SENATE BILL 5650

State of Washington 60th Legislature 2007 Regular Session

By Senators Kauffman, Kohl-Welles, Weinstein and Keiser

Read first time 01/26/2007. Referred to Committee on Consumer Protection & Housing.

1 AN ACT Relating to disclosure of the percentage of automatic 2 service charges paid to servers; and adding a new section to chapter 3 49.46 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 <u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 49.46 RCW 6 to read as follows:

7 (1) An employer that imposes an automatic service charge related to 8 food, beverages, entertainment, or porterage provided to a customer 9 must disclose in an itemized receipt and in any menu provided to the 10 customer the percentage of the automatic service charge that is paid or 11 is payable directly to the employee or employees serving the customer.

12 (2) For purposes of this section:

(a) "Employee" means nonmanagerial, nonsupervisory workers,
including but not limited to servers, busers, banquet houseman, banquet
captains, bartenders, barbacks, and porters.

(b) "Employer" means employers as defined in RCW 49.46.010 that provide food, beverages, entertainment, or porterage, including but not limited to restaurants, catering houses, convention centers, and overnight accommodations.

(c) "Service charge" means a separately designated amount collected 1 2 by employers from customers that is for services provided by employees, or is described in such a way that customers might reasonably believe 3 that the amounts are for such services. Service charges include but 4 are not limited to charges designated on receipts as a "service 5 charge, " "gratuity, " "delivery charge, " or "porterage charge." Service 6 charges are in addition to hourly wages paid or payable to the employee 7 8 or employees serving the customer.

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