Commissioner Reardon: Good morning. On behalf of Governor Andrew Cuomo and the Labor Department, I want to welcome you to today's hearing on the subminimum wage in New York State. The Department of Labor works on behalf of both workers and employers. We provide income support to workers who lose their jobs, and we ensure that employees receive proper pay and work in safe environments. We help businesses find and maintain a skilled workforce and we provide them with no-cost services designed to help them thrive in New York's growing economy. One of Governor Cuomo's 2018 State of the State proposals directed me to evaluate through a series of hearings the possibility of ending minimum wage tip credits in New York State. In some work places, such as carwashes and restaurants, where wages and tips are generally both low, a worker's income can be, can rely entirely on tips. These tips, meant as a reward for good service, instead serve as a critical wage subsidy that brings workers' wages up to just the legally-mandated minimum wage. This system disproportionately impacts women and minorities and prevents some workers from coming forward to voice concerns, fearing retaliation. Governor Cuomo has directed this agency to ensure that no workers are more susceptible to exploitation because they rely on tips to survive. This is the third of seven hearings to solicit public comment on how best to address potentially eliminating the minimum wage tip credit. Before regulations are formally advanced related to the subminimum wage, we want to hear from workers about how the subminimum wage impacts their ability to earn a fair wage as it relates to tips and to raise a family. We want to hear from businesses and other industry professionals how the subminimum wage impacts how you run your business and interact with your workers. We understand that we are talking about potentially changing rules that have been in place for decades, and that is why we are here, to ensure any actions are fair and well thought out. Through these hearings, we are asking for impact about the scope of the problem and the potential scope of our solutions including any hardships created by the subminimum wage, reasons for and ramifications of eliminating the subminimum wage in your industry, and recommendations for the elimination timeline, should we move in that direction and complicating factors. Let me also draw an important distinction. As the sign up here says, this hearing is about eliminating the subminimum wage. This hearing is not about eliminating tipping. We fully support tipping and workers' rights to earn those tips here in New York State. In fact, when the federal government looked to attack workers' tips in New York State, we will continue to protect tips. Another important point I want to make is that these hearings are not about the number of people in the room. Through these hearings, we are collecting your stories, related data, and the insights that only you can provide. I would like to introduce members of our panel listening today; Mario Musolino, Executive Deputy Commissioner; Nathaalie Carey, Deputy Commissioner for Administration and Chief Financial Officer; and Milan Bhatt, Assistant Deputy Commissioner Worker Protection. Testimony will be strictly limited to three minutes to allow as many people as possible to testify today. In addition, although we value their testimony, we will not allow any substitutions of speaker slots or allow testimony to be read on behalf of another individual who is not here. Please come to the front row when your name is called. If someone was unable to attend or if you have to leave before your name is called, please give us your written testimony. We will collect it from you at the front desk where you checked in. Finally, some ground rules. Please respect the people testifying and the panel by not heckling the speaker, by not using abusive language or threatening behavior and not interrupting anyone's testimony. For those testifying, you will get a yellow warning light at thirty seconds,

and it will show red when your time is up. I want to thank everyone for taking the time to participate in today's hearing, and for the insight that all of you can provide and help us address these important issues. I want to again emphasize that everyone in this room's testimony is important to us, and we respect your right to testify. Thank you. So what we are going to do is we are going to call names, and the reserve speakers will come up and fill in on these chairs over here. Kris is doing the Vanna White thing, and that is simply just to expedite the process, so we don't have people walking up one by one because we do have a lot of people who want to speak. So Matt, do you want to read the first five people?

Ramona: The first five people are Catherine Barnett, Melissa Fleischut, Bryan Hranek, Mallory Lorch, and Mark Doty. Please make your way to the left-hand side to the reserve seats.

Commissioner Reardon: And Catherine Barnett is the first speaker for today.

Catherine Barnett: Good morning. My name is Catherine Barnett, and I am the Director of the Restaurant Opportunity Center of New York, which is a chapter of the Restaurant Opportunity Center United. For the past seventeen years, ROC has advocated for better wages and working conditions for the eleven million plus restaurant workers in our nation, more than 400,000 of whom live and work in New York State. Our industry is one of the largest and fastest growing sectors and a powerful engine for the country's economy. Although it is a fast paced, exciting, and diverse industry with a predominately female workforce, these women's employment is concentrated in low-wage, front-of-the-house positions. Sadly, these women are subject to some of the highest rates of sexual harassment on the job of any sector, as reported annually to the Equal Employment Opportunity Commission. Tipped workers are paid a lower minimum wage and are expected to depend on tips to get them to a livable wage. Tips are given for good service, and in trying to fulfill that requirement, these women are often placed in unpleasant and in vulnerable situations. This can range from a seemingly innocent policy as requiring a sexy uniform to being expected to put up with unwanted flirtation and advantages from customers and managers for the promises of higher tips and/or better or more frequent shifts. Long before there was a me-too moment in the media, ROC has been documenting the plight of restaurant workers being subject to sexual harassment. We know that a restaurant job is often the first job a young woman obtains, whether she stays in the industry her whole life or moves on to another career, the workplace behaviors influence and impact the way that she views the world of work. One fair wage is a simple solution to the rampant exploitation in majority female and immigrant workforces. We are standing here today for better wages and better tips. In New York, tip workers make $7.50 to $8.65, depending on the region, relying on tips to bring them up to the state's general minimum wage. Seven states have already paid tip workers a basic minimum wage on top of tips. New York must be next. One fair wage is also good for business. Restaurants in states with one fair wage have increased sales, more robust wages, and stronger employment growth than states without it. Restaurant workers work hard and deserve to be compensated fairly. We can have better wages and better tips. I want to thank the Department of Labor for this opportunity this morning.

Commissioner Reardon: Melissa Fleischut.

Melissa Fleischut: Good morning, and thank you, Commissioner Reardon and the Department of Labor staff for allowing me this opportunity to address you again. I am Melissa Fleischut, President and CEO of the New York State Restaurant Association. As a representative of the restaurant industry, I will limit my comments to how this proposal will impact restaurants, as I know little to nothing about the miscellaneous wage order or the industries it covers. I, like you, have been witness to two hearings about eliminating the tipped minimum wage in New York. At both the Watertown and Long Island hearings, you heard from many tipped employees, managers, and restaurant operators who support keeping the tip credit in New York. The main reason I have heard at these hearings to eliminate the tip credit is wage theft. Many of the employees on Long Island told stories of restaurant owners who were stealing wages, stealing tips, failing to provide overtime pay, call-in pay, makeup pay, and were not following the rules on breakage, walkouts, or spread of hours. Some of these employees described being paid a flat rate per day, with some being paid as little as five dollars an hour total, between their wages and tips. Their experiences are awful, illegal, and deserve your attention. The hospitality wage order is a detailed and thorough document governing how employees in the industry must be compensated. But these bad employers described in the testimonies did not change their ways when the hospitality wage order was completely rewritten in 2011. They did not become better employers when the Department of Labor increased the wage to $7.50 an hour in 2015, and they will not abide by the law if you choose to eliminate the tip credit. They will continue to violate the labor law and take advantage of their employees, but they are, thankfully, a small minority of the employers in the restaurant industry. The New York State Restaurant Association stands with Governor Cuomo, the New York State Department of Labor, our law-abiding members and their hardworking employees. We want to see wage theft rooted out of our industry where it exists, so that honest restaurant owners are not looked on as bad employers offering bad jobs. Let's work together to find real solutions to wage theft. There could be many solutions to this problem including more education in multiple languages, more investigations, more field officers for the Department of Labor, and even tougher penalties for those violating the law. We have increased the tipped-employee wage time and time again, and yet you continue to hear stories of wage theft, likely about the same bad operators. Raising the tipped-employee wage hasn't ended wage theft before, and it won't end it now. Please consider a new approach to this problem. The New York State Restaurant Association stands ready and willing to assist you in these efforts. Thank you.

Commissioner Reardon: Bryan Hranek.

Bryan Hranek: Good morning. I am Bryan Hranek, the owner of Callahan's, a small neighborhood bar in Binghamton. I am here to tell you that abolishing the tipped credit will directly force me to eliminate most of my employees' hours, shifts, and most of their jobs. The fifty percent increase in server minimum wage two years ago hurt my business enough that to cope, I had to completely eliminate kitchen staff, putting responsibility for cooking meals on the bartender, leaving myself to complete prep work and cleaning. I am currently unable to afford staffing more than one employee on a shift, and if the tip credit is abolished, the duration and number of those shifts will both go down. I anticipate needing to eliminate all available shifts except a couple bartending shifts each week. I have been in the bar and restaurant business for 25 years in every capacity from dishwasher to kitchen manager, server, bartender, manager, and

now an owner. I quickly learned the direct correlation between effort and tips, and that a determined server can practically decide for themselves how much they will make. I also learned that being tipped results in far more freedom than an hourly waged position. I know hundreds of staff and bartenders and hear them recap their shifts and hear about how much they have made all the time. At Callahan's, at the places I have worked in a tipped position, and the many places I have heard about, $20.00 to $30.00 an hour in tips is the norm for any given shift, frequently exceeding that, although slower shifts occasionally happen, I don't know of any instances at all of any employee, including over 25 years and hundreds of servers, who has ever needed their employer to make up the minimum wage because if they didn't earn enough in tips. I am sure it has happened, I know of no cases though. Please consider that every town in New York has at least one small establishment similar to mine, a local watering hole, that will be devastated by this drastic and unwarranted change to the industry. Worse will be the effect on the servers this travesty is reporting to help as their jobs disappear. If there is an actual need in other industries to make this change, leave that change in the other industries and leave the bar and restaurant industry alone. Thank you.

Commissioner Reardon: Mallory Lorch.

Mallory Lorch: Good morning. My name is Mallory Lorch. I have been in the food industry for over, for more than five years. I am here today to be a voice for my fellow colleagues that are unable to make it today because they are working. I am passionate about my job, and I love my job. I am here to support the future of my establishments and my fellow colleagues in our industry. I am college educated, and I have built a career in the gaming industry. I refused to leave this industry throughout my time in college. I chose to return back into this industry because it allowed me to pursue my dreams. I always have managed to stay in this industry because it fits my lifestyle. My schedule allows me to spend time with my family, pursue my goals, and give back my time volunteering. I currently work both at Outback Steakhouse and Applebee's. Being a server has allowed me to pay off my car, go on many vacations, and pay off my college tuition. I am debt free. This food industry is a great way for many individuals to start at an entry-level position. Many kids out of high school start at an entry-level position. This industry allows them to test the waters of adulthood. This new plan would eliminate many of these entry-level positions. This new proposed plan would also force restaurants to cut their hours, therefore resulting in less wages. This not only directly affects me, but also affects all others in the food industry. Please understand that this will not fix sexual harassment and bad ownership. At both of my jobs, we are required to dress in a business, professional setting. We are by no means showing any extra skin that they were previously just talking about. Because of this proposed plan, restaurants will raise menu prices and will drive customers away. This will result in those that have families to raise or to live on fixed incomes to stop dining out. Many restaurants will see a decline in sales, which will cause adverse effects, such as cutting positions or ultimately closing. Our duties and responsibilities will become completely different, and this will result in servers to be less attentive to our customer needs and wants. This will change our customers' dining experience overall. Why would a customer dine at a restaurant with high prices and less service than go to a fast-food restaurant? I am here to support the future of the food industry and support my fellow colleagues across New York State. I am here to fight against the elimination of the tipped credit. Please understand that we are not victims, and we

shouldn't be classified with any other group. We should not be grouped with the workers in New York City. We do need to be fixed, and please, please, for the love of God, do not destroy our livelihoods. I love my job, and I love my colleagues, and it would kill me if I weren't able to work with them. Thank you.

Commissioner Reardon: Mark Doty.

Ramona: After Mark, the next five are Cara Pascucci, John Buntich, Kayla Hayes, Jessica Nejeschleba, and Daniel Krupke. If you are one of those, please make your way to the front.

Commissioner Reardon: Is Cara here? Do I have Cara Pascucci? No. John Buntich? John Buntich? Kayla Hayes?

Kayla Hayes: Hi. So, I am sorry; I didn't write anything. I am just going to be speaking right from my heart. I've worked in the restaurant industry for about twelve years now. I started working at sixteen as a host, and I have made my way up. Right now, I currently serve, I bartend, I have other responsibilities. For any job where I am not being tipped, like not making tips, I get compensated for it, and I don't make below minimum wage. I usually make more than minimum wage. By eliminating the tip credit, there is going to be a drastic change, and it is going to hurt the restaurant industry altogether. Many small businesses are going to be forced to close. The restaurants are going to have to up their food prices on the menu. They are not going to be able to employ as many people. They are going to have less staff do harder work, not being able to provide our customers with the great service that they deserve. Also people that have worked with the company for a long time that are deserving of raises will not be able to get their raises, and they won't be able to get them in a timely fashion. So I really, I am against eliminating the tip credit, and I just wanted to come and voice my opinion.

Commissioner Reardon: Thank you very much. Jessica? Could you pronounce your last name for me?

Jessica Nejeschleba: Nejeschleba.

Commissioner Reardon: Thank you.

Jessica Nejeschleba: Yes. Alright. Good morning, all. My name is Jessica Nejeschleba. I hold a Master's in Public Administration from Binghamton University. I have served tables for the last six years to pay for my education. I have chosen to work in the restaurant industry because I earn significantly more than I would in my field of expertise, which is policy analysis and performance measurement. However, my purpose today is to use the skills I have acquired from the MPA to provide a different perspective. I will focus on the employer implications by using front-of-house total-hourly wage earnings, total tips earned, and hourly wage including tips under the tip credit and without. I will finish with how elimination of the tip credit will decrease employment in the restaurant industry. Currently, a closer earns $7.50 an hour and supposed he or she has worked six and a half hours. That is about $49.00 in total for the night. Let's guess that he or she makes $120.00 in tips for that shift. Overall, he or she has made $169.00 total,

which is $26.00 per hour under the tipped credit. Next, DOL, with the Governor's proposal, he or she will be earning $10.40 per hour for six and a half hours, and let's assume earning the same amount in tips. Therefore, he or she has earned about $29.00 per hour. Sounds better, right? That is not a good thing, and I hope to educate you, DOL, as the Governor has either failed to evaluate basic economics or withheld this information from his constituents. Servers, bartenders, and tipped workers; our hourly wage fluctuates. We do not earn a set wage every shift. For example, we could earn $15.00 an hour one night and $24.00 per hour the next. The Governor's proposal includes a $2.90 raise in our hourly pay, which is a 27 percent increase. Peer reviewed sources prove this percentage as significant, and I provided you with this data. Our employers will now be required to pay us 27 percent more than they do right now. DOL and the Governor claim to serve the worker, but I do not think you fully understand what this increase means for us. Out of that 27 percent that our employer will be paying us, a closing server will only see ten percent of that. Let's evaluate how I calculated this. A $2.90 increase per hour to the $29.00 he or she will earn per hour if most variables stay the same, i.e., hours worked and tips earned only represents ten percent of his or her hourly wage with the elimination of the tip credit. Therefore, a closing server will only see a ten percent increase in total earnings, while the employer is paying the full 27 percent. Does this sound reasonable to you, DOL? The Governor's proposal fails to benefit either side, the employer or the employee. And it is your responsibility to protect us and our employers. For all my fellow restaurant workers, managers, and small business owners, please listen to me while I explain what this 27 percent increase will have on unemployment in the industry as we have chosen, as I can guarantee you, DOL, that none of us will go to work every day making $10.40 per hour. In 1993, the elasticity of employment in the restaurant industry was negative 0.15, determined by Walter Russells, which a 27 percent increase in tipped wage would have led to a 4.1 decrease in employment. Suppose the elasticity is now negative 0.2. This means that 5.4 percent of us will lose our jobs. DOL and Mr. Governor, is this what you want? You want an employer to pay more and the employee see less? You want a 5.4 percent employment decrease in restaurant industry employment? I truly question and most definitely challenge the Governor's intellect and fit in public office. He does not belong where he is sitting today. He does not care about us. The legal term is now on you, DOL. Do this us, and we will now lose our jobs!

Commissioner Reardon: Daniel Krupke. And before you start, Daniel, could you read the next five names please.

Ramona: The next five names are Mike Nugent, Yanissa Watson, Cory Fogarty, Cathy Comer and Scott Signori.

Commissioner Reardon: If we read your name, please come down to the front. Thank you, you can start.

Daniel Krupke: My name is Daniel Krupke. I own and operate Krupke Management Company, Incorporated in Pulaski, New York. I have owned and operated this family style restaurant for the last 28 years. I average 45 full-time and part-time employees. I pay out over a half million dollars in payroll a year, which may not seem that significant, but in a community with a population of 2,500, it is a significant amount of dollars. Restaurants have been hit with a seven

to nine percent wage increase every year for the last five years. Now with the possible elimination of tip wages, expenses as it relates to wages is cutting into our already small margins. So yes, I am opposed to the elimination of tip wages and here is why. My servers are the highest-paid employees in my restaurant. I have the least amount of turnover as it applies to servers, as I have five servers that have been employed with me for over 20 years. That should be an indicator that they are very satisfied with the wages they are earning or else they would have moved on. My servers average 20 to 25 hours a week and make a full-time wage plus. Most of these people are like family to me, but with the elimination of the tip credit, I will be forced to reduce their hours and eliminate positions. The restaurant business is already challenging, and if this goes through, it will deter future development and expansion of new restaurants in New York State or worse, it will force people and businesses to exit New York State. I believe that the Labor Department will see an increase in businesses forced to pay their employees under the table in order to meet their bottom line. Minimum wage is a starting wage. It is not intended to be a living wage. People of all socioeconomic levels elect to eat in restaurants, but with increases in restaurant expenses, it forces restaurants to raise prices; therefore, making it more difficult for some people to dine out or less often or not at all. Raising prices equals less customers. Less customers directly equals less hours for our staff. I will have to consider a no-tipping policy. In closing, I have traveled 40 miles one way and spent my personal time to be here today. It is my hope that this board will fairly and indiscriminately represent the voices and recommend to the Governor that eliminating the tip wage would be detrimental to our industry, and that is not politics, as usual. Thank you.

