



Legislation Text

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Int. No. 413

By Council Members Greenfield, Cumbo, Gentile, Koo, Mendez, Richards and Rodriguez

A Local Law to amend the administrative code of the city of New York, in relation to requiring restaurants to disclose when gratuity is included in the total cost of services.

Be it enacted by the Council as follows:

Section 1. Chapter five of title twenty of the administrative code of the city of New York is amended by adding a new subchapter nineteen to read as follows:

SUBCHAPTER 19

RESTAURANT GRATUITY DISCLOSURE

§ 20-824. Disclosure requirements.

§ 20-825. Penalties.

§ 20-826. Enforcement.

§ 20-824. Disclosure requirements. When the owner, operator or employee of a restaurant adds a gratuity to the amount a paying customer owes, such restaurant owner, operator or employee must disclose the amount of such added gratuity to the paying customer. Such disclosure must be written, state clearly and conspicuously that a gratuity has been included in the total cost of services, and be made in a manner to be determined by the commissioner. Such disclosure must appear on the customer's final bill and on the customer's credit card receipt if such customer is paying with a credit card. For the purposes of this subchapter, "restaurants" shall include any "bar," "restaurant," or "restaurant bar" as defined in section 17-502 of title seventeen of the administrative code of the City of New York.

§ 20-825. Penalties. Where the owner, operator or employee of a restaurant violates section 20-824 of

this code the person, firm, corporation or association that owns such restaurant shall be punished by a fine of not more than two hundred and fifty dollars.

§ 20-826. Enforcement. The department and other agencies designated by the commissioner are authorized to enforce the provisions of this subchapter.

§ 2. This local law shall take effect one hundred and twenty days after it shall have been enacted into law; provided that the commissioner may take any actions necessary prior to such effective date for the implementation of this local law including, but not limited to, promulgating rules.

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