

## **International Brotherhood of Electrical Workers**

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## TESTIMONY IN SUPPORT OF HB 385 CONSUMER PROTECTION-AUTOMATIC TIP PROMPT SCREEN January 28, 2025

TO: Chair Wilson, Vice Chair Crosby and members of the House Economic Committee FROM: Tom Clark, Political Director International Brotherhood of Electrical Workers Local 26

Mr. Chair, Mr. Vice Chair, and distinguished members of the Economic Matters Committee. I ask you to **support HB 385**, a bill that is a practical response to the world of 2025 and its use of electronic payments.

Many workers rely on tips to put food on their own table. HB 385 ensures that tips for exceptional service go to the very person that delivers that exceptional service, not to the business owners or someone not involved in the act itself. I understand that some businesses add a service charge, which is their right to do so. This smart legislation seeks to make it clear to the customer who is to receive this "service charge" or "tip".

The "ask" of this bill is simple and has virtually no fiscal effect on the business or customer. The bill only states that on each electronic transaction, a discloser is conspicuously displayed on the screen. A disclosure that clearly states to whom the tip will be allocated. This point of sale, electronic transaction is commonplace in 2025, and I salute the sponsors of this bill for recognizing an issue that is faced by Mr. and Mrs. Marylander each day. And a bill that will put well deserved tips in the pockets of hardworking people in the food and service industry.

I respectfully ask that you join with me and those in the food and service industry and **support HB 385**. Support the clarity this bill gives to the consumer and support the proper payment that is received by the tipped worker. Thank you.