Commissioner Reardon: Thank you. Yanissa Watson

Yanissa Watson: How are you doing? Well, I didn't write anything, as well, but I just came to speak. I just want to tell you my story. Okay, so I am 27 years old. I started working in the restaurant business about two years ago, which is Outback Steakhouse. So from working there, I managed to get my car, get a license, help my mom take care of home, help my sister, which is a full-time mom, and it is amazing. If you guys take that away from us, sometimes we won't be able to support our families, but me, being a waitress and making like making almost $1,000.00, I can do that. You know what I mean? And it is happy, I am happy that I can take care of my family by doing that, and that is all I have got to say. I just wanted to voice my opinion.

Commissioner Reardon: Thank you. Cory Fogarty, Cory Fogarty. Cathy Comer? Scott Signori? Nope, next five names please.

Ramona: Terisyajaira Betancourt, Monika Ludwinek, Zakary Skinner, Tierney Nash, and Skyler Bowman. Please make your way down to the front.

Commissioner Reardon: So do I have Terisyajaira Betancourt? Monika Ludwinek? Zakary Skinner?

Zakary Skinner: Good morning. Thank you all for hearing our testimonies today. I have been working in the service industry for seven years now. I started working in mostly non-tip positions; on a line in a burrito place, dishwasher, and for six years now, as a café barista. I

really fell in love with the work, working in fast-paced environments with good crews of co-workers, meeting new people, and developing a relationship with my community. I started working there in order to support myself through school, and I felt very fortunate to find work that is both social and also complimented my talents. That was until I discovered how much I would need to work to make enough to get by and how long eight hour days are on your feet with hours of class and coursework after. Rent, phone bills, car payments and insurance, food, winter clothes, credit card debt, books and school equipment; it all started to add up and kept pace. After two and a half years of school full time, and work full time, I had to drop out. I imploded, totally burnt out. I dropped out halfway through the semester for mental health reasons, which also added a $3,000.00 bill to the semester, but I had to keep working. I figured if I had any hope of going back to school, I would need to focus on working now, paying off some of my bills, and saving money, so I would be able to go back and not work as much when I did. That was over four years ago now. I discovered that working full time, even as a manager, which I was promoted to, doesn't guarantee you a savings and starting in a debt hole doesn't help. At best, I managed paycheck to paycheck and not actually getting anywhere. So I set my sights on the holy grail of the service industry, tip serving. This was the job that single mothers raise armies on. That got my aunt, uncles, and grandparents through college; shorter shifts, more challenging customer interactions, multitasking and better money. I was genuinely excited to be in a new environment, learning a new skillset. Fast forward to today; I have worked in fine dining for two years now, serving for just over a year, and I really do enjoy it. And it is way more demanding than the other service work that I have done, but the biggest challenge is that although my paycheck is sometimes big, it often varies by hundreds of dollars from week to week. I have not really gotten much farther out of debt, and I still haven't been able to go back to school. Another challenge is now I no longer qualify for Medicaid because I can't save money, but I can't get decent health insurance if I don't have enough money to pay for it, so I have decided to just go without for the next couple of years. I am taking my gamble on youth and history of good family medicine because I want to save the money to go back to school. I understand the importance of health care. I am trying to go to nursing school, but I just can't afford it with the wage that I making. Another challenge is that I am exhausted, physically and mentally. I now work two jobs. I manage a coffee shop during the day, and I serve at night and weekends at a fine-dining place. I work six days a week, often seven, and clock 50 to 60 hours a week. I want to go back to school in a year, but how is that going to happen? How can I drop one of my jobs, when I can barely live now, paycheck to paycheck? I feel like I have everything we are told to do to advance in society, but it is not working. We have allowed industries to run on poverty wages, and that is the major part of the problem. I work in a local business that stresses the importance of sustainability and community, and I totally agree with that, but part of that project is ensuring that workers have sustainable lives. One fair wage now.

Commissioner Reardon: Thank you. Tierney Nash?

Tierney Nash: Good morning and thank you for your interest today. For the past six years, I have been working in fine dining. At sixteen years old, when I got my first job as a host, I was relieved to have some form of steady income at what was then a standard hourly rate of slightly over seven dollars an hour. At the time, I was in the care of the mother. While rent was covered, setting aside enough money for food and bus transportation to get to the grocery store was an

ongoing concern. My mother was and still is an addict. At the time, she would frequently go on drug and alcohol binges, where she would be absent for days or weeks at a time, followed by long periods of depression. During these periods, she would borrow amounts ranging from $200.00 to $800.00 for the purpose of restocking inventory. Getting a secondary source of income in the restaurant industry seemed to be a solution to my financial concerns. One of the first problems I encountered was financial instability, as I would only be able to work as long as the owner deemed necessary. If he was able to dismiss me for the night and fulfill the role himself, he would. This meant I would have biked to and from work, around three miles, to make less than $14.50 in the night. Most weeks during the slow season, my weekly pay stub would equate to less than $100.00. Even on busy weeks, it was rarely more than that. I would frequently work six hours through dinner with no break. I would be reprimanded for eating off of customers' finished plates or for eating excess food or mistaken orders. On the days that I avoided eating throughout my shift to avoid reprimanding, I would experience several abdominal pain that would leave me doubled over behind the host stand or curled up on the dirty cement floor of the employee restroom in the basement. As a host, I was not allowed to accept tips from customers, but when I hit my first winter season, I quickly became aware of the fact that our older customers would tip me to hang their coats. Many used the interaction as an excuse to grab my waist, hip, lower back, stroke my arm, or plant kisses on my hand or cheek. The more traditionally feminine I looked, the higher I found these tips to be. This is how the industry conditions its workers, predominately women in the service industry, to accept sexual harassment as acceptable. While sexual behavior itself would not be tolerated outside of the workplace setting, once it becomes monetized, workers are forced to balance their own discomfort and interaction against the reward. In my case, I remember how badly hunger pains could hurt and try to imagine how many groceries I could be with the five dollars or so I was about to receive. Especially when someone works for the tipped minimum, the bulk of their income is obtained through tips, and we are encouraged to abandon our personal autonomy for the sake of our personal upkeep. I support one fair wage because no worker should have to sacrifice their own comfort and safety to keep themselves fed and sheltered. When a business grows and thrives, so should its workers who have committed themselves to constantly raising the bar of customer service in that establishment. It is not right for one of the fastest growing industries in the United States to be predominately staffed with workers suffering through poverty conditions. Thank you.

Commissioner Reardon: Thank you. Skyler Bowman? Is Skyler Bowman here? No. Next five names, please?

Ramona: The next five names are Joseph Hoffman, Steven O'Neill, Kristen Flores-Fratto, Joey DeCuffa, and Justin Pfaff. Please make your way down to the front.

Commissioner Reardon: Joseph Hoffman can sit at the table.

Joseph Hoffman: My name is Joey Hoffman. I have been with Delta Sonic for a little over a year and a half. I never worked in a tip position before working here, and the most important thing that I learned was that hard work and going the extra mile for a customer really does go a long way. Not only does it mean that the customer is more likely to return, but it also means

more money and hour for you. I couldn't tell you the amount of disgruntled employees I encounter on a daily basis working at a register in a supermarket, gas station, or fast food restaurants. And the difference between those workers in making minimum wage and all of us tipped-wage employees is that they have far less incentive to really give the customer an unforgettable experience that they will go home raving about. It becomes so much more than just doing your job when you have the mindset that if you really do a fantastic job and really put in the effort, you will receive a tip. Of course, no matter what you are doing, you should always give it your all and always put the customer first, but we don't live in a perfect world, and sometimes dealing with customers all day can be a bit much. I don't think people working directly with customers receive nearly enough credit. However, eliminating the tipped wage is not the answer. Sure, some days, you don't make nearly as much as you would have liked to, but on the other hand, some days you walk out with much more than expected. In a way, it evens itself out. If it didn't, I don't think we would have as many people as we do working in carwashes and restaurants. If the minimum tipped wage plus the tips weren't enough, I am sure many of us would be seeking different positions. It seems like a great idea at first glance, eliminate tipped wages, so employees are being paid fairly, but minimum wage is not enough for many of us. The tips are what really allows us to survive in today's economy. My fear, like many of my fellow employees is that customers won't be as willing to tip. If customers aren't tipping, in a way we lose our incentive to do the absolute best we can do. I am personally okay with my employer paying me a few dollars less per hour to receive far more than that in tips. It is not just the tips that we would be missing out on. There is talk about removing one of the, in my opinion, most enjoyable and profitable positions, drying cars as they leave the carwash. The general consensus of my co-workers is we need tips to survive, we are willing to work as hard as we physically can to optimize our dollars per hour, and if that gets taken away, many of us might be forced to find a second job if not a new career altogether. Thank you.

Commissioner Reardon: Thank you. Steven O'Neill. Steven O'Neill? Kristen Flores-Fratto?

Kristen Flores-Fratto: Good morning. Thank you for the opportunity to speak today. My name is Kristen Flores-Fratto, and with my husband, Michael, I own the Gatehouse Café in Rochester. Twenty years ago, I was a line cook and then executive chef; a woman with Hispanic roots in a male-dominated industry. And I am here today to stand up and support a system that I see every day providing my 50 employees with solid, steady incomes in a happy and healthy work environment. You have heard from owners stating that our margins can't support another wage increase and from some who have closed their doors after the last round. Others, like us, just managed to survive it, and I share their concerns. I would like to use this time to address the troubling sexual harassment and discrimination rhetoric that is swirling around our industry. Like all job sectors, our industry has its share of problems, but sexual harassment and discrimination are simply not a part of our daily lives, and I am shocked that this has become a talking point for those who oppose the tip credit. As a business owner, as a liberal, a mother, and a woman; it appalls me that the Governor has the perception that our industry is riddled with these abuses. Undoubtedly these things happen, but we deal much more frequently with issues of substance abuse, specifically alcoholism and more recently opioids. We lose more employees in one year to alcoholism than we do in ten years to pay, discrimination, or harassment-related issues. My restaurant is dominated in every department by women and minorities. I have with

me today my two highest earning servers, Daman and Vantrice, and I would like them to stand up for a moment. These two professionals work thirty hours a week and bring home over $1,000.00 in their checks with their taxes completely paid. They have both been given the opportunity to manage for an hourly wage, and both have declined in favor of working for tips. Please look at these two people and consider the risk you take when you alter a system of pay that works so well for them. Please consider that they have kids at home who need daycare, trombone lessons, and school supplies, and these two parents provide all of it because of the current tipping system, not despite it. And if you knew Vantrice the way we do, you'd know that should a customer or co-worker attempt to mistreat her in any way, it would not end well for them. These two, tough, exceptional people, brown skin and all, out earn every fair-skinned server we have, and do not tell me that we have a discrimination problem. And please consider that there are 20 kitchen employees at home with the same complexion whose wages you will stifle should the tip credit be eliminated. I invite Governor Cuomo to spend one day at my restaurant, and let me show him the numbers, the slim margin, and I challenge him to find a single tipped employee who feels that their pay is inadequate. Thank you for your time.

Commissioner Reardon: Joey Decuffa? Joey?

Joey Decuffa: No way I am going to follow that. My name is Joe Decuffa. I have been in the restaurant business for 35 years. I have owned my own restaurant, Joey's Restaurant on Carrier Circle. We need to save the tip credit. Eliminating tip credit is bad for employees, bad for restaurants, and it is a failed policy. Tip workers at the restaurant generally make well above minimum wage, and they are often the highest paid workers in the restaurant. I have been in business for 35 years and I have never once had to make up tips to meet minimum wage. My average good server, and I hope they are all pretty good, my average server makes between $35.00 to $45.00 to $50.00 an hour at my restaurant. Now, you have to take into consideration that they work hard at it, and it is their profession. They don't just pick up a menu, put it on the table, take an order, and bring out the food. They go to wine seminars. They trained on the menu. They have a lot to learn, as far as treating people and taking care of people. As long as I have been in business, I have had the pleasure of seeing part-time workers, servers bring up their children, have their children go to college, have their children work for me, have their children have children. I mean it has been a long time, and these people can afford to do that working 15 to 20 hours a week. If you take that away from them, then they are not going to be able to afford to send their kids to college and so forth. The Governor is imposing a policy that workers aren't asking for. These people don't want it. You can hear it in back of me. They don't want this raise. It would hurt the workers that they are really trying to help. This disruptive policy would turn the restaurant business upside down. Simply put, the restaurants will close and people will lose their jobs. The State of Maine passed an initiative that abolished the tip credit, but less than a year later, they revised that decision due to the restaurant employees complaining in masses that they saw a significant decrease in earnings. So that is about all I have and it is very well put that we are not looking for this. You know, the tipped employees are not looking to raise their minimum wage because a lot of them are going to be laid off, and as far as the back of the house people, where do they go? They have no future. If we give these people, all my 40 people a tip-wage increase, there is no room for the people in the back of the house to make money, so there is no future for them. And they are the ones who work very, very hard.

Commissioner Reardon: Where is your restaurant?

Joey Decuffa: Carrier Circle. Thank you.

Commissioner Reardon: Justin Pfaff? Justin Pfaff? Do I have Justin Pfaff in the room? Nope. Next five.

Ramona: Gordon Clarkson, Donald McKinney,
Tabatha Babbitt, Richard Chandonnet, and Kimberly Tailodource.

Commissioner Reardon: Gordon?

Gordon Clarkson: Good morning. Thank you for the opportunity to address the hearing. I manage several restaurants in a resort setting in Upstate New York. The minimum wage for tipped employees, as you know, rose by 50 percent over the past three years, and this current proposal represents another almost 40 percent increase towards the ultimate $15.00 an hour stated goal. If this wait staff were in any way suffering from unfair income, there might be more responsibility to increase the wage contribution, but they are not. And according to the law, nobody may be paid less than the minimum wage, and regulations already exist to enforce this. The emotional perception is that somehow employees are being exploited, but in my experience, they are not, and this will not fix that. An increase in the operating expenses could only lead to significant changes in the business and the compensation models. If we expect we can simply raise prices and leave demand the same, it will not. You are not just going to get a pay raise and maintain the same current levels of tipping. That is unfortunately delusional. People are going to go out less, the experience is going to be more expensive. We do not necessarily have the margins to absorb another cost increase and leave everything else the same. So the prices will increase, the demand will go down, the overall level of employment and income will be reduced for the wait staff. We have heard many comments concerning the relationship between tipping and sexual harassment. But this hearing is only concerned with the tip credit. Eliminating the tip credit will not eliminate or even reduce sexual harassment, if indeed there even is a correlation. If 70 percent of a waiter's current income is based on tips, do we seriously believe that reducing this to 50 percent is going to have any impact on the behavior of the people that are harassing them in the first place, if indeed it even exists; it would not, it would not. One of the most significant concerns, as well, is the effect on the general level of service that may ultimately occur. A great deal is demanded of the server staff in terms of professionalism, product knowledge, and performance. The wait staff I support are proud to be in this industry, and they invest in their employment. It will become proportionally less worth it for them if it carried a higher wage but resulted in lower income, as their hours may be cut, positions eliminated, guest perception reduces tipping, opportunities for employment are reduced. We urge you to leave the tip credit in place for restaurant employees, as the system itself, if properly administered, is not broken. Thank you.

Commissioner Reardon: Thank you. Donald McKinney?

