



Legislation Text

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Proposed Int. No. 1139-A

By Council Members Borelli, Cabrera and Constantinides

A Local Law to amend the administrative code of the city of New York, in relation to allowing restaurant surcharges

Be it enacted by the Council as follows:

Section 1. Chapter 5 of title 20 of the administrative code of the city of New York is amended by adding a new subchapter 19 to read as follows:

SUBCHAPTER 19

RESTAURANT SURCHARGES

§ 20-824. a. Definitions. For purposes of this section, the following terms have the following meanings:

Restaurant. The term “restaurant” includes any “bar,” “restaurant,” or “restaurant bar” as defined in section 17-502 of title 17.

Surcharge. The term “surcharge” means a charge imposed on top of the stated price of individual listed items not including a charge for an additional service that was not included in the pricing of the item. The term “surcharge” does not include tax, gratuity, tip or a charge for the administration of a banquet, special function, or package deal pursuant to section 146-2.19 of subpart 146-2 of part 146 of subchapter B of chapter II of title 12 of the compilation of codes, rules and regulations of the state of New York.

b. A restaurant adding a surcharge to the amount a paying customer owes must disclose the amount of such added surcharge to such customer before the food is ordered. The disclosure must be:

1. Written;
2. Explicit that the additional charge is a surcharge and not a gratuity;

3. Clear and conspicuous;

4. On any document, whether in paper or electronic format, that lists the prices for the customer, including but not limited to any paper or electronic menu, catering contract, final customer bill, or customer's credit card receipt if a credit card is used;

5. In plain English, or in the same language as the rest of the menu, if applicable; and

6. In a font size similar to surrounding text.

c. Enforcement. The department is authorized to enforce the provisions of this subchapter.

§ 2. This local law takes effect 120 days after it becomes law, except that the commissioner of the department of consumer affairs may take such measures as are necessary for the implementation of this local law, including the promulgation of rules, before such date.

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