

NOTICE OF INCLUDED GRATUITY OR SERVICE CHARGE



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FISCAL ANALYSIS

Mitchell Bean, Director

124 N. Capitol Avenue

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HOUSE BILL 4657 SUBSTITUTE (H-3)

Sponsor: Rep. Glenn S. Anderson

House Committee: Regulatory Reform

FLOOR ANALYSIS - 3/18/02

Analyst(s): Bob Schneider

SUMMARY

The bill would require certain food service establishments to provide notice to customers of any automatic gratuity or service charge added to customer bills. The notice would have to appear on menus, bills, and on a poster displayed in the establishment. The bill also prescribes civil fines of up to \$500 for a first violation and up to \$1,000 for subsequent violations within a two-year period. This penalty provision could increase local revenue slightly to the extent that violations occur, but the overall impact would be negligible.