



WHAT'S HAPPENING RIGHT NOW

NATIONAL
RESTAURANT
ASSOCIATION

THE
RESTAURANT
ADVOCATE

BELTWAY
INSIGHTS FOR
RESTAURANT
LEADERS

Q1 2024

Momentum Grows for Credit Card Swipe Fee Reform

In a push to get Congress to schedule a vote on the Credit Card Competition Act (CCCA) ([S. 1838/H.R. 3881](#)), dozens of restaurant leaders and retailers will be meeting with Members of Congress to bolster support for the legislation and address skyrocketing credit card fees. In a key move, Senator Durbin (D-IL) is also planning a hearing on the CCCA before the Senate Judiciary Committee.

Tax Deal Introduced by House, Senate Leaders

Common restaurant investments like a dining room upgrade, expansion, or a kitchen equipment purchase would see major tax savings under a new bipartisan bill introduced in January. Full business interest expensing under EBITDA and 100% bonus depreciation would be restored under the plan, which was overwhelmingly approved by a key House panel. However, restaurant advocates must [urge Congress to swiftly pass the legislation](#) in coming weeks. The Association has strongly [endorsed](#) the deal.

FTC Deadline Looms, Restaurants Face Potential Fee Elimination

Operators have until Feb. 7 to have their [say](#) on a proposed federal rule which would force restaurants to stop using surcharges, including those for meal delivery, credit card transactions, automatic server gratuity, large party service fees, and other common surcharges. Last year, the Federal Trade Commission (FTC) proposed a sweeping rule to include all charges in a “total price” for customers. The Association successfully petitioned the FTC to delay the comment period as we provide more [education for members](#).

House Advances Joint Employer CRA; Senate Vote Expected in Q1

The House of Representatives passed a resolution Jan. 12, introduced under the [Congressional Review Act](#), to overturn the National Labor Review Board Joint Employer rule. A companion resolution will likely be considered in the Senate in Q1. The rule, which is expected to take effect Feb. 26, broadens the criteria for joint employer status. Last year, the Association and RLC submitted [comments](#) in opposition to this change.

Federal Reserve Proposes to Lower Debit Card Swipe Fees

In a move that could save restaurant operators and other merchants billions of dollars annually, the Federal Reserve recently proposed a [rule](#) that would lower the debit fee cap for the first time since 2011. If finalized, the current debit interchange rate would be cut by around 30% and would be updated by the Fed on a biennial basis. The Association will submit comments in support of the proposal and will continue to push the Fed to further lower debit card swipe fees.



IN CASE YOU MISSED IT

Restaurant CEO Details Crime Impacts before Congressional Committee

Limiting hours of operation at night, hiring security to improve employee safety, and declining customer patronage in crime-affected locations were all detailed by a restaurant operator during a Jan. 11 House Small Business Committee hearing. Jerry Scott, president and CEO of Elmer's Restaurants, Inc., testified before Congress on how rising crime rates are hurting his customers, employees, and business. Watch his testimony [here](#).





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ON THE HORIZON

New Plan to Bolster Work Opportunity Tax Credit

The Work Opportunity Tax Credit (WOTC), which is frequently utilized by restaurant operators, is set to expire at the end of 2025. New bipartisan [legislation](#), introduced by Reps. Smucker (R-PA) and Sewell (D-AL), would extend the credit and increase the tax credit, provide more support to hire military veterans, and expanded eligibility to older adults.

Multi-Generational Restaurant Owners Protected under New Legislation

Independent restaurant operators planning to bequeath their business to family members would be spared increased taxation under a [new proposal](#) from Rep. Feenstra (R-IA). The *Death Tax Repeal Act*, [S.1108](#), would permanently repeal the estate tax so a family member inheriting a restaurant would not face the so-called “death tax”.

REGULATORY CALENDAR FOR RESTAURANTS

February 7	Comments due to FTC on surcharge ban
February 26	NLRB implements joint employer rule
March 11	DOL implements independent contractor rule
April	DOL expected to issue final rule on overtime pay
April	FTC expected to vote on federal ban of non-compete agreements
April	SEC to finalize climate reporting rule
April	SEC propose human capital management rule
May 12	Comments due to Federal Reserve on debit card swipe fee rule
PROJECTED	
Q4 2024	DOL implements overtime rule
Q4 2024	FTC finalizes rule on surcharge ban
2025	SEC begins requiring public companies to collect climate data

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