

Wage & Hour

LAW UPDATE

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Wage and Hour Law Update

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Nevada Supreme Court Okays Tip Pooling

Providing guidance on some longstanding ambiguity regarding the meaning of Nevada's statute on tip pooling, Nevada's highest court ruled that an employer may impose mandatory tip pooling on employees and determine to which employees tips may be distributed. The Wynn casino's tip pooling policy, which was reviewed by the Court and required pooled tips to be distributed among casino dealers, boxpersons, and casino service team leads, did not violate Nevada law because "Wynn distributes the tips among its employees, keeping none for itself." *Wynn Las Vegas, LLC, v. Baldonado, et al.*, 129 Nev., Advance Opinion 78 (October 31, 2013). Unfortunately, the Court's decision left open whether an employer has complete discretion to decide to whom tips may be distributed.

The Court also ruled that the Nevada Labor Commissioner's interpretation of a Nevada regulation, which the Commissioner determined does not permit class action administrative complaint, deserved deference and was within the meaning of the law. This has important implications for Nevada employers because certain wage/hour rights in Nevada may only be heard by the Labor Commissioner in an administrative forum.

"This decision is a welcome and practical ruling," observed industry expert and Jackson Lewis partner [Elayna Youchah](#). "Nevada employers will need to analyze it thoroughly before applying it to their practices."

Watch www.jacksonlewis.com for expanded coverage of the *Baldonado* decision and its impact on Nevada employers.

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