DEPUTY MAJORITY LEADER FOR SENATE/ASSEMBLY RELATIONS

CHAIR

SENATE AGRICULTURE COMMITTEE

CHAIR

LIBRARIES SELECT COMMITTEE

DEPUTY VICE CHAIR

SENATE HEALTH COMMITTEE

MEMBER

LEGISLATIVE COMMISSION ON THE
DEVELOPMENT OF RURAL RESOURCES
SENATE SELECT COMMITTEE ON TECHNOLOGY
AND INNOVATION

THE SENATE
STATE OF NEW YORK



SENATOR PATTY RITCHIE 48TH DISTRICT OSWEGO, JEFFERSON, ST. LAWRENCE COUNTIES

COMMITTEES

ALCOHOLISM AND DRUG ABUSE
CIVIL SERVICE AND PENSIONS
CRIME VICTIMS, CRIME AND CORRECTION
CULTURAL AFFAIRS, TOURISM, PARKS AND
RECREATION
ENERGY AND TELECOMMUNICATIONS
FINANCE
HIGHER EDUCATION

LABOR
LOCAL GOVERNMENT
TRANSPORTATION

April 25, 2018

Commissioner Roberta Reardon NYS Department of Labor Building 12 W.A. Harriman Campus Albany, NY 12240

Dear Commissioner Reardon:

Thank you for the invitation to attend the NYS Department of Labor's hearing today on the Governor's tip credit proposal. Unfortunately, due to Legislative Session in Albany, I am unable to attend this important hearing but will take this opportunity to submit testimony.

Fair pay for hard work is an idea we can all get behind. However, the Governor's proposal to eliminate the "tipped wage" for restaurant servers in New York is neither "fair," nor does it reward hard work. In fact, it likely will hurt the very people that it is intended to help by raising costs for small business owners and reduce the number of available jobs that we so desperately need to move our economy forward.

Our current laws set the "tipped wage" at a rate slightly below minimum wage. That rate, \$7.50 an hour, is set to increase along with minimum wage over the next few years. When that happens, these wages will be the highest in country—more than twice that of our surrounding states. The law already protects against any worker, tipped or not, from earning less than the statutory minimum wage.

It is my hope that the Governor and Commissioner will truly listen to those most directly impacted, such as the dozens of servers who I have spoken with and clearly voiced their opposition to this plan, including;

• A college student who, with her customers' tips, knows she can earn enough money over the few short months of our peak tourist season to help bridge the gap between her tuition and the amount that her hardworking parents are able to pay for her education;

REPLY TO: ☐ ALBANY OFFICE: ROOM 412, LEGISLATIVE OFFICE BUILDING, ALBANY, NEW YORK 12247 (518) 455-3438
☐ JEFFERSON COUNTY OFFICE: 317 WASHINGTON STREET, ROOM 418, WATERTOWN, NEW YORK 13601 (315) 782-3418
☐ OSWEGO COUNTY OFFICE: 46 EAST BRIDGE STREET, FIRST FLOOR, OSWEGO, NEW YORK 13126 (315) 342-2057
☐ ST. LAWRENCE COUNTY OFFICE: 330 FORD STREET, OGDENSBURG, NEW YORK 13669 (315) 393-3024

E-MAIL: RITCHIE@NYSENATE.GOV

E-MAIL: RITCHIE@NYSENATE.GOV WEBSITE: RITCHIE.NYSENATE.GOV

- A single mother of two with a full-time job who struggles to find the time to also work a
 few hours a week waiting tables, but must because she struggles more to make ends meet.
 and;
- Countless career servers who enjoy, and need, the flexible scheduling, upward earning potential and diversity of positions that our hospitality industry offers.

In addition, these individual servers will not be the only ones who will lose out if this proposal is approved. Eliminating the tipped wage will raise the cost for employers and almost certainly, lead to higher prices for consumers.

Our region as a whole will also suffer. In the North Country, the hospitality industry is the second largest employer, after the public sector. More importantly, the Labor Department projects that in the next few years, the number of hospitality jobs in our region is poised to grow faster than any other industry we have. More so, tourism in our Lake Ontario and Thousand Islands communities has recently taken a substantial hit from last summer's devastating floods, and higher wages could further derail our recovery and potential for growth.

Compensation through earned tips contributes to a stronger work ethic and improved performance. It raises standards for the industry and helps ensure better quality service. Eliminating this incentive would leave a bad taste in the mouths of consumers, employers and servers themselves and I feel the state should no longer be considering this plan to eliminate the tipped wage.

Sincerely,

Patty Ritchie State Senator

PAR/bjd