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| BILL ANALYSIS |

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

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| **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. |