



Legislation Text

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Int. No. 2336

By Council Members Gjonaj, Yeger, Perkins and Cornegy

A Local Law to amend the administrative code of the city of New York, in relation to gratuity options provided by third-party food delivery services

Be it enacted by the Council as follows:

Section 1. Subchapter 22 of chapter 5 of title 20 of the administrative code of the city of New York is amended by adding a new section 20-848 to read as follows:

§ 20-848. Gratuities. a. Each third-party food delivery service shall provide customers placing an online order with the option to confer a gratuity on employees of the food service establishment with which such online order is placed. Such option to confer a gratuity shall be available at the same time or before the customer is able to conclude the online order transaction. If a third-party food delivery service provides the opportunity to confer separate gratuities by recipient during the process of placing an online order, each gratuity shall be clearly and conspicuously labeled with a description of the recipients of such gratuities.

b. This section does not apply to telephone orders.

§ 2. Section 20-848 of the administrative code of the city of New York, as amended by local law number 51 for the year 2020, is renumbered section 20-849, and subdivision a of such section is amended to read as follows:

a. Any person that violates any provision of section 20-846 or any rule promulgated pursuant thereto shall be subject to a civil penalty that shall not exceed \$1,000 per violation. Any person that violates any provision of section 20-847 or any rule promulgated pursuant thereto shall be subject to a civil penalty that shall not exceed \$500 per violation. Any person that violates any provision of section 20-848 or any rule

promulgated pursuant thereto shall be subject to a civil penalty that shall not exceed \$100 per violation. Violations [under this subchapter] of section 20-846 and 20-847 shall accrue on a daily basis for each day and for each food service establishment charged a fee in violation of [this subchapter] such sections or any rule promulgated pursuant to [this subchapter] such sections. Violations of section 20-848 shall accrue on a daily basis for each day and for each food service establishment for which the option to confer a gratuity is not provided in violation of such section. A proceeding to recover any civil penalty authorized pursuant to this subchapter may be brought in any tribunal established within the office of administrative trials and hearings or within any agency of the city designated to conduct such proceedings.

§ 3. This local law takes effect 30 days after it becomes law.

SJ
LS #16159
5/18/21