

**2021200044 Department of Labor and Workforce Development,
Wage and Hour Administration, proposed regulations on
employer option for tip pooling – Questions and Answers**

Question

What are the changes proposed in this regulation?

Answer

There are three primary changes in the proposed regulations:

1. The removal of “(a) The purpose of this section is to prevent the circumvention or evasion of AS 23.10.050-150 (The Alaska Wage and Hour Act) by an employer handling, or taking control of an employee’s tips.” It is important to note that because Alaska has never allowed tip credit, the employer’s handling or controlling of an employee’s tips does not jeopardize [compliance with](#) the Alaska Wage and Hour Act. This point is being removed from this regulation.
2. This proposal will allow the employer to wait and pay out all credit card tips on the next regularly scheduled payday only if the employer provides the service employee a written accounting of the accrued tips on each day that the tips were given by the customer. The current regulation requires the employer to pay out the cash expediency, no longer than [weekly](#).
3. This proposal will also allow a tip pooling arrangement to be shared among all service employees who assist in providing the service to the customer, including cooks and dishwashers. Cooks and dishwashers and other “back of the house” employees were excluded before.