Donald McKinney: First of all, I would like to thank the Department of Labor for having these hearings and allowing all affected to tell their story of why or why not this will or will not work for us. My name is Donald McKinney, and I am the proprietor of the Outback Steakhouse in Liverpool, New York. I have been in the industry for the past 20 years, and as all of this in this room, my first job was in a restaurant industry at the age of 14. I am a graduate of Ithaca College and still chose this industry. I want to speak to you all today as to what the restaurant industry offers people and how detrimental eliminating the tip credit will be if it is decided to eliminate it. As stated on your website, the mission of the New York State Department of Labor is to protect workers, assist the unemployed, and connect job seekers to jobs. If you choose to stand by that, you will remove the restaurant industry from this proposal of eliminating the tip credit. Since the 2016 wage increase of an overnight $2.50 increase in tipped wage, us restaurants here in Central New York have had to make tough decisions. There have been over 275 closures. Everyone has taken as much price as the consumer can handle, and we have all cut hours from our staff and even entire positions in the restaurant have been eliminated. Most of us are just barely treading water and counting on corporate backing from other states' profitability for most chain restaurants, and mom and dad's retirement accounts for independent restaurants. I am telling you now that if this is to go through, you will destroy the restaurant industry in New York State as we know it. More restaurants will close, and there will be thousands of jobs lost. Let me give you a mathematical example. Even the best of restaurants operate on a minimal profit margin. In this hypothetical situation, if my profit margin two years ago with the tipped wage of $5.00 an hour was ten percent, what will it be when that wage goes over ten dollars an hour in 2019, if revenues stay flat? If tipped wage represents a third of my payroll, and payroll represents 30 percent of my total revenue, tipped wage was ten percent of all my expenses when we were at five dollars an hour. With that doubling to over ten dollars an hour, that will equal 20 percent of total expenses, and profit goes from ten percent to zero. What does this mean for the workers that you are trying to protect, the unemployed, and the job seekers? It means that there are no jobs. Restaurants will try to tough it out, but will eventually close. If it is the true mission of the New York State Department of Labor to protect workers, assist the unemployed, and connect job seekers to jobs; they you will not allow this proposal to go into effect in the restaurant sector. If there are individuals in the industry that harass and take advantage of their employees, then by all means, go after those operators. However, those incidences of mistreatment and injustice do not represent the majority. I have had the pleasure of employing over 300 people in the restaurant across the state, and I do not want to look those people in the eye and tell them they no longer have a job because we can't afford to operate. As of right now, we in the service industry have over 21,000 people on a Facebook page that are begging for you not to save us. We chose to work in this industry and if you take that liberty away from us

Commissioner Reardon: Thank you. Tabitha Babbitt.

Tabitha Babbitt: Hi, my name is Tabitha Babbitt. I co-own a restaurant in Baldwinsville, New York with my mother, and I do also work part time for another small business partially due to the minimum wage increase over a year and a half ago that went from $5.00 to $7.50 an hour. We have felt the pinch horrendously between having to raise prices and all of our other expenses going up with that one raise. If you do away with the tip credit, I feel that it will severely harm our industry. It will take a five-hour shift and make it about a $75.00 paycheck for that person,

where nowadays they obviously make more than that with their tips. Many restaurants have closed. Just to name a few, just since about the December timeframe, O'Leary in Weedsport closed, Jay Ryan's in Syracuse closed, Heller's in Fayetteville closed, Pita and Wrap, I believe that was a Destiny, closed, Brugers Bagels in Liverpool closed, Al's House and Grill closed. Sixty to eighty Applebee's will be closing. Buffalo Wild Wings in Auburn have closed. Those are the ones that I have found online through Facebook. I know there are other sites to look for. With the domino effect of minimum wage and the tipped credit being eliminated, wages will be going up. Restaurants are going to have to raise their menu prices. Payroll taxes will go up, and payroll also will go up for small businesses. In return, Workers Compensation will go up because that is based on payroll. Your building insurance goes up as a restaurant because your building insurance is paid on your yearly sales. They don't care that you have less customers that have come; if your sales have gone up due to increases in menu prices, then you have to pay more for your building insurance. In saying all of that, you are probably going to have less workers because I know that we will have to lay off people and cut shifts if eliminating the tip credit goes through. Customers are going to get worse service or not as good service. In return, we will have less customers due to that. There will probably be more closures of small businesses. The domino effect may be six months from there. Our local food distributers that supply to us; are they going to have to cut staff because there are less restaurants for them to sell to? With cutting more sales reps, they are going to have to cut warehouse workers as there are not as many trucks to load. They are going to have to lay off truck drivers because the drivers are not going to have a truck to deliver to a restaurant. Same with the beer, wine, and liquor industries. They will start having to lay off workers because there are no more restaurants to sell to. Then there are no more warehouse workers to stock trucks that no longer have to be delivered. Local farmers and local farmers markets will have less. In return, the national distributers will have less people to supply to. The domino effect of eliminating the tip credit and raising the minimum wage will have will be a tremendous amount of people.

Commissioner Reardon: Thank you. Richard Chandonnet? Richard? Kimberly Taliadorouce?

Kimberly Tailadorouce: Good morning, my name is Kim Tailadorouce. I live and work in Maine as a waitress and bartender. In 2016, Maine voted to raise tipped minimum wage and phase out the tip credit altogether. In June of 2017, this law was quietly repealed, allowing Maine employers to pay tip workers half of the state's general minimum wage. Our raise was stolen from us. To me this was disappointing because I hoped to finally have an income I could rely on. I was disappointed, while others didn't even know it was repealed. The repeal was fueled by misunderstanding and misinformation about workers being able to receive tips on top of the fair wages. Workers were being lied to that they wouldn't be able to receive tips, effectively decreasing their income substantially. These are mistruths, and I encourage those who are hearing this today to reach out to workers in one fair wage and cities and states and ask how their income is. This past year, Mainers still aren't sure how tipped minimum works, whether tips are allowed or expected, or where they are given a gratuity on top of a living wage. As it stands right now, I am paid five dollars an hour as a base wage, and I rely on my tips to survive. With 20 years in the industry, nothing surprises me anymore; wage theft, unwanted advances, demanding hours, hotbeds of drama and unsafe working conditions. These are all things that happen daily across the country, and they are a known reality of the restaurant

industry. My daily income relies heavily on things I have no control over; my customers' impression of the food or the building; sometimes it just boils down to their personal beliefs about tips. Each table is a gamble, and I do my best, despite an uncertain paycheck at the end of the day. These leaves me and my family with an unstable income, even though I take pride in making customers happy, and I enjoy doing my job. I receive unwanted advances with the threat of not being paid if I don't placate and endure the harassment. I wait out cold winters when my bills are at their highest, accruing debt and barely getting by. If Maine had kept one fair wage, I would have the comfort of knowing that during the slow seasons, I would still be compensated fairly for my time. My bills would be paid, and I could budget around and plan around a small but stable income. The poverty rate of tip workers across the country is almost twice that of non-tip workers, and we are more likely to rely on public assistance, according to labor economists. There are more than three million Americans working at tipped jobs in America, and many of those are at or below the poverty level. The restaurant industry is a multi-million dollar industry, profiting off of the backs of some of the lowest paid workers in the country. Servers deserve a living wage, and states that have one fair wage are reporting stability and even growth in food service. I have spoken with those workers personally, and all of them have told me that they still receive tips on top of a fair wage. I am thankful for New York for reviewing these practices and considering one fair wage. Thank you very much for your time.

Commissioner Reardon: Thank you. Next five names, please.

Ramona: The next five testifiers are Yamila Ruiz, Joseph Stanley, Vera Moore, Darrel Sukdheo, and Eric Menz. If you are one of the names called, please make your way down to the front.

Commissioner Reardon: You are Yamila?

Yamila Ruiz: Yes. Good morning, Commissioner. My name is Yamila Ruiz. Thank you for allowing me the opportunity to speak this morning on behalf of myself and my New York restaurant industry brothers and sisters. I am here today as a worker member and organizer for the Restaurant Opportunities Center. I have worked for the restaurant industry for over ten years, from quick service fast-food restaurants to family-style chains to fine-dining establishments. My family owns and operates a small food business on Cayuga Lake where they pay a full minimum wage to their employees plus tips. We also have family members who work in small family-run restaurants in the City of Auburn, Skaneateles, and Waterloo, New York, many of whom are piecing together two or three jobs just to make ends meet and be able to provide for their families. They are career servers who have dedicated their lives to this industry. I am here on their behalf today, as well as on behalf of the workers who are unable or too afraid to come forward and testify today. These are full-time restaurant workers who we spoke with who couldn't be here today because they needed the shifts happening during this time because they are so dependent on tips. In my ten-year career working as a server and cashier, I have experienced wage theft, sexual harassment, discrimination and retaliation, as a result, as a direct result of living off tips. I make a subminimum wage and depend heavily on tips for the entirety of my income. Living off tips is unstable and can vary from shift to shift, day to day, and especially from week to week. This makes it extremely difficult to budget and plan to be able to afford monthly expenses, such as rent, bills, healthcare costs, as my restaurant does not provide

insurance, and many don't, and my rapidly accruing student loans. Recently, I worked a seven-hour shift and did not make any tips, so I made zero dollars because my hourly wage goes mostly to taxes. We are fighting for one fair wage in New York State so tip workers can have a wage that we can rely on. I love what I do. Like many of my colleagues over here today, I take pride in providing the best service I can to my customers, so that they can enjoy their dining experience. This is a real job and fulfills a real purpose, and it is a thing I would not trade for the world. I love this job enough to fight to make it better. It is time we were seen as equals. So how do we fix this? By making sure that all workers in New York receive the same fair wage. I urge you to get rid of the subminimum wage that keeps so many tip workers in poverty. This proposal is the first step towards closing the wage gap faced by thousands of women and people of color and increasing financial stability for workers in our state. These reforms will help reestablish the idea that all of us are equal, no matter what industry you work in. ROC supports one fair wage, which means better wages and better tips. The seven states that have one fair wage, which means that restaurant owners pay their workers the full minimum wage and that tips are on top of that wage, have higher restaurant sales per capita, higher job growth among servers and other restaurant workers, and the same or higher rate of tipping. All seven states have the same or higher tipping averages as of 43 states with lower wages. According to pay scale, servers in San Francisco, California, and other regions have the highest minimum wage in the country at $14.00 per hour. Most customers have no idea how much servers earn in wages, so again, I urge you to eliminate the subminimum wage, and thank you for your time.

Commissioner Reardon: Thank you. Joseph?

Joseph Stanley: Good morning, and thank you, Commissioner, and thank you to the New York State Department of Labor for giving me this opportunity to share my comments about Governor Cuomo's proposal to examine raising the base wage to tipped workers to the regular minimum wage. So my name is Joseph Stanley, and I am a restaurant manager and have worked in the restaurant industry for over 20 years. So I began as a server, and I am here to talk about raising the tipped minimum wage. So having worked for over 15 years as a server in New York and in Florida, I found that I have had to work many more hours in New York to put food on the table to support my family. During that time I worked, there were no health benefits. There still are no health benefits. They talk about opioid addiction and depression; well maybe if these people had a mental health benefit, they could go to their qualified professional and get assistance. We don't see that. Maybe that is why we see a lot of the issues that we have in the industry that we work in. People have to tolerate that because they cannot afford that, and it is not provided by their employer. Margins go down, yes, but there are still margins. You are still getting profit. That is nothing that has been discussed here yet. Let's talk about that. Yeah, you might have to make less profit, but maybe the quality of life will go up for these employees. This is what we are talking about. This is, you are in a business, and the business is obviously making money. If you are in a business, and you cannot organize so that you can make a profit, than maybe you should not be in it. Maybe you should be an employee. There are plenty of thriving businesses that pay health insurance in other industries, and they are able to survive. This rhetoric about trickle-down economy, it is what it is, it is rhetoric. It makes no sense. It is not fair to the workers that have to go in and endure sexual harassment. I have witnessed it. I have offered to

kick out, as a manager, I have offered to kick out a customer, but the server says no, please, I need that money. I need that twenty percent.

Commissioner Reardon: Silence. If you cannot be silent in this room, you will be removed. This person has the right to testify.

Joseph Stanley: So while this may not be the experience of every server, it does happen. I have witnessed it. If you have ever been to a bar, you can see the language that happens when people get, when they relax, they get out of their comfort zone. These are things that servers and bartenders deal with. It is not that they signed up for it, this is nothing that they have to deal with or should deal with. Things happen. It's reality. People can sit there and say that it is not reality, but it is reality. Look at the statistics. The statistics do not lie. What we need is a fair wage for everyone. We need benefits for everyone. No one has mentioned a pension. I have servers that are 65 years old that have to come in and work a lunch shift because that is the only thing that they can do. They can't do dinner shifts anymore. They are not quick enough, so they get the lunch shifts. How is that fair to them? There was no pension for them. There were no health benefits for them. They are just struggling to survive. So these are careers for people. This is something that they are qualified for. What about the underrepresented people that don't have the benefit. They can't work in a luxury resort. They are forced to go to work and earn minimum wage. Thank you very much.

Commissioner Reardon: Thank you. Vera Moore.

Vera Moore: Thank you to Commissioner Reardon and the New York State Department of Labor for giving me this opportunity to share my comments about Governor Cuomo's proposal to examine raising the base wage paid to tip workers to the regular minimum wage. My name is Vera Moore. I live in New York City. I do not own a restaurant nor have I ever worked in one. I do, however, go to restaurants all the time. When I dine out, I expect to receive good service, but I also expect that all the restaurant workers are being treated with respect and paid a living wage by their employer. My tip isn't meant to be a substitute for a worker's base wage or a subsidy for employers, so they don't have to pay a fair base wage to their workers. My tip is meant to be a supplement, an acknowledgement of good service, a thank you for the service, on top of a fair-base wage that the server should be receiving. It is outrageous to expect customers to pay restaurant workers wages. When I go to clothing stores or other retail or service establishments, I interact with customers, but I am not expected to tip them to receive service, let alone to pay a portion of their salary. I worked in the retail industry for over ten years. As a service industry worker, my wages were not based on my customer service. At that time, minimum wage was about $4.25. It was hard living. I was barely making my bills. The only reason I believe I was able to survive was because I could budget. I knew how much my paycheck was going to be based on the minimum hours I would work. In non-tip industries, employers are paying their workers a living wage. It is not the same in the tip industries, so that they can plan and budget, and not have to depend on the generosity of the customers or the fluctuations in the industry. Workers who live on the subminimum wage base have inappropriately high poverty and are often forced to seek public assistance to keep themselves and their families afloat. Customers are expected to pay a substantial portion of these worker

wages via tips, and taxpayers wind up funding the public assistance that workers so often find themselves in need of all because we have policies in place to allow employers to underpay their workforce. This is wrong. Maybe if you had to live paycheck to paycheck and barely have enough food to feed your family because everything you have made has to go to keeping a roof over your head, you would understand how important it is to be paid a fair wage. We need one fair wage now. Thank you.

Commissioner Reardon: Darrel Sukdheo?

Darrel Dukdheo: Good morning. I am Darrel Sukdheo. I am here to ask you to eliminate the subminimum wage. It turns out it took minimum wage as a legacy from slavery that is being used to suppress workers' rights in an effort to line the pockets of restaurant owners and managers. We have no objection to owners and managers making a profit; we object to them making a profit at the expense of employees. I am an immigrant who came to this country in search of a better life. I work long hours in the restaurant industry, and I am not even guaranteed the full minimum wage. Employers are supposed to make up the full wage, but often that has not happened. I have worked in ethnic restaurants where there are very little or no tipping simply because it is not part of the ethnic culture, so I had to go home with the minimum wage, often just $150.00 a week. Many restaurant employees have to rely on food stamps to feed their families. How can that be fair when restaurants are making tens of thousands of dollars in profits every year? I am talking about individual restaurants. The chains make millions in profits. The restaurant industry says they want to self-regulate, and they will do the right thing, but for a hundred years, they have not done the right thing, and they keep employees like indentured slaves, which is still happening every day. Abuse is rampant by owners and managers across the industry. In fact, we have hundreds of stories from New York State and from across the nation where both women and men face sexual harassment, age discrimination, racial discrimination, and other abusive practices within the restaurant industry. So it is clear to me and my colleagues that the restaurant owners and managers have very little regard for us and what is in the best interest of the industry. So it is up to you, Governor and Department of Labor, to put these corrective measures in place in order to ensure that restaurant owners and managers do the right thing. Left to their own devices, they don't. I would like to reiterate that it is not fair that restaurant workers should have to work for less than they deserve while simultaneously facing harassment and discrimination and wage theft. The time is now to raise wages for restaurant servers, nail salons, car workers in New York State. Before I go, I want to be clear, we are asking you to raise the minimum wage and not touch tips. Tips will still continue, while ensuring that owners and managers cannot claim any of the tips for themselves. Thank you.

Commissioner Reardon: Thank you. Eric Menz? Eric Menz? Okay, next five please.

Ramona: Elaine Wilcox, Mohini Sharma, Colin O'Malley, Christine Noble, and Angela Tona. If you are one of these names, please make your way down to the front.

Commissioner Reardon: Elaine Wilcox is the first speaker, if Elaine is here. Mohini Sharma?

