# Consequences for Violating the Law

The Office of Attorney General (OAG) is the primary enforcer of the District's consumer laws.

If OAG finds that a business has violated the law, including by failing to adequately disclose or describe fees charged to diners, OAG may seek a Court order requiring the business to:

- Pay refunds to consumers who paid fees that were not adequately or properly disclosed
- Pay penalties of up to \$5,000 per violation, or \$10,000 per violation for a repeat offender
- Pay attorneys' fees and costs incurred by the District
- Change its practices to conform with the requirements of the law



## OAG's Office of Consumer Protection

If you would like further information on the District's consumer protection laws, please visit our website at oag.dc.gov/consumer-protection.



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Business Advisory from the Office of Attorney General

## Restaurant Fee Disclosure Requirements in DC



Many District consumers have raised questions about fees and surcharges that restaurants charge to diners, including whether those fees are permissible and the purpose of their use.

This brochure provides basic educational information about District laws that may apply to these practices. Compliance with the law must be evaluated on a case by case basis.

### **Applicable District Laws**

The District's Consumer Protection
Procedures Act grants District consumers
the right to complete, accurate, and timely
information whenever they purchase goods
or services—including when they place
orders at restaurants. The law prohibits a
business from:

- Making misleading claims about products or services
- Failing to disclose important information
- Using ambiguous or vague language that tends to mislead

#### D.C. Code § 28-3901(e), (f), (f-1).

While these provisions do not prohibit restaurants from adding fees to bills, they do prohibit restaurants from hiding fees, obscuring them in fine print, or disclosing them only after diners place their orders.

These provisions also prohibit restaurants from deceiving or confusing consumers about why the fees are being charged and the purpose behind their use.

## How Restaurants Can Ensure Compliance



#### To comply with these laws, when charging fees to consumers, restaurants should:

Clearly and prominently disclose at the beginning of the ordering process the type and amount of all fees that may be charged (for example, orally by servers and/or in bold large print on a menu)

Accurately describe the reason for the fee, either by clearly naming the fee (for instance, "worker health insurance fee") or by adding text explaining how the fee is used or distributed

Use any fees collected from diners exclusively for the purposes disclosed (for example, by ensuring that "service fees" go fully and directly to service workers, unless other uses are prominently disclosed)

#### Restaurants should *not*:

- Bury fee information in fine print on a menu
- Fail to disclose the amount or percentage of a fee until the bill is given to the diner at the end of a meal
- Use fees collected by diners for purposes contrary to what is disclosed
- Use ambiguous or misleading language that fails to fully convey to a diner how a fee will be used (for example, charging an ambiguous "restaurant recovery" fee without explaining what the fee will assist in recovering)



These rules apply both when sales are made in person and when they are made through an online platform.