

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 7111
BILL NUMBER: SB 245

NOTE PREPARED: Jan 22, 2026
BILL AMENDED:

SUBJECT: Tip Pooling.

FIRST AUTHOR: Sen. Freeman
FIRST SPONSOR: Rep. VanNatter

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: No Fiscal Impact

Summary of Legislation: The bill specifically authorizes the use of tip pooling arrangements under certain circumstances.

Effective Date: June 27, 2024 (retroactive).

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources: Federal Register. (2024, December 17). Tip Regulations Under the Fair Labor Standards Act (FLSA); Restoration of Regulatory Language.

<https://www.federalregister.gov/documents/2024/12/17/2024-29798/tip-regulations-under-the-fair-labor-standards-act-flsa-restoration-of-regulatory-language>;

U.S. Department of Labor. Fact Sheet #15: Tipped Employees Under the Fair Labor Standards Act (FLSA).

<https://www.dol.gov/agencies/whd/fact-sheets/15-tipped-employees-flsa>

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