

BILL ANALYSIS

H.B. 133
By: Canales
Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Concerns have been raised regarding the ability of an employer to collect swipe fees from a tipped employee for tips paid with credit or debit cards. It has been noted that, while each such fee may be small, they can quickly add up for a tipped employee. H.B. 133 seeks to address these concerns by prohibiting an employer from collecting or receiving any portion of a gratuity paid to or left for a tipped employee.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 133 amends the Labor Code to prohibit an employer from collecting or receiving any portion of a gratuity paid to or left for a tipped employee, including for the purpose of compensating a credit or debit card issuer for any financial services rendered on account of the gratuity. The bill establishes that the gratuity is the property of the tipped employee.

EFFECTIVE DATE

September 1, 2019.