

International Brotherhood of Electrical Workers

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TESTIMONY IN SUPPORT OF HB 419 BUSINESS REGULATION-AUTOMATIC TIP PROMPT SCREEN March 27, 2024

TO: Chair Beidle, Vice Chair Klausmeier and members of the Senate Finance Committee FROM: Tom Clark, Political Director, International Brotherhood of Electrical Workers Local 26

Madam Chair, Madam Vice Chair, and distinguished members of the Senate Finance Committee. I ask you to **support HB 419**, a bill that is a practical response to the world of 2024 and its use of electronic payments.

Many workers rely on tips to put food on their own table. HB 419 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 2024, and I salute the sponsors of this bill for recognizing an issue that is faced by Mr. and Mrs. Marylander each and every day. And a bill that will put well deserved tips in the pockets of hard-working 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 419**. Support the clarity this bill gives to the consumer and support the proper payment that is received by the tipped worker. Thank you.

