Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2018 Supp. 44-1203 is hereby amended to read as follows: 44-1203. (a) Except as otherwise provided in the minimum wage and maximum hours law, every employer shall pay to each employee wages at a rate as follows:

(1) Prior to January 1, 2010, employee wages shall be paid at a rate of not less than $2.65 an hour; and

(2) on and after January 1, 2010, and prior to January 1, 2020, employee wages shall be paid at a rate of not less than $7.25 an hour;

(3) on and after January 1, 2020, and prior to January 1, 2021, employee wages shall be paid at a rate of not less than $11.00 an hour; and

(4) on and after January 1, 2021, employee wages shall be paid at a rate of not less than $15.00 an hour.

(b) In calculating such minimum wage rate, an employer may include tips and gratuities received by an employee if such tips and gratuities have customarily constituted part of the remuneration of the employee and if the employee concerned actually received and retained such tips and gratuities. For employees receiving tips and gratuities, the employer shall pay a minimum wage of at least $2.13 an hour prior to January 1, 2020; at least $2.63 an hour on and after January 1, 2020, and prior to January 1, 2021; and at least $3.13 an hour on and after January 1, 2021. If when combined with the minimum wage rate prescribed in this subsection the amount of the employee's tips and gratuities are:

(1) At least equal to $7.25 an hour, the minimum wage rate per hour prescribed by subsection (a), no further payment is required by the employer; or

(2) less than $7.25 an hour, the employer must pay the employee the difference between $7.25 an hour, the minimum wage rate per hour prescribed by subsection (a) and the actual hourly amount received by the employee determined by combining the amount of tips and gratuities
received by the employee with the minimum wage prescribed by this subsection paid by the employer.

(c) The provisions of this section shall not apply to any employers and employees who are covered under the provisions of the federal fair labor standards act (29 U.S.C. § 201 et seq.), and any other acts amendatory thereof or supplemental amendments thereto.

(d) The 2019 amendments to this section shall be known as the Kansas working families pay raise act.

Sec. 2. K.S.A. 2018 Supp. 44-1203 is hereby repealed.

Sec. 3. This act shall take effect and be in force on and after January 1, 2020, and after its publication in the statute book.