



Recent Case Suggests Food and Beverage Service Charges May be “Gratuities” Payable to Employees

Insights

11.04.19

A recent decision by the California First District Court of Appeal held that mandatory service charges frequently used by hospitality employers may constitute “gratuities” under California law that need to be paid to employees. This represents a break with what many had considered a settled area of law – and may impact a wide range of hospitality employers – including hotels, banquet facilities, conference halls, event centers, and similar businesses. Read more here on the court’s decision and what this means for California hospitality employers.

[Read More](#)