

Suit alleges hotels short-changed servers

November 27 - A Boston law firm has filed class-action lawsuits against five Maui hotels for allegedly violating Hawaii tips law by not distributing to food servers total proceeds from service charges added to banquet bills.

The lawsuits were filed Friday and Tuesday in U.S. District Court in Honolulu.

"It appears that this practice of hotels skimming a portion of the banquet gratuity is widespread throughout the industry but has never been challenged before in a lawsuit in Hawaii," said a statement released by the Boston firm of Pyle, Rome, Lichten, Ehrenberg & Liss-Riordan.

The firm said it has successfully litigated similar cases in Massachusetts, where the tips law is similar to Hawaii's.

The five hotels named as defendants are the Fairmont Kea Lani Hotel & Resort; the Grand Wailea Resort Hotel & Spa; The Ritz-Carlton, Kapalua; the Wailea Marriott Resort; and the Four Seasons Resort, Maui.

The complaints say the hotels add a preset service charge to customers' bills for food and beverages, but keep for themselves a portion of the service charges or use it to pay managers or other nontipped employees who don't serve food and beverages.

Carol Reimann, executive director of the Maui Hotel & Lodging Association, said she had not heard of the class-action lawsuits until contacted by a reporter Tuesday afternoon.

She reserved comment until she had a chance to review the lawsuits, but she said, "I can't imagine our properties doing anything that isn't above board. I'm sure they'll be cleared of any wrongdoing. Our properties have a lot of integrity and good business practices."