

## PREAMBLE

Being posted to the website for comment is a proposed amendment to the Rules for Implementation of the Minimum Wage Policy for Non-Trade Labor Service Contracts for LaGuardia Airport (LGA), John F. Kennedy International Airport (JFK) and Newark Liberty International Airport (EWR). The following is a summary of the major changes proposed for those Rules.

First the proposed amendments would add concession workers, including those working in food, beverage and retail at LGA, JFK and EWR, effective April 1, 2015. To effectuate this amendment, the proposed Rules would add a new section to the “Addendum – Covered Services” for the Rules covering “Concession Services”, including food service, retail service, cleaning for concession services and security for concession services.

Second, the proposed rule would clarify the requirements for a contractors’/employers’ ability to receive credit for a covered worker’s receipt of tips. The Rules now provide that “[a] Contractor seeking to demonstrate compliance for employees who receive tips, shall have the burden of proving that the employee receive compensation (including tips) in amounts equal to the minimum wage levels set forth in these rules.” The federal government and certain states allow an employer to count all or part of an employee’s tips towards its minimum wage obligation and some states set a maximum “tip credit” toward the minimum wage. The Rules would be amended to require that contractors/employers seeking to take advantage of the payment of “tips” or a “tip credit” toward compliance with the Minimum Wage Policy and the Rules, will be required to certify that they are in compliance with the applicable (federal, state or local) minimum wage requirements governing the receipt of credit for tips for their Covered Service Workers.

Third, the Rules would be amended to add, consistent with existing categories of services specified in the Rules, certain additional “Covered Services”.

Finally, it is proposed that the certification requirements be amended to specify that certification of compliance with the policy (on a form to be approved by the Port Authority) shall occur by April 30, 2015, and, at least, on an annual basis thereafter.

The comment period will close on February 9, 2015.