Mohini Sharma: Hello. My name is Mohini Sharma. I am a former bartender and server, and I am currently the Rochester Restaurant Worker Organizer at Metro Justice and the Restaurant Opportunity Center. I have worked in food service since being on my own at 17. I have worked in fine dining, crab cocktail bars, pubs, dive bars, pretty much every tier of restaurants. Despite working nearly full time, I went one winter without being able to heat my apartment above 40 degrees. Until this past winter, I had spent my entire working life on food stamps. I took out $30,000.00 in loans while in college, not just for tuition and books, but to help pay for utilities, toiletries and to have some basic quality of life, even though I was bartending anywhere from 35 to 50 hours a week. I wish I could say my story is unique, but what I found instead is that it is the norm. A subminimum wage, sub livable, tip wage forces restaurant workers to rely on fluctuating tips to pay everyday bills and raise their children. According to your own data, the bottom 50 percent of servers make less than ten dollars an hour, and the bottom 50 percent of bartenders make less than eleven an hour on average after tips. The bottom 75 percent in both professions make less than 15. These wages are a far cry from what society and you, the DOL, deem livable during the fight for 15. I have met numerous workers, from small businesses to corporate chains, who work more than one job and yet regularly have no time to spend with their kids and loved ones and cannot afford a basic quality of life. I spent 20 to 30 hours every week talking to restaurant workers, and every day, workers told me that they wish they could come testify here in person, but wouldn't be able to make a crucial bill if they just took one day off to advocate for themselves. Tipped restaurant workers would live more prosperous and dignified lives with one fair wage in New York State, but the National Restaurant Association of Restaurant Workers of America are doing everything they can to discourage workers from supporting it. When we spoke to workers about one fair wage, me and other workers have regularly been removed from restaurants by managers despite being paying customers and workers wanting us to stay. And that is just one example of how owners and groups like the RWA have isolated workers from learning the truth about one fair wage or pit them against each other. I want to make it very, very clear. The majority of restaurant workers do not make a living wage, even though over all, your own data shows that small and big restaurants are growing at faster rates than ever. Workers are not seeing their share of that increased wealth. Also, as reported in the Intercept, the NRA's own study showed that seven out of ten Americans would rather pay slightly higher prices if it means workers made living wages. Furthermore across the nation, tipping amounts reported by workers do not statistically vary between one fair wage and subminimum wage regions, ranging from 14.9 percent to 17.1 percent. $7.50 an hour is not an equitable share of the profits workers create for any successful restaurant, small or big. One fair wage is about nearly 300,000 tipped workers that we are failing. This industry needs to do better by its workers, and that starts with you, the Department of Labor, giving workers the right to the full minimum wage plus tips. Three years ago, we took a stand and said that anyone who works should be able to make a decent living. You listened to the Fight for 15 and raised the minimum wage. It is unfair and inhumane to deprive tipped workers of the same chance.

Commissioner Reardon: Thank you. Colin O'Malley?

Colin O'Malley: Hi. I would like to first applaud the Department of Labor for taking the time to look into the problems of low-wage workers, and particularly the subminimum wage tipped workers. Today I am speaking to you as the organizing director of Metro Justice, based out of

Rochester, New York, but I should highlight nearly a decade of food service experience, most of which was done in tipped positions. I have worked in fast food, greasy spoon diners, fine dining in Buffalo, New York; I have been a waiter, a buser, a dishwasher, and a line cook, and it was largely my experiences working in this incredibly unequal industry, living a total precarious lifestyle that has led me to my current work of economic justice advocacy. There was never a time that I was working in food service where I could safely say that I was stable. I lived in homes that were falling apart and relied on food from work to eat. I was consistently on and off of Social Services, and stability, and healthcare was a laughable notion. I also participated in the wage board hearings for fast-food workers only a couple of years ago, and in that process, I heard some of the same sky is falling rhetoric of business owners and lobbyists. We were told that thousands of fast-food jobs and other positions would be lost if the wage board raised wages. We then heard the same stories about the legislation to raise the state minimum wage. Clearly, there are people here that have been mobilized by the fear spread by the same owners and their lobbyists. Fear is a powerful tool. It is why they repeat it so often. Unfortunately for these owners and their lobbyists, and fortunately for literally millions of working New Yorkers, we can actually look at the impacts of past raises in the minimum wage, both in tip and non-tip industries. In fast food, since 1995, we have seen wages go from $4.25 to last year, $10.75 or $12.00 on hour, based on your location. In that same period, jobs in that industry go from 128,000 to nearly double to almost 240,000. In full service restaurants, the tip minimum in 2003 was $3.30 an hour, and last year was $7.50 an hour. In the same period of time, jobs in the industry grew from 226,000 to 343,000. This is all according to data from the New York State Department of Labor. I included graphs and everything in my testimony for you. So I think it is unfortunate that the New York State Restaurant Association and its owner membership has worked so hard to scare their employees into believing that a raise in wages will be contrary to their interests. But if recent history shows us anything, it is that the sky is falling economic rhetoric of business owners is totally false. I hope that the leadership of the DOL will see through that greedy self-interest of the business community and will help provide stability and reduce poverty rates for hundreds of thousands of New York restaurant workers by instituting one fair wage. Thank you.

Commissioner Reardon: Thank you. Christine Noble?

Christine Noble: Hello. My name is Christine Noble, and while I am not currently a restaurant worker, I have spent the better part of my adult life working in the food-service industry in everything from fast food to slow dining. I come here today to give testimony as a cook, occasional server, and a customer. Throughout this debate, we have heard how people will tip less if the tipped minimum is raised. It has been my experience that most people; my patrons, my friends, my family, don't even know that there is a different minimum wage for tipped workers unless it makes it into the news, as it has now. If people have been tipping under the assumption that they are just giving their servers and bartenders a little extra on top of their pay, why would they pay less once it is actually a fact. Not only do the customers not know, but far too often, the tipped employees themselves are unaware of the laws surrounding their wage. Managers and owners are too often conveniently too busy to explain or properly post that anytime a tipped workers' gratuities do not make up the difference to regular minimum, the employer is supposed to cover that difference. I did not learn this until I was back in the kitchen.

So when business is slow or managers simply schedule more servers than needed, too many end up making less than what they legally should be and do not know to stand up for themselves. Now as a server before I was out as a transwoman and presenting as a male, I experienced far less sexual harassment than the woman working with me. That said, I did experience it, and what is more, this sexual harassment, which too often comes with not an implicit, but an explicit threat to the server's tips creates a culture that seeps throughout the restaurant. I experienced far more sexual harassment working as a cook, once again, as I came out as trans because of the treatment of the servers by customers makes for an attitude of entitled masculinity. The men in the restaurant see the women treated as commodities and that they are there for the customers, and they are there for the workers as well. More than once, I have been asked by a male co-worker to expose myself for them, and like most survivors, I laughed it off, walked away, and hoped it wouldn't happen again, knowing it would to me and every other woman in the shop. Finally, I would like to speak to the supposed meritocracy in our society. We are told if someone succeeds, it is because of hard work. They never say whose. They never say it is because restaurant owners have their payrolls subsidized by their customers often, as I mentioned earlier, without the customers knowing. One cannot be successful as a business owner while paying one's employees a living wage? One does not have the right to be a business owner. The current system is legalized wage theft, and it has to end. Thank you.

Commissioner Reardon: Thank you. Angela Tona? Angela Tona? Okay, next five please.

Ramona: The next five are Kyle Leonard, Ashley Gantt, Mryna Goodrich, Ashley Reed, and Domonique Gauthier. If you are one of these persons, please make your way down to the front.

Commissioner Reardon: Kyle Leonard?

Kyle Leonard: Hello. My name is Kyle Leonard. I am a resident of Rochester, New York, where I currently work as a paramedic in emergency medical services. I am here today to express my firm and unwavering support for an increase in the minimum wage for all tipped workers, such as bartenders and servers. When I first became aware of the one fair wage campaign, I was appalled to learn that it is perfectly legal for servers and bartenders to be paid far below the minimum wage afforded to workers in most other industries. As someone who has worked many menial jobs, many in the restaurant field, primarily back of house, since entering the workforce about ten years ago, I know how completely inadequate the minimum wage is in meeting the financial needs of today's workers. For it to be legal to pay servers and bartenders even less, based on the often erroneous assumption that they will have this deficit made up for them in tips is totally unacceptable. Workers should not have to rely on the graciousness of patrons for the dignity and security of being able to pay one's rent, feed one's children or any other financial cost that they may be burdened with. This is especially true when contrasted with the highly-profitable nature of the chain-restaurant business. The major restaurant chains that employ the majority of servers and bartenders make enormous sums in profits every year, while their employees decide whether electricity or heat is more important to them that month. And this is not hyperbole or rhetoric. I have many friends and even family members who have faced this very reality. It infuriates me that the NRA and other lobbying organizations try and hide the truth by telling their workers that an increase in their minimum wage would mean no tips, cut

staffing, close stores, and decreased job security as a result. States that have already enacted an increase in the tip to minimum wage have proven these assertions to be utterly baseless and without merit. And given the financial interests, the owners of these profitable restaurant chains in paying their workers as little as possible, it isn't very hard to imagine why they would want their employees to believe them. As someone who eats out at restaurants frequently, it is important to me to know that those who serve my food and drinks are financially secure. I always tip at least twenty percent, and I can't stress this enough, that's not going to change regardless of the outcome of this issue. However that being said, I would feel much more peace of mind in knowing that I am tipping for excellent service, rather than as a subsidy for the greed of restaurant owners. Currently, I try to patronize restaurants that I know pay their workers a fair and livable wage. However, given the few and far in between nature of those restaurants, I feel it would be much more effective if the State of New York increases the tipped minimum wage, so all servers and bartenders can live a dignified, financially-stable life. Thank you for your time.

Commissioner Reardon: Thank you. Ashley Gantt.

Ashly Gantt: Hi. I didn't write anything down, so I am just going to talk from my heart. My name is Ashley. I live in Rochester, New York, and I work as an organizer at Metro Justice. Before coming to Metro Justice, I worked as a waitress for two years. I come from a family where my mom is a waitress, my sister is a waitress, my sister-in-law is a waitress, and my brother works at the back of the house. I am here today to advocate for people who couldn't be here today or who are scared to come because of consequences that they may or may not receive from their job. My sister has been working as a waitress for six years, and she has four daughters, and she can't make ends meet. She can't pay an $800.00 rent plus a car note plus car insurance plus cellphones, plus school clothes and school supplies and extra-curricular activities, so it is me and my family who try to meet, come up with where she lacks; the same with my mom, the same with my brothers, the same with my sister-in-law. We just discussed recently maybe getting a big house and everyone living together, and there are a lot of us, so that everyone can save, everyone can pay bills, and everyone can live comfortably. We know that that is not realistic, like I said before, there are a lot of us. I am working at Metro Justice as an organizer. I go into the field with my co-worker and talk to restaurant workers who are not receiving fair wages. It is amazing that all of you restaurant workers are here today saying that they make $1,000.00 plus amount a week, but that is not the story for everyone else. That is not the story for the workers who cannot be here. That is not the story for the workers who are not here because they are scared they are going to lose hours if they go against their boss. They are scared they are going to get fired. I believe that, I also worked as a fight for 15 organizer, and we gave the fight for 15 and fast food workers a fair minimum wage, and I felt that restaurant workers were left out of that. This is a time where we can chose to do the right thing, and I would also like to add that being the loudest in the room does not mean you are right. Being rude, hackling, does not mean you are right, and just sitting and listening and sitting around restaurant owners; I cannot imagine what it is like to work for them when you come against them, so good luck to everyone here, and I would like to say thank you to all of the co-workers and restaurant workers who came here with courage and bravery.

Commissioner Reardon: Thank you. Myrna Goodrich. Oh, Ashley Reed? Domonique Gauthier?

Domonique Gauthier: I just want to say thank you to the Department of Labor for having us and caring enough about our stories to hear us out today. While we may not all agree here, we are all working in the same industry; work the same long hours, come home tired and sore, and I am just grateful to be able to hear all of your stories today and hear your perspectives on this issue. So, my name is Domonique Gauthier, and I am 22 years old. I recently graduated from New York University. Eventually, I am planning to attend graduate school, but in the meantime, in order to pay for loans and bills, I have been living at home to save money and get experience. So since my senior year of high school, I have worked for a fine-dining restaurant in Rochester, New York called Maxivisten Place. I started out as a hostess there and have since worked as everything from a bartender to a coat check, and more recently, a banquet captain for our catered events. Additionally, Max's is the place where I met my partner of the past four years, who works there as a valet. From my beginning at Max's, I have been paid fairly as a hostess and banquet server at $13.00 an hour. This largely influenced my decision to keep working for the company year after year and come back summer after summer to work jazz fests and other events. It has helped to foster my genuine appreciation for the work that I do and the people that I do it with. Although my hourly salary is usually $13.00 an hour, I work with many servers who make $7.50, and there are enough customers to make adequate tips and $13.00 when it is a slower evening. The decision to switch from the lower to higher wage is made at the discretion of the owner, but can be unpredictable. So the biggest complaint that I have heard from my co-workers is that it is hard to tell when it is appropriate to switch the employees to higher wages, and sometimes employees walk away short on tips and at a lower hourly wage, as well. Personally, I can't imagine having a paycheck being that unpredictable. You know, not being able to know what the total is going to be from week to week, and making $7.50 an hour compared to 13, would make it really difficult to pay for things such as groceries, bills, and gas. And I sympathize for my co-workers who do make this lower hourly wage. This past January, after hearing a server express concern over being hungry and not having enough money for food, a lot of co-workers gathered and got some leftover food and brought it home to her, and it is just very difficult to hear week after week, during our slow season, people struggling to meet basic necessities, and I have spoken with many co-workers who believe that raising this hourly wage can go a long way in making slow shifts more worthwhile, and I believe that the one fair wage campaign would go a long way in guaranteeing economic security for employees at my company and New York State as well. If more restaurants were willing to pay workers fairly

Commissioner Reardon: Thank you. Next five, please.

Ramona: The next five are Greg Dries, Michelle Lane, Semone Scurry, Jennifer Pearce, and Laura Petrucci. Please make your way up to the front.

Commissioner Reardon: Greg Dries? Michelle Lane? Semone Scurry? Jennifer Pearce? Laura Petrucci? Okay, next five.

Ramona: The next five are Amanda Martin, Blagovesta Piscope, Veronica Avila, Michelle Lane, and Jazmine Straus.

Commissioner Reardon: Amanda Martin? Amanda? You are Amanda, okay.

Amanda Martin: Hi. I am Amanda Martin from Stella's Diner. I have worked there twenty years. I started out as a dishwasher, into a cook, and eventually, being that money was way better as being a server, I went to a server. First and foremost, the professional quality would be gone. Like the food costs are going to go up, there are going to be less employees because owners can't afford the staff, less customers because of rising food costs, and the poor service they will now receive with less staff. So is the raise in the wage a good thing for anybody? Maybe New York for the taxes. Fix a different tax rate. So these people claiming that they can't make it and they are getting harassed, and they are not making enough; you filled out an application to get that job; fill out another one. A lot of us make it. If you know what you are doing, you know what you are doing. Alright, I have been in the restaurant industry for 20 years, okay? New York is supposed to be priding on small businesses. They are all going to close. You can't do it. You don't know the mistakes that get comped, this that comped; restaurants don't make a million fucking dollars, pardon my language. Sorry, very sorry. How many small businesses will close? New York gets a lot of out of towners, end of story. You know how many come into our diner? Oh I went here, I come there. They come from the State Fair, from here to there. It is good to have that. People go to a different state, like go to New York. They have got a good McDonald's! I mean, what is going to be left? And now down to our pay. I work hard for my money. I rely on my tips. I have supported four children for the last 20 years. I have got a senior in high school expecting to go to college next year. I receive no aid from New York. I have never received food stamps, I have never received any kind of help, anything. I have a beautiful home. I have supported my children, I have a mortgage, cars; if this is reduced, you are going to take half of my pay, over half, and I can't afford to live like that. Good, I am going to apply for Welfare, I am going to apply for food stamps, I am going to apply for anything I can get. I love my job, l love the atmosphere, I love meeting new people, I love the adrenaline trying to catch up to make sure I am good. It is a great job, and for the people who can't do it; maybe they are not cut out for that. I mean, you can always apply at a bank. They make minimum wage. Apply someplace that is guaranteed what you think you are going to make. If you want a guaranteed pay, apply there. You know what I mean? Don't go someplace that it is iffy. When they make extra on the weekends, do they come back like hey, here is some extra I made, I made too much. No, they get greedy. I know. End of story. Could you imagine going to bed tonight and then waking up with $10.50 an hour? Would you go to bed with half your pay you wake up tomorrow to live on? $10.50 at 35 hours is $367.00 a week, plus taxes taken out. Now I am going to support my four children on that, which I can't, so everybody else is going to have to support them because I can't. I have supplied, I did it for 20 years, and they have a happy life. Don't mess that up. Thank you.

Commissioner Reardon: Thank you. Blagovesta Piscopo? Veronica Avila?

Veronica Avila: First I want to thank the Commissioner and the New York DOL for giving me the opportunity to share my thoughts and also for even bringing up the issue. My name is

Veronica Avila, and I live in New York City. I am with ROC United, and I have also worked as a restaurant worker, both in fast food and as a host in full service. The industry actually was the source of employment for my family when they first immigrated to the US, and my partner actually is a server. And because I love the industry, I am in favor of raising the tip minimum rage to the regular minimum wage. In New York, the industry is robust. Trade industry groups project that in 2017, sales were going to top 3.3 billion, yet despite this prosperity, tip workers have a low hourly-base pay, much lower than the majority of the workforce. Government, that actually in fact, figures which include tips indicate that half of the state's 301,000 restaurant workers, tipped restaurant workers, earn at or less than $10.88 an hour, and ten percent of tip restaurant workers earn at or below $9.14 an hour. Though, I do want to note that some workers do fair well. In fact, ten percent of tipped workers earn $21.81 an hour or more, including tips. But because this fluctuates and because half of tipped workers in restaurants are in the back end of the trail of the tip, meaning that they are bussers, etc., that receive a percentage of someone else's tips. This indicates that many of these occupations can actually be considered working poor. Seventeen percent of tipped workers live in poverty; that is actually two and a half times the rate of the overall workforce. Eleven percent of tipped restaurant workers that work year round at 30 hours a week or more live in poverty. The numbers are actually even more alarming when you isolate women and people of color, who experience poverty at 2.6 times the rate of the overall workforce. Low base wages also leave full-time year-round tipped workers accessing the social safety net at higher rates than the overall workforce. This population accesses food stamps at 2.3 times the rate of the general workforce and accesses healthcare through Medicaid at twice the rate. There are seven states that have one wage for all workers, and their workers across the board earn higher wages. Back of the house workers, who are traditionally non-tipped workers in these states, have a higher median wage at $11.27, which is six percent higher than the back of the house wage for New York restaurant workers. Tipping also is not eradicated when you implement one wage. Alaska, a state with one wage, actually has the highest tipping rate of 17 percent, and the highest percentage of consumers who tip at 60 percent. Raising the wage also has multiplier effects, and in these one-wage states, we have seen the industry thrive and actually employment projection rates in these states, Oregon, Nevada, and Washington, are higher than New York's expected 6.1 percent increase. Raise the wage!

