S T A T E O F N E W Y O R K

7477

I N S E N A T E

May 15, 2014

Introduced by Sen. MARTINS -- read twice and ordered printed, and when printed to be committed to the Committee on Labor

AN ACT to amend the labor law, in relation to the imposition of mandatory gratuities

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The opening paragraph of section 196-d of the labor law is designated subdivision 2 and a new subdivision 1 is added to read as follows:

1. AN EMPLOYER SHALL NOT BE PROHIBITED FROM ADDING A MANDATORY GRATUITY AS LONG AS: (A) THE CHARGE IS CONSPICUOUSLY DISCLOSED TO THE CUSTOMER BEFORE FOOD OR BEVERAGE IS ORDERED; AND (B) NO EMPLOYER OR HIS AGENT OR AN OFFICER OR AGENT OF ANY CORPORATION, SHALL RETAIN ANY PORTION OF SUCH GRATUITY. THE DISCLOSURE SHALL USE ORDINARY LANGUAGE READILY UNDERSTOOD AND SHALL APPEAR IN A TYPE SIZE SIMILAR TO SURROUNDING TEXT.

S 2. This act shall take effect immediately.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

LBD00028-12-4