part if their acceptance is prohibited by the employer or prohibited by law. Notwithstanding any other provision contained in this part, tips, or gratuities, shall not be considered a part of the minimum wage on or after December 31, 2020, provided, however, that no employer shall claim a tip allowance in excess of fifty percent of the applicable allowances listed in this part and rounded to the nearest five cents on or after June 30, 2020.