Commissioner Reardon: Thank you. Michelle Lane. Michelle? No. Jazmine Straus?

Jazmine Straus: Hello. Thank you for coming here today to discuss Governor Cuomo's proposal to end the subminimum wage for tipped employees. Thank you all. My name is Jazmine Straus, and I have worked in the restaurant industry for the last four years. I am currently bartending in downtown Ithaca, where I live, and I am twenty miles away in Interlaken. I am in favor of raising the tipped minimum wage, so that I may among other things, be able to afford an apartment closer to work. Since employers are permitted to pay me these wages, I am dependent on tips as well as a second job or even a third to make a living. My income is dependent on which shifts I work, the various demographics of our clientele, events going on in town, and the weather; all of which are out of my control. I know the cost of my bills each month, but I never know how much I will bring home at the end of each week. I have taken advantage of soup kitchens, Medicaid, HEAP, and moved out of the City of Ithaca in order to save money. In order for me to afford a comfortable living, I must take what work I can get.

That means working late night for big tips, early mornings because we are short staffed, and missing holidays with family and special occasions for friends. I have worked doubles, back to back shifts and come in while I was sick. In the past, I have often felt compelled to tolerate inappropriate behaviors from both customers and co-workers. I felt that if I didn't, I would lose out on bigger tips or risk not being paid properly, both of which have happened. I have been taken advantage of for far too long and refuse to put up with it any longer. Recently, I felt empowered to stand up for myself. I would like to point out that I am currently working for an employer whose starting wage is $10.00 an hour, just forty cents below the current minimum wage. They offered this without hesitation and pay their housekeepers a living wage per Ithaca standard. My employer is not struggling. This has made a significant difference in just the one month I have been with them. Knowing that this is an achievable goal, I encourage all employers to pay their employees a fair minimum wage. Thank you all.

Commissioner Reardon: Thank you. Next five, please.

Ramona: The next five testifiers are Lily Cramer, Rose Batt, Shoshanna Cole, Roland Coggin, and Pete Meyers. Please make your way down to the front.

Commissioner Reardon: So the first one is Lily Cramer? Do we have Lily here? Okay. And the rest of you can come down and sit here.

Lily Cramer: I want to start off by saying thank you to the Commissioner and the New York State Department of Labor for giving me this opportunity to share my comments about Governor Cuomo's proposal to examine raising the base wage paid to tipped workers to the regular minimum wage. My name is Lily Cramer, and I live in Ithaca, New York. I am a bartender and server, and have worked in the restaurant industry for three years now. I am in complete favor of raising the tipped minimum wage to the regular minimum wage. Because my employer is permitted by law to pay me a subminimum wage, I am dependent on receiving tips from customers. This constantly puts me in a vulnerable situation, since my income fluctuates in response to many different factors and many of which are totally out of my control. Even though tipping is customary in United States, it is not required, and there have been many time where I have received no tip for my best work. Sometimes it is because customers are in a bad mood, cheap, or don't understand the social norms in the United States, but there is anything I can do about that except hope that they tip me appropriately and proportionately to the services they receive. Scheduling also influences my income. I once worked in a restaurant where I worked slow shifts since the dinner shifts had become too overstaffed in a slow season. I often came home with a total less than ten dollars in tips after one shift. When my employer saw that I had no customers, she often gave me endless tasks to complete that had nothing to do with my skillset. I was even once told to change out of my work dress uniform, so that I could clean the toilets better. I felt taken advantage of since I was not even getting paid minimum wage for my labor, and it made me wonder, how could this be legal? Since I rely on tips for a living, I feel I often have to deal with a lot of behavior that I wouldn't tolerate or would report to my manager otherwise. There have been too many times to count where I feel uncomfortable about remarks made about my appearance by people I do not welcome those remarks from. However, I feel obligated to put on a big smile and laugh, even if their comments were degrading. I do this

because I rely on their tips to make up for what I am not making as a subminimum wage worker. Since I rely on tips, I am at increased risk of wage theft. There is a specific time when two weeks of tips were magically lost through the system, and I did not receive any on my paycheck. The manager's response about the hundreds of dollars owed was casual and stated something like, "Oh, there was a mixup in accounting. The system is confusing. Maybe too confusing to figure out what happened at this point." About a month after I was owed those tips, I received an amount of probably half as much as I was owed. I felt hopeless, as I did not have records to the tip records to prove that I was owed more than he claimed. In the meantime, I was receiving no tips for a 40 week job for almost a month. That money I earned solely on the ability to give excellent service was never accounted for. That money was stolen from me. I am a skilled professional and deserve to be paid the regular minimum wage by my employer and still earn tips, just as other members of my profession do in California, Nevada, and Alaska. Thank you.

Commissioner Reardon: Rose Batt?

Rose Batt: Thank you Commissioner Reardon and New York State Department of Labor for allowing me to come on Governor Cuomo's consideration of raising the base wage of tip workers to the regular minimum wage, and I support this proposal. My name is Rosemary Batt. I am a professor of management and human resource studies in the New York State School of Industrial Relations at Cornell. I have worked for 23 years as a professor and conducted research in the restaurant industry for over six years. My findings are very relevant. First, waiters and waitresses are the 15th lowest paid occupational group in the US, and they are among the 15 top growing occupations. Second, the median wage or the median age of restaurant workers is 29 years old, which means that half are older than that and many, many support their families, as you have heard today. Third, I conducted a nationally represented survey of restaurant managers throughout the country, and here is what I found. The large majority of tipped wait staff are employed in the lowest segments of the industry, where tips are low; in independent diners, in family restaurants. The typical waitress in this segment earns roughly $23,000.00 a year, if she works 52 works a year and often does not because of high turnover. These low tipped wages disproportionately affect females. They basically earn 91 cents on a dollar of what men earn. The vicious cycle because the average customer check in this segment is low, workers compensate by higher workloads and higher stress and higher turnover, leading to understaffing and overwork. This vicious cycle of low wages and heavy workloads leads to excessive turnover in the industry, which is 82 percent, far greater than most industries, and that high turnover is bad for business. It leads to higher costs of recruitment and training, lower productivity, operational disruption, and wasted management time. Poor service often leads to customer dissatisfaction and lower restaurant revenues. Employers that pay higher-based wages and benefits have substantially lower turnover and higher employment stability according to my data in the range of roughly one-half the turnover and twice the average tenure. Finally, many employers do want workers to have a higher wage, but if they step out, they are at a competitive disadvantage. And so the way to solve that problem is to have all employers raise the minimum wage, so that it raises all boats and maintains a level competitive playing field. Thank you.

Commissioner Reardon: Thank you. Shoshana Cole.

Shoshana Cole: Thank you to Commissioner Reardon and the New York State Department of Labor for giving me this opportunity to share my comments about Governor Cuomo's proposal to examine raising the base wage paid to tip workers to the regular minimum wage. My name is Shoshana Cole, I live in Ithaca, and I go to restaurants all the time. When I dine out, I expect to receive good service, but I also expect that all of the restaurant or bars' workers are being treated with respect and paid a living wage by their employer. The main argument I hear from consumers that think tipping should be required is that if the worker isn't depending on tips, why should they provide good service. I lived in Australia for ten years and I continue to visit just about every year. In Australia, at least when I lived there, you do not tip, and the service is fine. Employers are required to pay all workers at least the minimum wage, the national minimum wage, which goes up each year and is a living wage. Workers are friendly and provide good service when they are not constantly stressed about making ends meet. Even the regular minimum wage where is not a living wage, and the subminimum wage is outrageous. Workers who live on the subminimum wage face disproportionately high poverty rates and are often forced to seek public assistance to keep themselves and their families afloat. Customers are expected to pay a substantial portion of these workers' wages by tips, and taxpayers wind up funding the public assistance these workers so often find themselves in need of all because we have policies in place that allow employers to underpay their workforce. This is wrong. My tips and public assistance aren't meant to be a substitute for a worker's base wage or a subsidy for employers, so they don't have to pay a fair base wage to their workers. We need one fair wage now. Thank you.

Commissioner Reardon: Thank you. Roland Coggin?

Roland Coggin: Thank you to the Department of Labor for the chance to speak on Governor Cuomo's proposal to examine raising the base wage of tipped workers to standard minimum wage. My name is Roland Coggin, and I live in Ithaca, New York, where I work as a hotel/restaurant bartender and bar supervisor. I also work at select catering gigs and do bar consulting on the side. I have worked as a bartender for 15 years, including in San Francisco, where our base pay before tips was the same as the city-wide minimum wage, and I support raising the wage for tipped employees in New York to at least the minimum wage. I am fortunate enough in my current position working at a corporate hotel to make more than minimum wage before tips for my work, as well as having a very decent healthcare package and a 401K plan. I am here to appeal on behalf of all those who don't have this basic level of security and a fair compensation for their effort. My pay does fluctuate based on hotel occupancy and peaks and valleys in sales and non-compulsory tips, but the fact that my base pay is fair gives me a sense of stability that I have rarely had in my bartending career. It makes me feel more respected and invested in the success of our business. I generate huge amounts of revenue through the bar program I created, and I still spend many hours a week sweeping, mopping, and cleaning the bar after tipped service. I don't think that anyone deserves to make less than the dishwasher or custodian for doing this work just because they happen to make tips in other hours. I think because I am paid a fair amount for my work, it keeps a healthy environment and I think that people prefer to go to restaurants where they feel that the people who are working there actually enjoy it, feel like they are fairly compensated. I want all my co-workers and fellow service industry professionals to be fairly compensated, feel valued, and not

depend exclusively on the whim of patrons to support themselves and their families. To the restaurant owners out here who think that there business model is dependent on paying people less than minimum wage, I would say they don't deserve to be in business. They should be ashamed of themselves to think that they can pay someone less than minimum wage for their hard work. And to the workers out here who are applauding people who want to pay them less than minimum wage, I think that you have really been tricked through fear into thinking that you won't have a job unless you get paid less than minimum wage. I can't believe you would bring your kids here and like applaud people who want to pay you less than the minimum wage. Thanks.

Commissioner Reardon: Thank you. Pete Meyers.

Pete Meyers: Hello, everybody. My name is Pete Meyers. I am the coordinator of the Tompkins County Workers Center, a labor rights, nonprofit headquartered in Ithaca. Along with other members of my agency, I thank Governor Cuomo, Commissioner Reardon for inviting this important conversation in our state, which we can obviously see is somewhat controversial. Our Workers Center operates a workers' rights hotline that gives people who feel that they have received unfair or ill treatment at work a place that they can go to receive an education about their labor rights and information, so they can decide about what choices they want to make to resolve their workplace problems. The food service industry in particular is over represented compared to other sectors in the cases that our hotline receives. In particular, it accounts for fully one third of all alleged wage theft complaints that come through the hotline. Most of these complaints involve minimum wage violations, where an employer fails to pay a worker the difference between the subminimum wage when tips don't close the gap to the full minimum wage or keep tips altogether, but the employer uses different approaches to make it look on paper that they had paid out the tips up to the minimum wage. Wage theft occurs in all industries of course. We know that, but the subminimum wage for tipped workers is a loophole that practically begs for employers to exploit it. We have heard from some tipped workers who are very wary of getting rid of the subminimum wage because they fear that the move would discourage tipping, and they personally earn a good living on tips. We are glad for them, of course, but looking at labor standards as a whole, we cannot have decisions about the minimum wage based only on the good portion of specific workers' circumstances. The tipping behaviors of patrons at different establishments at different times of the day, with different workers are wildly different. We have recently worked with a group of unionized food service workers who aggressively negotiated a contract that included different based hourly rates of pay at different storefronts of the same business in an attempt to ensure that their colleagues in establishments where customers are bad tippers were on a more level playing field. The purpose of our minimum wage is to ensure that workers can maintain the minimum standard of living necessary for health, efficiency and general wellbeing. All workers, as we know and believe, are entitled to that. Tips, if permitted, should only be a supplemental earning, not a system designed so that some workers have to depend on customers subsidizing their employer's obligations. Thank you.

Commissioner Reardon: Next five.

Ramona: The next five please make your way to the front. James Tifft, Stephen Kellar, Kevin Dugan, Jessica Garcia, and Teofilo Reyes.

Commissioner Reardon: James Tifft.

James Tifft: Hello, my name is James Tifft. I have been in the service industry since about 1993. Single father, raising my kids and everything like this, and I oppose getting rid of the tipped credit. I went through the last pay raises and everything, when minimum wage a long time ago went up for servers and stuff like that. I have been through where restaurants have closed their doors because they didn't have enough profit anymore. And not only that, besides if tip credit goes away, backhouse workers; they are not going to get any more raises because they are trying to pay for our minimum wage from the front of the house. I just think it is a really bad idea to get rid of it, and I wonder what I am going to do if we do for supporting my family. I raise my kids on my own. I don't get no help from nobody. And sexual harassment? I hear all that right now. What's the difference? It is still going to be there? What? You just want to get paid more to put up with it? I mean, it is not going to go away, no matter what industry you are in. You still have sexual harassment in offices, banks, no matter where you are. It is not going to go away from that, and that's about all I have got to say. I just wanted to say I was in opposition of it.

Commissioner Reardon: Thank you. Stephen Keller. Stephen Keller? Kevin Dugan? Well his name is on the list. Jessica Garcia?

Jessica Garcia: Good morning, Commissioner and panelists. My name is Jessica Garcia, and I am here with the Retail Wholesale Department Store Union, and I am here on behalf of carwash workers who are subject to the state's miscellaneous wage order, and in support of the Department of Labor's regulations to require that carwash workers be paid the full minimum wage and no longer rely on customers to subsidize their wages with tips. The RWDSU represents over 45,000 members in New York State, most of whom work in low-wage industries, including retail, food processing, and carwashes. Our experiences with carwash workers in New York City has given us ample evidence that the carwash industry should not be subject to the tip credit model. Tips are pooled in this industry, shared with all workers working that shift. That means that a two-dollar tip will be shared with the four to twelve workers who wash the car and any workers pulled from the line to do other work, like maintenance, construction, or mechanical work. Moreover, because of the seasonal nature of the industry and how dependent it is on weather, the volume of work varies by day and season to season. That means weekly pay also fluctuates. While the employers are supposed to ensure that workers earn at least the minimum wage, that is not the reality. Carwash workers report taking home as little as $125.00 a week with small or nonexistent breaks and are frequently sent home without pay depending on the weather. In a recent survey, not a single carwash employee received paid sick days, and only one was offered any kind of healthcare plan. Carwash workers routinely work 12 to 14 hour days, six or seven days a week just to make ends meet. A review of hundreds of workers' paystubs over the years has also shown that problems with the proper application of the tip credit are commonplace. Wage theft continues to be a part of the carwash business model, leaving thousands of immigrant workers at the mercy of their employers. In fact, carwash workers are

some of the most exploited workers in New York City. In 2008, the Department of Labor found that in New York City alone, four out of five carwashes were stealing workers' wages. Specifically, 79 percent of employers did not pay the minimum wage and overtime, nearly 40 percent of employers had manager illegally sharing in tips, and 86 percent of employers committed recordkeeping violations. State regulations to allow all workers to earn the full state minimum wage would create a simplified wage structure to make it easier for workers to predict their weekly pay and would allow employers to more easily maintain records of their payroll. A simplified wage structure would prevent workers' wages from being stolen and create savings in enforcement efforts. We urge the DOL to issue regulations to create one fair wage plus tips for all workers. Thank you.

Commissioner Reardon: Teofilo Reyes? Next five names, please.

Ramona: Next five are John Urlaub, Joshua Chaisson, Samuel Dickson, Jordan Degnan, and Vanessa Littles. Please make your way to the front.

Commissioner Reardon: I bet you are John. Thank you.

John Urlaub: Hello. I am John Urlaub. I own the Rhorbach Brewing Company, which is a, well we actually operate in a working class neighborhood in the west side of Rochester. I wanted to just tell you that we never pay subminimum wage. If our employees don't make enough, or if we have a rainy day, or send them home; we always pay the three hours. We actually follow all of the labor laws within New York State to a tee. I find it is very important. But the tipped credit does allow us to offer paid leave vacation to all of our employees, including dishwashers and sanitation workers. We also have healthcare that follows the Affordable Care Act. We also have a simple IRA which we contribute three percent or up to three percent. So the tipped credit allows me to really treat our employees well. We know in a competitive market, and it is a very competitive market, and the only way that our business plan is going to work is to deliver value to our customers, which requires good service and good food, and the only way I can do that is by having good employees. We have very little turnover. None of my employees at this point would ever have to, would deserve to be let go. I don't have a problem letting someone go that is not performing the way they should, but I can tell you, if this happens, I already know, based on the last increase that we had, that we raised our prices between six and eight percent, and it is the first time in almost thirty years of business where my business didn't grow, and actually we had months where we were down from the previous year, same month, so I know we can't sustain another significant price increase. If that happens, my only choice will be to let people go, and it is really very difficult for me because we work really hard to provide good employment for our employees, and it would be very, very difficult for me to sit someone down, look at them face to face and say I am sorry, I have to let you go, but it is no fault of theirs. They all do a very good job, and I think we have a good working environment. I can tell you we do not accept, we would not put up with sexual harassment, and I tell my staff, and they know that they don't have to put up with it. They shouldn't put up with it, and all of our managers would truly support that. So I hope, I also would say one other comment, looking at the W-2's, our tipped employees are the most highly compensated within our company, so they do very well, and again, that tip credit allows me to actually give nice benefits to the rest of our employees, so

the system is working very, very well now, and I am really worried that I would have to let people go if we make a substantial change. So thank you.

