

Testimony in Support of HB 385

Consumer Protection – Automatic Tip Prompt Screen - Requirement

January 24, 2025

To: Honorable Chair CT Wilson, Vice Chair Brian Crosby, and members of the House

Economic Matters Committee

From: Kayla Mock, Political and Legislative Director

United Food and Commercial Workers Union, Local 400

Chair Wilson and members of the House Economic Matters Committee, I appreciate the chance to share my testimony on behalf of our over 10,000 members in Maryland, working in grocery, retail, food distribution, law enforcement, health care, and cannabis. Through collective bargaining, our members raise the workplace standards of wages, benefits, safety, and retirement for all workers. Union members are critical to the addressing inequality and uplifting the middle class.

We strongly support HB0385 and urge you to vote it favorably.

Transparency in wages and tips is not only a consumer protection issue; it is also a worker issue. In March 2023, UFCW 400 joined a lawsuit with workers against a DC based company, Union Kitchen. In the lawsuit, it was alleged that Union Kitchen customers left tips for Union Kitchen's employees in its D.C. stores. Employees believed they were receiving the full amount of those tips in their paychecks, but when workers compared the tips they earned against the amounts allocated to tips in their paychecks, they learned that Union Kitchen had been withholding a portion of the tips they earned, totaling more than \$1,000 for many employees.

(More information can be found here: <https://www.ufcw400.org/2023/03/07/union-kitchen-faces-lawsuit-over-wage-theft/>)

More than a year later a settlement was reached, totaling **over \$130,000 in unlawfully withheld tips were given back to the workers.** Workers and consumers deserve transparency. Consumers deserve to be able to allocate tips and amounts with the trust that they will be the correct amount and distributed to the intended worker, and workers should get those tips with the trust that they are accurate.

For these reasons, on behalf of our members and all Marylanders, we urge you to vote favorably on HB 385.