DELEGATE MARY A. LEHMAN

Legislative District 21

Prince George's and

Anne Arundel Counties

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Environment and Transportation

Committee



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THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

House Bill 419

Business Regulation - Automatic Tip Prompt Screen - Requirements SUPPORT

GOOD AFTERNOON MR. CHAIRMAN, MR. VICE CHAIR AND ESTEEMED ECONOMIC

MATTERS COMMITTEE MEMBERS. FOR THE RECORD I'M DELEGATE MARY

LEHMAN

AND I AM ASKING FOR YOUR FAVORABLE CONSIDERATION OF HB 419, AUTOMATIC

TIP PROMPT SCREEN.

MORE AND MORE EATERIES AND OTHER SERVICE-RELATED BUSINESSES ARE

ASKING CUSTOMERS IF THEY WOULD LIKE TO ADD A TIP AT POINT OF SALE

TRANSACTIONS. PRIOR TO COVID, TIPS FOR FOOD AND BEVERAGE SERVICES WERE

MOST OFTEN ASSOCIATED WITH SIT-DOWN RESTAURANTS AND WERE

VOLUNTARILY ADDED TO A BILL BY THE CUSTOMER.

NOW, COFFEE SHOPS, ICE CREAM STORES, BAKERIES, DELIS, CONVENIENCE

STORES, AND OTHER VENUES ASK CUSTOMERS WHETHER THEY WANT TO ADD A TIP FOR TAKE OUT FOOD AND BEVERAGES. TECHNOLOGY HAS PLAYED AN IMPORTANT ROLE IN FACILITATING TIPPING REQUESTS AT THE END OF SUCH TRANSACTIONS. THE MOST COMMON SCENARIO OCCURS WHEN THE CASHIER FLIPS A REGISTER TABLET FOR A CUSTOMER TO PAY AND SIGN FOR A PURCHASE AND THEN THE OPTION TO TIP POPS UP. THESE SCREENS RARELY SPECIFY TO WHOM THE TIP IS GOING.

HB 419 IS AN ATTEMPT TO REQUIRE TRANSPARENCY AND INFORM CONSUMERS
ABOUT WHOM THEY ARE TIPPING. THE BILL REQUIRES A SIMPLE SENTENCE ON
THE

SAME PAY SCREEN THAT OFFERS A CHOICE OF TIPPING LEVELS (10%, 20%, ETC.),
CLEARLY STATING WHO WOULD RECEIVE THE TIP. FOR EXAMPLE, IT WOULD SAY
"DO YOU WANT TO TIP THE BARISTA?" OR "DO YOU WANT TO TIP THE SANDWICH
MAKER?" OR SIMPLY "DO YOU WANT TO TIP THE STAFF?" PANERA DOES THIS ON
ITS PAY SCREEN BY ASKING: DO YOU WANT TO TIP THE BAKERY-CAFÉ STAFF?
THANK YOU FOR YOUR CONSIDERATION. I URGE YOUR FAVORABLE REPORT.