Commissioner Reardon: John.

Panelist: How many employees do you have?

John Urlaub: We have 70 employees.

Panelist: And what is a sort of typical meal bill?

John Urlaub: Yeah, it is fairly low, it is actually less than twenty dollars, maybe fifteen dollars or so, but we are open for lunch and dinner, and we are open seven days a week. Thank you.

Commissioner Reardon: Joshua?

Joshua Chaisson: Commissioner Reardon and the members of the Department of Labor, my name is Joshua Chaisson. I am, this is my second time speaking before you. I am the Vice President of the Restaurant Workers of America, a server and bartender of 17 years, and I hale from the State of Maine. Much like yourselves, I am also a Democrat. I am a pragmatic progressive, and while the idea of eliminating the tip credit may be held as a progressive value, it is certainly not pragmatic. The tipped credit works for all of us in restaurants, including the customers. I come before you today out of concern for my brethren in the Empire State. I am concerned that while we are being assured that we are being listened to, that these hearings have been slightly biased from the start. The Governor's State of the State remarks included this statement: "Workers in states that require the full minimum wage be paid to tipped employees experience half the rate of sexual harassment compared to workers in states that pay lower wages to tipped employees, according to a 2014 study by the Restaurant Opportunity Center or ROC." I am deeply troubled that Governor Cuomo would quote anything a ROC study would reflect. I am getting my doctorate in the tipped credit in the last couple of years, and I have learned how deplorable of an organization ROC is. ROC claims to speak for my industry, yet many of them don't even work in a restaurant. They produce studies and data that are filled with falsehoods and outright lies. As you heard in Long Island, the EEOC data surrounding sexual harassment and tip credit and non-tip credit states are the same at six percent. That is EEOC data, not some wildly inaccurate study done by ROC. The figures ROC claims are taken from locations based on IP addresses and push polling, which is a terribly faulty form of gathering data. None of ROC studies have been independently or verified or peer reviewed, and it is glaringly obvious that the more you read the footnotes and other cited sources that it is questionable work. In Maine, we learned of ROC in Maine and won a tip-credit reinstatement. Their deceptive tactics have now moved back to New York after losing to us in Maine. To have the Governor or any member of the DOL cite ROC as a reputable source is a deep cause for concern. Though the proposal before you does not end tipping, ROC members have publically announced that eliminating the tip credit is the first step to no tips at all. As I reflected in my first testimony, ROC spent $80,000.00 last year to lobby Governor Cuomo and folks like yourselves. ROC spends a lot of money to permeate your ears. As workers, we can't afford to lobby you, but what we can do is

come before you as the people that will be most intimately impacted by these laws and beg you not to destroy our industry with this disastrous proposal. The DOL's mission is to protect workers. You have heard, and you will continue to hear directly from the workers in the restaurant industry that this proposal will hurt us. It will up and redesign and destroy our industry and the jobs that we love. So please, protect the workers in the restaurant industry and save the tip credit. Thank you for your time.

Commissioner Reardon: Thank you. Samuel Dickson? Samuel Dickson? Jordan Dagnan? Vanessa Littles? Next five, please.

Ramona: The next five are Jessica Rogers, Erick Conley, Rachel Caforio, Adam Coney, and Diane Smith. Please make your way to the front.

Commissioner Reardon: Thank you. Vanessa is here. Thanks.

Vanessa Littles: Hello, my name is Vanessa Littles. I work at Panto Joe's Restaurant. I have worked there for 17 years, and I have worked in the restaurant world for over three decades. I want to thank you for the opportunity to be heard, and above all, I want to thank God for having the opportunity to work in this industry and all that it has allotted me and my family. Because of the restaurant industry, my husband and I have been able to raise three children. We did not have to sacrifice time spent with family in order to pay bills and afford basic luxuries. This was all due to the present state of the restaurant world. The flexible shifts, the very fair and decent wage I have earned serving made it possible for me to contribute financially to our household and not at the expense of that very valuable and precious thing we call time. We put two of our three children through college, bought homes, and enjoyed valuable family time together. One of my daughters works with me at Panto Joe's, as she too is reaping the benefits of the present state of the restaurant industry, which allows her to raise her young son, as she enjoys a flexible schedule and a fair and decent wage. I would hope to see, I would hate to see this opportunity stolen and taken from future employees of the restaurant field if the tipped credit is eliminated. Also, a new chapter in my life, aged parents who now need my care and time. As I have already stated because of the present state of how the restaurant works, I am able to be there for them. Again, only because of how things are now in the industry. Keep the tipped credit. I really hope you consider all of the upsides that this industry has for countless people who work in this field as you make your decision on eliminating the tipped credit. As in all facets of life, there are some negative incidences and factors. However, I do believe there are laws to protect those unfortunate ones who have to endure any wrongdoing. Please do not alter all that is good for the sake of that which is bad. By all means, fix what is bad and punish only those who do wrong, as you have, as you attempt to fix things that are wrong, do not do so at the expense of those who are doing what is truly decent, fair, and good. And also just a little side note, as a lady had stated, we live in America, Declaration of Independence, right to life, liberty, and the pursuit of happiness. And again, independence, self-sufficiency, self-reliance, and a freedom to choose. If you are in a place that is not good or safe, you do have the right to go and pursue your happiness in another way. Thank you for your time.

Commissioner Reardon: Jessica Rogers? Jessica Rogers? Erik Conley? Nope. Rachel Caforio?

Rachel Caforio: Hi. My name is Rachel Caforio, and I am a full-time manager at Outback Steakhouse. I started my first job at McDonald's on my sixteenth birthday. My dad quickly told me that I had to go get a job. I quickly fell in love with the customer-service industry and the power that I had on making the customer's day better. Didn't matter if I was getting screamed at about ketchup, I made sure that the customer's day was made when I was there. I worked up my way into management and worked at McDonald's for four years, while I was also getting my Associate's Degree in Restaurant and Food Service Management. I did this because I love the restaurant industry. When I graduated from college, I knew I wanted to get into the full-service restaurant industry, and it was time to change my job that I had known and loved for four years and start going towards my dream job of owning my own restaurant. I applied at Outback Steakhouse as a server because I firmly believe in working your way up in a restaurant, so you fully understand every position. I was a server for two years before working my way up to management, and while I was serving, I was able to move out of my parents' house, afford an apartment, pay all of my bills, and pay off every penny of my student loans, just with my tips. And most importantly, I was not making minimum wage. The fact that people are here today saying that they make $11.00 an hour is first of all a lie, and second of all, it is just not possible. People tip. Everybody tips. There is not one person that doesn't tip, and if you are in a restaurant that doesn't tip, you probably shouldn't work in that restaurant. I went to college, and I got a degree due to my passion on this industry. I love making sure I can be fully staffed and fully prepared for every shift, so that the customer is taken care of properly because the customer is my number-one priority of being here. When you go out to eat, you expect a certain level of great service. If this bill passes, this level of service will be impossible to achieve. We will be forced to run with only five servers versus fifteen servers. Everyone that currently makes and works for tips to support their families will be unemployed or taking a huge pay cut as a food runner. As a manager in this industry, I know I cannot afford to get rid of the tip credit. When we increased the tip wage by $2.50 the last couple of years, it was such a negative effect. Many locally owned restaurants around us were forced to cut hours or even close their doors. Due to spending over $100,000.00 to give our servers a raise they didn't need, we were not able to give the backhouse guys the raises they deserved and needed to support their families. The bottom line of what my boss takes home to his family of four, that his wife depends on, was cut dramatically. Our company could not afford to give any of the managers raises, myself included. The tip credit helps the restaurant industry run smoothly. If this bill passes, my career, my passion, my job is going to be on the line. A lot of corporate restaurants will choose to not be in New York State because they simply can't afford it. Not to mention all the locally owned restaurants that will be forced to close their doors. Please save our industry, save my career, and vote against this bill. I have worked my entire life for this amazing job that I have, and I don't know what I would possibly do without it. And although we might not be, we might be the loudest in the room and that doesn't mean we are right, it does mean that you are outnumbered.

Commissioner Reardon: Thank you. Adam Coney? Adam?

Adam Coney: Dear Commissioner Reardon and esteemed members of the Department of Labor, my name is Adam Coney, a native to Endicott, New York, and a server in Binghamton, New York. I am not here to recite numbers, statistics or facts you already know. I am here to protect time, jobs, and the art of dining. I am here today to speak in favor of keeping the tip credit. I have been a professional server for the past 18 years, a career that began here, in Syracuse, at a restaurant named Cahonaville, located in the Carousel Mall. It was the Year 2000, and I was a full-time art student at Syracuse University, working a part-time job. The tip credit supported me while earning my college degree. Without the tip credit, longer or more working hours would have been needed, and that would have been time taken away from my studies. I am sure you will hear a variation of this testimony because the majority of all servers are supplementing their income to fulfill their passions; whether it be attending school, teaching, raising children, raising grandchildren, pursuing the arts, writing poetry, performing music, dancing, planting a garden, or starting a business; the tip credit works because a server does earn a decent wage as is, with time allowed to follow his or her dreams. The restaurant industry is compacted with the most passionate people, and this is to say for the chefs, pastry chefs, prep and line cooks in the business. Should you eliminate the tip credit, this would leave no salary increase for them to grow. Eliminating the tip credit also eliminates jobs. I fear losing the support of staff such as bussers and hosts, who are typically teenaged. This industry offers a great opportunity for character building and a strong work ethic to the younger generation working their first time job. Eliminating the tip credit means supportive staff becomes obsolete. Today, I probably work at the Number Five Restaurant owned and operated since 1978 in Binghamton, New York. We provide a celebration destination to the Southern Tier, based on hospitality and excellence in guest service. Our legacy and longevity is driven by the tip credit. Thank you for your time and consideration in keeping the tip credit. God bless.

Commissioner Reardon: Thank you. Diane Smith. Diane Smith.

Diane Smith: Commissioner Reardon and esteemed members of the Labor Board. My name is Diane C. Smith. I am a server at Number Five Restaurant, a steakhouse, in Binghamton, New York. In 2006, I was awarded Employee of the Year by my employer, James McCoy, and in 2007, I was awarded by the New York State Restaurant Association Front of the House Employee of the Year. I have been an employee at Number Five Restaurant for over thirty years. The hospitality business is in my heart and it is in my soul. I am very proud to be part of this industry. I am here speaking to you today because I am in favor of keeping the tip credit intact. If the tip credit is taken away, my employer's payroll will drastically increase. There will be staff cuts. People will lose their jobs. There will be a decline in the quality of service. There will only be order takers and food presenters. The dining experience will suffer and slowly disappear. As a server, I provide my customers with a dining experience from the moment they walk in the door and sit down at my table until the time that they are ready to leave. I am compensated for that experience by my customers, not my employer. If the current tipped credit is taken away, my pay will be cut in half, even if my employer is required to pay me $15.00 an hour. I will have to work ten hours per day in order to make the pay I am currently receiving now. My restaurant opens at four o'clock. I won't be able to get enough hours. Even with staff cuts, those of us that are left will be fighting for hours to work. My worst fear, if my restaurant closes because of payroll increases, I will be out of a job also. I will have to start over again at

61 years old. I am asking you to please keep the tipped credit intact because if you decide not to do so, my future is very uncertain. Thank you for hearing me speak before you today.

Commissioner Reardon: Thank you. Diane? Diane, we have one question for you. Diane, we have one question for you.

Panelist: Just a quick question. I am very familiar with Number Five in Binghamton, and does your employer provide any other benefits? Any benefits? Okay.

Commissioner Reardon: Next five please.

Ramona: The next five are Eric Alderman, Bob Haight, Kelly Manwarren, Michelle Loguildice, and Marty Meagher. Please make your way to the front.

Commissioner Reardon: Eric? Is Eric here? No. Bob Haight?

Bob Haight: Welcome to Syracuse. Thank you for spending the day with us. I am speaker number 77. You haven't taken a break yet. Congratulations on that feat. I am Bob Haight. I am the president and CEO of the Cortland Area Chamber of Commerce, and I wanted to just explain a little bit about our model and how we function because I represent 463 members as of this morning, over 13,000 employees. I tell you that because employees are classified as part of our membership, so when we reach out to them, we are reaching out to both owners and employees. Even my board of directors that I answer to includes both employees and employers on our board. Fifty-two of our member businesses are food and beverage related establishments. Many of them have employees working for the current subminimum or the tipped wage. I will also say that the majority of our establishments are owner operated with the owners working side by side with those same employees. Well asking for input from the employers and employees, we have not heard one in favor of eliminating the tip wage; however, many of them have come forward in speaking in favor of keeping it. The employees know their livelihood will be negatively impacted, and employers know they will have additional challenges both attracting and retaining their quality employees. While the Governor wishes to increase opportunities for economic development, this proposal, we feel, will have the opposite effect. Many employees will be forced to look elsewhere for meaningful employment, and businesses will suffer. We know some will close. Professional servers in most cases rely on their exemplary customer service skills to supplement their tip wage to provide for their standard of living. Studies and our experience both show that the elimination of this wage has the impact of lowering the wage for the same employees that we are trying to help. This is an excellent example of employers and employees agreeing that the best course of action is to take no course of action. The Cortland County Chamber of Commerce, with its 463 members encourages our state to not eliminate the tipped wage. Thank you.

Commissioner Reardon: Thank you. Kelly Manwarren? Michelle Loguildice?

Michelle Loguildice: Hello. My name is Michelle Loguildice. I am a server/bartender at a local restaurant in the village of Liverpool called Limp Lizard. I have been there for over seven years,

but I have been in the industry for over twenty years. While I was in college and received my degree as a surgical technologist, I was able to, while being a single mom at the time, support my daughter as a college student being a server. After graduating and starting my career as a surgical tech, I married my husband and had two more children. As a surgical tech at the time, I made $14.75 an hour. After daycare, I was bringing home practically nothing. My husband and I decided for me to become a stay-at-home mom and go back to my roots part time as a server, working nightshifts. That was 12 years ago, and I now work for a restaurant that I love and couldn't imagine working anywhere else. I love my job. I love the people I work with, and I love the regulars that come to see me every week. Limp Lizard is my second home; my second home that allows me to support and provide for my first home. I work on average 25 to 30 hours a week and have the same schedule every week and make great money. I am able to have a house that my husband and I will have paid off in three years. We paid off one of two of our cars, and I pay my bills every month on time and have never had to get government assistance to support our family. Now let's do the math. I said I work 25 to 30 hours a week, so let's say on average, 27 hours a week. 27 hours times $15.00 an hour equals $405.00 a week before taxes. I can make that in two days. I know you are not trying to take our tips away, but the way we are paid now, we are guaranteed at least the minimum wage, I would even say a lot more. Making this change will cripple me. Just to touch base on the nail salon and carwash workers; those are labor law issues, not tip credit issues. Please, do not put us in the same category. What is happening to them is horrible and should be addressed, but this has nothing to do with the tip credit. And now the me-too movement. I brought my now 19-year-old daughter into the restaurant that I work at when she was sixteen years old. She started as a hostess. She is now a server. As a mother, I would never bring my daughter into an environment that would subject her to any sexual harassment at all. Please, do not listen to these celebrities. Do not listen to the Governor. This is, do not listen to anyone that is not in the industry. Listen to us. We do not want this. We do not need to be saved. The me-too movement does not apply here. Help the nail salon workers, help the carwash workers, change the labor laws. Please, I beg of you, leave the tip credit alone. The uncertainty of the unknown in our industry of the tipped credit could be crippling for not only myself, but for the whole industry and Limp Lizard, which is my second home. Thank you so much for your time.

Commissioner Reardon: Marty.

Marty Meagher: Thank you, panel. Marty Meagher, Cheesecake Factory. Number one, I would like to say the best job I have ever had in my life, and I know you folks have asked questions about benefits. I am with Cheesecake Factory fully covered with a healthcare plan for myself and my daughter; vision, dental, hospitalization. I also have vacation pay, two weeks approximately a year. I average 33 hours a week. The flexibility of the schedule for servers is fantastic. I have done this for 30 years, waiting tables. I have logged 45,000 miles on my feet working at Champs Americana in Dallas, Spaghetti Warehouse all over the country, big places, a lot of time on my feet. I truly love the industry. I have been put on this world to do this. I tried management, no thanks. I can barely hold myself accountable. And, you know, I was pissed when it got raised to $7.50. I didn't like seeing all the stuff in the front page about wages going up, people finding out about subminimum wage. I have never made subminimum wage. It just doesn't happen. Anybody that is not getting up to minimum wage, get out of the industry. It is

not for you. In the thirty years of doing this, I have also paid $100,000.00 in child support. This has allowed me to do that. And that is all I have got to say. Thanks for listening.

