

Promoting Good Jobs in New York's Restaurant Industry:

The Responsible Restaurant Act

Lead Sponsors: Council Members Eric Gioia and Rosie Mendez

New York City is America's restaurant capital. Whether it's in Union Square or Jackson Heights, our multitude of great restaurants makes New York one of the world's foremost food destinations. And the restaurant industry is a key part of our economy, providing jobs for more than 165,000 New Yorkers and serving millions of patrons each week. That's why it's so important to ensure that our restaurants act responsibly and follow the law.

The Problem: Too many restaurants are cutting costs by violating basic employment laws.

- ⇒ Research shows that many restaurants pay less than the minimum wage and don't pay overtime—and some discriminate in hiring and promotions.
- ⇒ This undermines New York City's workforce and its economy, and is unfair to the majority of responsible restaurants that are playing by the rules.

The Solution: New York City can reverse this trend through the **Responsible Restaurant Act**.

The Responsible Restaurant Act builds upon the City's existing legal authority to deny or temporarily suspend a restaurant's permit for good cause, including its established record of violating the law. Specifically:

- (1) It creates a process to help the City decide whether to grant or renew a restaurant's operating permit, including consideration of its record of employment law violations; and
- (2) It provides the City more information about a restaurant's history of employment law violations:
 - Restaurants will disclose their employment law violations when applying for or renewing an operating permit;
 - The public may submit written comments regarding a restaurant's record of complying with employment laws; and
 - The City may also hold a public hearing to gather more information – especially for restaurants with a clear record of violating these basic employment laws.

By enacting the Responsible Restaurant Act, New York can make clear that compliance with basic employment laws is not optional and help to promote a strong restaurant industry.

For more information on the Responsible Restaurant Act, please contact Raj Nayak at the National Employment Law Project: 212-274-0579 or rnayak@nelp.org.