Commissioner Reardon: Next five please.

Ramona: Next five testifiers are Michael Bailey, Kathleen Evans, Anna Richardson, Karyn Korteling, and John Albert. Please make your way to the front.

Commissioner Reardon: Michael Bailey? Kathleen Evans? Anna Richardson? Karyn Korteling? John Albert? Next five.

Ramona: Next five are Mackenzie Kerley, Leslie Verstinghe, Zoi Christanis, Ted Rund, and Susan Ryan.

Commissioner Reardon: Mackenzie Kerley? Leslie? And you can pronounce your last name for me. Thanks.

Leslie Verstinghe: Hi. My name is Leslie Verstinghe, and I have worked in the restaurant business part time for over 15 years, and I have now been a bartender full time for over five years. I previously worked at a high school as a job training specialist in the special education program. Everyone would always tell me what a great job I had. Sadly, it was not a great job at all. I worked very hard at my job, and I was the least paid employee. I could not survive on my paycheck. I had to waitress and bartend on the weekends just to stay afloat. I was working seven days a week to keep my head above water. I was living paycheck to paycheck. I was constantly asking my parents to borrow money. I couldn't get a car for myself. I had terrible credit, and I could never get ahead. Being in my late twenties and early thirties and asking for constant help from my family was very demeaning to me. My bartending on the weekends paid for my rent. If I didn't have that at the age of 30, I would have still been living with my parents. One day about six years ago, I decided I needed to make a change. I couldn't live like I was anymore. An opportunity for a full-time bartending position became available, and I jumped on it. I quit my job at the school and started bartending full time. It was one of the best decisions I have ever made. What a life changer. Not only can I say I love my job; but I am now financially stable and independent. I rent a beautiful home all on my own. I lease a car, all on my own. No more credit collectors calling and harassing me. My credit is actually good. I now have a six-month-old son for whom I can provide. I am able to give him the best care while I am at work because I can afford it. I never thought that day would come that I would be able to say I am financially stable and have a family whom I can provide for. What a great feeling. The reason I am financially independent is because I am good at my job, and this is reflected in my tips. I was also very good at my job in the school system, but I was not adequately compensated for a job well done. In the current tipping system, my satisfied customers are able to acknowledge my job performance and tip accordingly. In the corporate world, you move up the ladder and get pay raises. In the restaurant world, your tips reflect how well you do your job. I worry that if this law is passed, I will no longer be able to provide for my family. Workers will lose their jobs, hours will be cut, and manager positions will be depleted. Sadly, it will be the beginning of the end for us. An increase in my salary will actually lower my income. My customers will no

longer be able to acknowledge my good work because they will be paying higher prices on menu items that will be necessary for business owners to meet the new wage increase. I strongly encourage you to weigh the pros and cons of this change. Please realize the negative impact this will have on business owners. I hate the thought of seeing more and more small businesses closing and employees unable to pay their bills. I don't want to go back to the struggles I had before. Thank you.

Commissioner Reardon: Thank you. Zoi Christanis? Zoi?

Zoi Christanis: I am Zoi Christanis from Panarama Restaurant and Lounge, established in 1978 by my Greek immigrant parents. I grew up in this business and have done every job in it. Serving for 20 years, I raised a son as a single mom, bought my first than second home. My father passed away in November from dementia, and I now own the business. My biggest fear is failing and losing what my father worked his full life to pass on to his children. Most of my servers and bartenders have been with us for many years. They are crucial to our success. They keep me informed of customer feedback, showing areas needing attention. Customer satisfaction is their concern, as much as mine because it affects their income also. This is why we have many regulars coming in on a daily basis. My patrons love the family atmosphere and friendly service. You can't get this from a tablet. My workers do not want this pay raise. If the tip credit is eliminated, I will immediately cut out bussers and cashiers, all staff will lose hours, menu prices will rise significantly, countless donations I make in our community will cease. This survival mode. I expect employee morale to drop, as their hours drop and pay raises disappear. Knowing my customers are largely senior citizens, families, and blue-collar workers, I expect business to drop as these people will only pay so much for a meal out. Will I be able to keep my doors open? Will I lose my father's dream? In my employ, no one is expected to endure harassment of any kind. I, as a supervisor, have and will throw out any patron who does so. To correlate ending sexual harassment with raising pay is nonsense. This problem exists in high-salary fields, such as universities, laboratories, Hollywood, television stations, government agencies and much more. The financial risk of speaking out grows as your salary does. It is up to the individual to stand up for themselves and management to back them up. Any supervisor that allows this to continue should be reported and fired. I am insulted by this growing perception that our workers are not smart enough or strong enough to stand up for themselves and need others to do this for them. This couldn't be more wrong. We are some of the sharpest, toughest people you will ever meet. We can take care of ourselves; we don't need your help. Eliminating the tip credit will cause financial hardship or closure of many small businesses. It will also cost the loss of jobs for many hardworking, middle-class people. This will trickle down to patrons, suppliers, and the community. Please decide carefully. Thank you.

Commissioner Reardon: Thank you. Ted Rund? Ted Rund? Susan Ryan? Next five, please.

Ramona: The next five are Meryl Eriksen, Matthew Stevenson, Benjamin Maywalt, Jason Sagarin, and Erin McMuney. Please make your way to the front.

Commissioner Reardon: Meryl? You are Meryl. Hi.

Meryl Eriksen: My name is Meryl Eriksen. I am the Director of Food and Beverage with the Inns of Aurora in Aurora, New York. We employ 130 full-time staff members at the height of our season. We offer medical and dental benefits with a 401K, including a match, and generous paid time off for both hourly and salaried full-time employees. We own and operate two restaurants, one is farm-to-table fine dining, and the second is a fast, casual pub. We are seasonal operations. So while we are open all year, the bulk of our revenue comes during six months. Our financial model depends on the tip credit to keep our operations open and to make a profit, albeit a small one. Two years ago, we saw the tipped wage increase by fifty percent. Given our profit margins, our restaurant operations are very small, this was devastating to our operations. So much so, we had to cut back the hours of operations at both restaurants. To have the tip credit disappear altogether will force us to make some difficult decisions about staffing, hours, and overall payroll. We would like to be able to continue to offer the employee benefits I just described. In Upstate New York, we cannot command the same pricing as New York City. Demanding that menu prices increase to cover the overall payroll increase will absolutely slow business down. Upstate New York diners simply will not support a 30, 40, or 50 percent increase in menus. They will look instead for other ways to dine. The law states that all employees must make minimum wage, so the tip credit comes into play when employees make more than that. We carefully track our hourly pay by employee. Perhaps the state could focus on restaurants that do not follow this law instead of eliminating the credit for those who use it correctly. The profit margins in any restaurant are razor thin, leaving very little room for error or a major industry change. Restaurants run profits of less than five percent. Owners do not get into this business to make money. In fact, quite the opposite. Eliminating the tip credit would force restaurants to substantially cut back on employees, hours, and offerings. The elimination of the tip credit will be destructive to the emerging market for the food and beverage industry in the Finger Lakes and other Upstate New York region. Please do not act to devastate our company, our industry, our region, or our employees. I urge the commissioner to leave the tip credit in place.

Commissioner Reardon: Matthew Stevenson? Matthew Stevenson.

Matthew Stevenson: Good afternoon. My name is Matthew Stevenson, and I am the restaurant manager at the Fargo Bar and Grill in Aurora. I come before you today to urge you not to get rid of the tipped income credit. The Fargo Bar and Grill is in the Village of Aurora that has a population of 724 people, as of the 2010 census. The Fargo, like many small restaurants in a small village, is not just a place people go to eat, but a place people come to catch up on the local and even national chatter. We are fortunate at the Fargo because we are in an area where there is always something going on that brings people to Aurora. Whether it is Wells College hosting a sporting event, wedding at the Aurora Inn, or a beautiful day on Cayuga Lake with boaters galore or a sale at MacKenzie Childs; people are coming and going through Aurora. It allows us to stay open year round. Yet if you continue your drive on Route 9 through the small villages like ours, you will see boarded up restaurants with for sale signs up front. So many of these places were family-owned restaurants that closed in the last few years because they could not afford to keep the doors open. In 2015, we saw a fifty percent increase in subminimum wages that was a direct cause of these places closing. Many of these restaurants have been passed down from generation to generation and simply vanished overnight. Villages lost not only a place to eat, but their

meeting places as well. Now the proposal to increase wages another 48 percent is on the table. The proposal that will put a nail in the last few mom and pop places that manage to hang on. When you leave here today, I ask you to consider taking a short drive out into the country and find a little place of the American dream, a mom and pop restaurant. Sit down in a booth, talk to your server, and see what they think of this proposal. Talk to the other patrons about what their little eatery means to them. Please don't make another family have to explain to their kids why they won't have the same opportunities as they did, as they lock the front door for the final time.

Commissioner Reardon: Thank you. Benjamin Maywalt.

Benjamin Maywalt: Thank you very much. My name is Benjamin Maywalt. I am an assistant dining room manager at the Aurora Inn. And I just want to thank you for hearing me today. I want to start by saying that I do not support this proposal. I have been in the hospitality industry for about 15 years. Throughout my time, I have had countless memorable occasions. This is why I do what I do. I love going above and beyond, not only to wow the guests, but to bring them back, asking for Ben, and having a great time in the Finger Lakes. Obviously I was thinking about the company first, but let's be honest, as a server, you are making your money table by table. I was once told that as a server, you are a self-employer, and you are pretty much just renting a space to do what you do best. They give you the tools to do what you do. Being a server with no fixed income really hits home. You have to show up every night and do your best and be professional. This results in amazing service, which is why we dine out, to have a great time. I also believe that competition among servers brings out the best service. Servers want the best section and the most opportunity to see and take care of the most guests. In order to get that privilege, you have to be invested. You have to study the wine list, you have to know the cocktails, and you have to know the menu inside and out. This is not an easy task. People are invested with the incentive of gratuity and resulting in making more money. If you take that opportunity away from servers, I truly believe, or I believe that truly caring for your guests will go by the wayside. Servers will make a basic wage and not have that desire to go above and beyond. Servers will do an okay job, but they will never go above and beyond as a general statement. There will not be an incentive of knowledge. Why would a server want to know or care about wines, spirits, or beer if they can just go about their day not knowing anything. They take home the same pay no matter one. We basically are making an amazing experience turn into a normal, everyday outing. Long story short, upping the minimum wage will not only hurt the restaurants' bottom line, but will significantly influence the service. I sincerely urge the commissioner to say no to raising the subminimum wage. Thank you.

Commissioner Reardon: Thank you. Jason Sagarin? Erin McCauney.

Erin McCauney: Good afternoon. Thank you for having me today. My name is Erin McCauney. I am the fine-dining manager at the Inns of Aurora. So thank you again for hosting us. One of the favorite parts of my job is when one of my kids asks me for a letter of recommendation, as they go off to college or pursue a new job in their career field. When that happens, I know that I have done my job. You see, many of these kids have come to me at a very young age. The Aurora Inn Dining Room is their very first job, their very first experience thinking and acting for themselves. Many of them come with very little knowledge of what is

expected of them in a professional environment. My job is to train and coach them to become successful members of our team; to pull their own weight and provide the standard of service that this company is known for. This is no easy task. Often it starts at the very beginning. It is essential to show up on time, dress appropriately, and use proper language. You must stand up straight, communicate effectively and plan ahead for your scheduling needs. It is busy, it is fast paced, and it is guest oriented. You cannot just not show up for your shift. Going through training is arduous. Things are broken, lost, mishandled. Product needs to be thrown away due to service errors. Mistakes are how we learn. Good leadership, feedback, both positive and negative, and the ability to make mistakes, even costly mistakes are the recipe for helping these young folks to succeed. We are teaching these team members valuable life skills, like how to work together for a common goal and how to build interpersonal relationships. And not to mention, restaurant skills travel far and wide. As the next generation starts out on their professional trajectory and career path, they should be making a subminimum wage plus tips wage. The amount of time and energy that is involved in training is massive yet necessary. It is also costly to train people with no job experience and with life experiences that are a small representation of the larger world. If we raise this wage, many companies are going to choose applicants with more experience, not take on the burden of training for an applicant's first job, and the next generation is not going to receive the experience that they need to be successful. And to address the Me-Too movement; I want these kids to come in and see what a healthy work environment is like. To know instilled confidence to stand up for themselves, understand that they do not and should not be treated that way, that their management team should step up for them. Also raising the subminimum wage makes it difficult to reward star performers with pay increases. If payroll is already at the top of the budget, there is no extra incentive for those employees that are very much deserving. Often, these employees are the leaders on the team that are helping to provide direction for the newcomers. The leaders on the team should make more money than someone just starting out. With experience and knowledge, your earning potential increases. I urge you to vote against raising the subminimum wage and allow me to continue to train, coach, and empower the next generation. Thank you.

Ramona: The next five testifiers are Mark Hurley, Keith Neely, Michael Crecare, Mark Frantz and Gary Schlegel. Please make your way to the front.

Commissioner Reardon: Do we have Mark Hurley? Great. Thank you.

Mark Hurley: Thank you. You know on Saturday, a couple of representatives from ROC United Boston Chapter came to the restaurant where I tend bar and recommended that I attend today's hearing. My testimony is important, they said, because personal experiences are necessary to combat the misinformation pervading this debate. I agree, so that is why I am here to support a fair compensation model for our industry, to support the tip wage. During our chat, ROC representatives dismissed credible university studies advising against sudden and dramatic wage increases as propaganda, but I don't buy that because even dissenting economists agree that impacts to businesses from raising wages largely depends on three things; how fast, how far, and in what economy. So let's fill in the blanks. This is a 40 percent immediate hike, and a 70 percent total increase over three years, and that doesn't even mention the recent minimum wage act that is currently raising my base rate to ten bucks an hour, which is higher than the full

minimum wage in 38 states. And this is Syracuse's economy; forget the recession, we are still recovering from losing our manufacturing base a generation ago. This city is home to the nation's highest rates of concentrated poverty, and this industry is a dependable source for the entry level and unskilled positions that we so desperately need here. But these ladders out are going to become scarcer as ROC's bushwa policy proclamations lead to cut hours, lost jobs, increased automation, and failed businesses. Because the reality is, the reality is that this measure will put the squeeze on our region's most vulnerable populations. Mandating another massive raise for the industry's highest earners is going to limit merit-based raises for non-tipped workers. It is going to exacerbate an already significant divide between front and back of the house. It is going to incentivize short staffing and lower paying fast, casual concepts, and it is going to put those servers, barely earning $10.40 an hour, out of a job because nobody is going to pay you $12.50 or 15 bucks an hour to make $30.00 in sales. It is not economical. You are inviting the consequences I just mentioned. Despite ROC's rhetoric equating restaurant owners to Wall Street bankers, these people are mostly small business owners operating on an already thin margin. They are not Scrooge McDuck. They don't have cash in the basement. The money to pay for this measure has to come from somewhere, and too often, these raises are going to come at the expense of those that can least afford it. In short, it upsets me that outside activists are concealing their motives and expropriating my experiences to enact a policy that disregards economic reality. I am depending on this industry to support my children, to purchase a home, and to put myself through school. To threaten it is to threaten things I hold near and dear. I simply don't want a raise that puts others out. You can't divide and conquer the service class. I very much doubt the intentions behind this proposal, and as any restaurant veteran can tell you, when in doubt, throw it out. Don't do this to us. Thank you.

Commissioner Reardon: Keith Neely, Keith Neely? Michael Cecaria? Mark Frantz? Okay, thank you.

Mark Frantz: Again, thank you for allowing everyone to come in and share their thoughts with you today. I am representing a large employer in New York State. We have seven properties and an eighth one being built in Chautauqua, New York. This is going to impact us greatly, as you can imagine. I came to the Watertown meeting, and I provided you with information there. Over 200 New York State employees currently working in our restaurants and catering; the restaurants averaging $17.00 to $23.00 per hour, catering averaging $23.00 to $26.00, with full benefits, life insurance, time off, personal time, 401K. So even though I represent large employers, we face the same issues as a lot of the stories you have heard in this room and the stories I heard in Watertown. We will approach them differently. We are not going to close any businesses, I can tell you that, but there are people sitting behind me here today who will close their business. They will. I mentioned something in Watertown called unintended consequences. I will give you a simple example; over 20 years ago, then Governor Mario Cuomo changed the laws regulating the hiring of minors. It made it difficult to keep minors in your employ. At that time, we tried to make it work. It didn't work. We don't hire anybody under the age of 18 anymore. We hire 700 to 800 people here in New York State and not under the age of 18 because those rules are too hard to keep in line. And I tell you that story only because that wasn't the reason for that law or regulation, but that is the unintended consequence, and I am sure I am not the only one who doesn't hire minors. After I sat down in Watertown and

listened to the other individuals, I noticed a sign there that said, This is about affecting your tip credit, not your tips. That is absolutely disingenuous. It is going to affect tips. It will. Alright? Anybody who doesn't believe that is not being honest with themselves. It will affect how tips are made. I will give you a simple example. If a business decides they are going to put in a five to ten percent surcharge to cover the costs of wages that went up, and they hand that to a customer, is that customer going to continue to tip? Twenty percent is considered to be a good standard. Are they going to tip less; five, ten percent or nothing at all? It is just a simple example, but industry will make changes. In the end, I look at this as well, this certainly is not going to help owners and operators. Expenses are going to rise, and they are going to lose good employees. They are. It is certainly not going to be good for the customer because they are going to see prices increase, and they are going to go out less. I don't see this helping the employees. I just don't see how this is helping them. So in the end, who is this helping? You have to ask yourselves that before you make a final decision.

Commissioner Reardon: Thank you. Gary Schlegel, Gary Schlegel? Next five.

Ramona: The next five are Brenda Shoemaker, Neil Patel, Jeffrey MacBain, Stephanie Steele, and Maggie Raczynski. Please make your way to the front.

Commissioner Reardon: Brenda Shoemaker? Neil Patel? Jeffrey MacBain? Are the people walking up here people who are going to testify? No. Thank you. Stephanie Steele? Okay, Maggie Raczynski?

Maggie Raczynski: Well, we meet again. Good afternoon, esteemed members of the Department of Labor. It is nice to see you again. Let me ask you a few questions. Why do you think so many women are in the service industry? Do you think that it is because we are stupid? Do you think it is because we simply can't find other employment? That we like being taken advantage of? That we like being continually sexually harassed and mistreated on a continuous basis? Because this is the picture that is being painted of our industry lately, and yet we still go to work every day. That's because it is a very misguided and uninformed picture. The truth is we are not stupid; we are very smart. A good portion of us are college educated, but choose to be here. This industry is very unique. We can dictate our own pay and our schedules are overly flexible. We can work 20 hours a week and make enough money to really make a difference for our families. We can work as little as three hours and make well over $100.00. We can work a weekend and pay our mortgage. This job is about taking care of people, and we are good at it. We know how to turn a meal into an experience and turn a bad experience around, and we like doing it. We make money doing it. This is why we go to work every day. As for the bad things we have been discussing; wage theft, sexual harassment, and labor law violations; they are horrible, but they happen everywhere. They do not happen in every location. Most restaurants are upstanding, law abiding businesses that only want to employ people. If you are not being fairly treated at work, whether it is in a restaurant or not, get out of there. If people refuse to work for bad employers, they could not stay in business. There is yet another option. Employees have the Department of Labor on their side, and they are listening. As far as our guests mistreating us; women in this industry are some of the strongest women I know. We do not only not tolerate people mistreating us, but we don't tolerate this behavior in our restaurants

to anyone that works there or dines there. If this isn't how your restaurant is run, it should be. It is basically our second home, and it should be treated as a safe place. I want to encourage anyone who is being mistreated at their job to stand up for themselves right now, as it is happening. This is how you stop harassment, by having enough self-worth to not accept it in your life or for the people around you. We need to be encouraging women and men alike to speak up for themselves and not taking the earning potential away from an entire industry. And I am so proud of all of the people that are here speaking up for themselves because they have been made aware of an issue that affects them so dearly. Thank you so much.

Commissioner Reardon: Thank you.

Ramona: The next five testifiers are Courtney Wyckoff, Hallie Barrett, James Farrance, James Williams, and Jeanette Zoeckler. Please make your way to the front.

Commissioner Reardon: Courtney Wyckoff? Do we have Courtney here? Okay, thanks, great.

Courtney Wyckoff: My name is Courtney Wyckoff. I am an assistant manager and bartender at Rohrbach Brewing Company. I have been in this industry for over seven years and have chosen to stay in it for money reasons. I first entered this industry right out of high school, going into college to help support myself while attending full time. I have chosen to stay in this industry largely because of the amount of money I can make from tips while maintaining a flexible schedule. Working in this industry has allowed me to make enough money to support myself, all while being a student athlete with a full class load. After finishing undergrad and immediately pursuing my Master's Degree in strategic marketing, I began looking for a career in my field of study. Surprisingly what I found was that I would be taking a huge pay cut to go work in the marketing industry. I did not work this hard or come this far to take a pay cut, as I am sure most of you have done the same. I thoroughly enjoy working in the customer-service industry and providing customers with the best possible experience. At Rohrbach's, we diligently work to provide a unique customer experience and to ensure that all guests have a great time and want to come back. If we eliminate this tip credit, we will have to cut jobs, and this will negatively affect the customer service that we provide to our customers. So I do not think that this should be changed, and if it changes, I risk losing my job and seeing many restaurants close. Thank you.

Commissioner Reardon: Hallie? Hallie Barrett? James Farrance? James Williams? Jeanette Zoeckler? Next five.

Ramona: The next five testifiers are Rebecca Fuentes, Peg Ferrera, Ursula Rozum, Matthew Sirent, and Casey St. Clair. Please make your way to the front.

Commissioner Reardon: Do we have Rebecca Fuentes? Yes? Please come up.

Rebecca Fuentes: Hi. Good afternoon. My name is Rebecca Fuentes, and I am an organizer and advocate at the Workers Center of Central New York. I am also a mother of a young woman who works at a restaurant, and I am also a customer. I thank you today for this opportunity to

talk about the subminimum wage. First of all, as an advocate, in our organization, we support low-wage workers who have had issues at the workplace. We have gotten phone calls, we have talked to workers who in many of the local restaurants; sometimes they are not paid all of their wages. Sometimes they don't even know what is the tip credit. We are very concerned about these workers. We understand that many workers have different experiences, and it is all about where you work and sometimes who you are, and it is also about your gender and about your race. My daughter, she works at a local restaurant. She is 22 years old. She has experienced sexual harassment. It is not something that she makes up. It is something that she has to suffer; if she says something, she can lose her job, she can lose her living. I understand that many say that people have to speak up for their own, and she speaks up. She speaks up with me. She has tried to speak up with her supervisors, but if she does more than that, she can lose her job. So sometimes she has to stay quiet. She has seen this issue many times with her co-workers. One of the things that she tells me about is that her waitress fluctuates every day, and they are different because of the time that she has to work. Sometimes because there were not enough tips, employers have to pay the tip credit, but that doesn't reflect very good on her. She is blamed that she didn't work hard enough. So now their employer has to pay, so that she has a minimum wage, and then later on, she will get punished by not getting good hours, by not getting good times to get better tips. As a customer, I want to make sure wherever I go, workers are paid at least the minimum wage. This is a right of all workers. I work with workers who are already excluded, like farm workers. They don't have the right to overtime pay. They don't have the right to a day off, and that is not fair. I think that a lot of people do not know this. A lot of people do not know that restaurant workers do not get paid the minimum wage, and I want everyone to get at least the minimum wage.

Commissioner Reardon: Thank you. Peg Ferrera?

Matthew Sirvent: Hello. I stand before you today with gratitude, specifically gratitude for the fact that you have given me and many in this room a chance to voice our perspectives regarding this issue of removing the tip credit and increasing the minimum wage for servers in our state. I also stand before you with a mission, a mission to rely my circumstances to you, which are not unique, but rather common, in an effort to convince this board that the passing of this law would be an unmitigated disaster. As a line cook in a corporate restaurant, I do not receive tips or claim any on my taxes, so it might seem odd or out of place for me to be here today; however, the corporation, TL Cannon, has announced that the Applebee's Restaurant I have worked for, for nearly a decade in Ithaca, New York, will be closing their doors if the tipped credit is removed and the server minimum wage is increased. They will no longer be able to afford to remain open. As an employee that relies on this job to give me not only a living wage, but also life, vision, dental, and health insurance; this law will swiftly pull the rug out from under me and all the others that I work with. Not only would we have to struggle to find another job in this field, but also find affordable healthcare options that are mandated by the federal government. Now this is just what would happen at the corporate level of the restaurant industry. How many local mom and pop restaurants would be able to not only survive this change, but also provide the same benefits I have been to obtain now? I am at a lost for examples, I am afraid. I am also here not just for myself in this situation, but for every cook, dishwasher, and manager, and bartender and server that will be displaced by this dangerous course of action. Within six months of this

becoming law, you will have effectively destroyed every employee in my restaurant just trying to survive. It won't matter whether they are attending college full time, raising a family on their own, or trying to support a mortgage; their livelihood is dead. I respect the intent of what is trying to be accomplished with a law like this; 75 percent of this industry's workforce is made up of women and minorities, according to Governor Cuomo, so this is a way to guarantee a living wage. However, when restaurants are closed, and these demographics are no longer employed because of this law, the intent isn't realized. Where are they going to work? Now the State of Maine and the City of San Francisco both attempted a similar law and failed miserably, and as a citizen of New York State, I beg you to reconsider this course of action. We need our jobs the way that they are now, without the uncertainty that this law will bring. Thank you.

Commissioner Reardon: So, excuse me, we seem to have skipped over two people. Mr. Sirvent was ahead of Peg Ferrera. Is Peg here? No? Ursula Rozum?

Ursula Rozum: Good afternoon. My name is Ursula Rozum. I live here in Syracuse, New York. I worked as a tipped worker as a bartender and waitress through college in most of my 20's here in Syracuse and Ithaca, New York and in Montreal. In Ithaca I worked at Stella's in College Town. In Montreal, I did room service at a hotel, and in Syracuse, I worked at Aladdin's, the Polish Home Bar, and my last service job was at the Dinosaur Barbecue, which is a business that has been based a class-action lawsuit for not giving servers all their tips that they deserve. This is just a couple of years ago. The best part of working as a server was the camaraderie and the friendship with the other workers in the restaurant, both front of house and back of house, and generally interacting and socializing with the public and providing friendly service. The worst part of the job was the ongoing sexual harassment in the workplace; unwelcome flirtations by customers, and even in one case, a manager who made work so unbearable that I had to quit my job. Relying on tips to earn a living meant putting up with behavior that was offensive and degrading, and dealing with managers who had total control over my earnings, my shifts, so I never really knew how much I was going to make in a week. Like the previous speaker mentioned, while I was working full time as a server, I did qualify for Medicaid. My income was low enough to qualify for public-subsidized healthcare. I support raising the subminimum wage, so that all workers in New York can make a living wage and that customers can give tips for good service. As a customer, I would be happy to pay a little bit more to know that the people serving me are making a living wage, and I know that I have friends that are horrible tippers, even though I, myself, try to always give 20 percent; I see people I know that can afford to give more and not give what they can give, even when the service is good. Ultimately, I think that businesses in the United States should pay their workers a living wage, and that businesses need to, if you are a business that can't pay, that won't pay a living wage, then you don't have business operating in the United States. Some restaurants are, will struggle, but I know that many of the restaurant owners that have been here today make a very decent profit from their restaurants, which is why they should, why we need to raise the minimum wage for tipped work.

Commissioner Reardon: Do we have Casey St. Clair? Thank you.

Casey St. Clair: Hello, my name is Casey St. Clair. I proudly work for Applebee's in Ithaca, New York. I wrote a very nice three-point summary on why I think there are benefits to keeping the tipped credit, both for servers, for restaurants and for the state. But instead of talking about that, I would like to talk about the difference between working in a place that respects you and allows you to be good at your job and pays you accordingly, and working for a business that does not. I have been a server for 12 years. I started as a host when I was 14 years old. I have worked my way through. I have been a bartender, as well for six years. Two years ago, I decided I would make a change. I was going to work full time as a retail worker. I worked my way up in that business and ended up being the assistant general manager for a multimillion dollar business. I had my own staff, I had an assistant, I ran their shipping department, and I was paid $17.00 an hour to work 60-hour weeks but be paid for 40 hours a week because I was salaried. I got pregnant, I am a single mom, I love my child, I get to spend time with my child; however, I got laid off when I was six months pregnant. I struggled severely. I had to move back in with my parents, and when I was able to go back to work, I decided to go back to serving because I knew that I could make enough money to take care of my family. As a single parent, it would be very difficult for me to work full time currently. I have a six-month old baby at home. He likes to see me. I like to see him, and I get to go to work for 25 hours a week and make more than I made working 60 hours a week for a multimillion dollar company. I like to think that I am pretty good at my job. I make generally twenty percent on my sales after tipping out my host and my bartender. I work with wonderful people. I have never been told that I am not to put up with or I have to put up with sexual harassment. I have always been given the opportunity to say something back to somebody. I know that there are people who are not given that opportunity, who live in fear, who are not able to make those changes. I am lucky to not be one of those people. I am not being coerced out of fear. Nobody told me that I had to come to this meeting and speak about my experiences. I am doing this for myself, I am doing this for my family, I am doing this for everybody else that is at work right now that can't be here today. I believe that tips are a benefit. I get paid $10.50 no matter what, and generally I make between $25.00 and $30.00 an hour, which is substantially more than I made before. I appreciate that you guys took the time to listen to us today. I respect everybody's opinion, and I am glad that we are all able to be here. Thank you so much.

Commissioner Reardon: Thank you.

Ramona: Next five testifiers are Candi Blakeley, Robin Fraser, Elizabeth Welszczak, Tom Tiffany, and Donald Scott. Please make your way to the front.

Commissioner Reardon: Candi?

Candi Blakeley: Good afternoon, esteemed board members. Thank you for your time. Hello, my name is Candi Blakeley. I have been in the restaurant industry for 32 years. The restaurant industry is my family. From the host to the dishwasher, server to line cook, and bartender to managing partner, my family has been there for me. When I couldn't afford Christmas for my children, my family was there for me. When my mother passed away, and I couldn't afford transportation to go to her funeral, my family was there for me. When my family and I were homeless, we were there for each other. Governor Cuomo, please don't take our tipped credit. If

you take the tipped credit and raise our wage, thousands of restaurants will go out of business. By removing the tip credit, restaurants will be forced to dramatically increase prices, which will stop customers from spending their money in any restaurant. This will then force restaurants to cut staff and hours. This will then force those employees lucky enough to get scheduled to give subpar, lackluster service, at best. Servers will not survive on two to three shifts a week, even at $11.00 per hour. This will then force those tens of thousands of restaurant workers onto welfare and unemployment, thus burdening the taxpayer. Governor Cuomo, esteemed board members, please don't take our tip credit. Esteemed board members, this is just my story, but I guarantee you that there are tens of thousands just like me, who would be affected by this change. There are thousands of restaurants in New York State that would be forced to close. That would force tens of thousands of restaurant staff on unemployment and welfare. So the new taxes you thought you were creating would be gone to pay for all of this. There are tens of thousands of us in the restaurant industry who would be devastated by the removal of the tip credit. We are the same tens of thousands of registered voters who will be voting in the next election, so my question to you, Governor Cuomo is this; do you really want to risk that many votes? We do not want one fair wage.

Commissioner Reardon: Robin Fraser? Robin? Elizabeth Wolszczak? Tom Tiffany?

Tom Tiffany: Good afternoon. My name is Tom Tiffany, and I am the owner of the Scotch and Sirloin Steakhouse here in Syracuse. The Scotch opened its doors in 1967, and since then, generations of employees have benefited from the restaurant's employment. I run my business completely above board. All state and federal laws, labor laws are adhered to and 100 percent of all tips are declared as income. In 2017, gross sales were $2,259,000.00. Total payroll was $745,000.00, and total tips earned were $454,000.00. We presently employ 46 staff members. I pay all my non-tip staff higher than the current minimum wage, and my tipped staff enjoy above-average income. In 2017, our food servers average $29.00 per hour, while working an average of 25 hours per week. That comes to $725.00 per week, which totals $37,700.00 per year, for only 25 hours of hard work. A fair day's pay for a fair day's work, I'd say. In 2016, Governor Cuomo began a five-year rollout of increased minimum wages. Less than two and a half years later, he wants to do it again. If the Governor eliminates the tip credit, it will be devastating to the industry and those employed in it. After surviving the over $59,000.00 increase from 2016, based on our 2017 total tipped staff hours worked, our Governor's proposed changes through 2021, will add an additional $178,000.00 of tipped employee payroll per year. These increases will certainly bankrupt me and my family. People say, just raise your prices, well we have; 4.5 percent for the last five years in a row, after previous years of holding it and holding it and holding it. I have done the math, and to simply survive, we will need to raise our prices 41 percent over the next four years. That is over ten percent each year. The market simply can't bear it. Unfortunately, none of what I have heard here today really matters at all because if the solid established high-volume restaurant like the Scotch and Sirloin can't make it, few will. Without a healthy, plentiful industry, few of us will have jobs, and the remaining employers will have tremendous leverage over those of us who do. Now let's see what injustices are perpetrated at that point. Imagine losing the Scotch. Forty-six jobs gone. 1.231 million dollars of staff income gone. Nearly one million in yearly food, wine, liquor, equipment purchases gone. $189,000.00 sales tax gone. $94,000.00 in payroll tax gone. And that is just one restaurant. I

know we are all passionate about this, but if ROC United and Governor Cuomo have their way, they will put us all out of business. Just ask the people in Maine.

Commissioner Reardon: Thank you. Donald Scott? Donald Scott? Next five, please.

Ramona: Next five testifiers are Nick Georgiade, Todd Parlado, Dinise Cuiffo, Aletea DeCuffa Morales, and Christopher Tripp.

Commissioner Reardon: Nick? Do we have Nick? Thank you.

Nick Georgiade: Hello, my name is Nick Georgiade. I am 51, well, a little fast there, I am 50, I will be 51 on May 20th. I am a career server by choice. I have been working at Smoky Bones in Clay, New York for the past seven years. This has allowed me to go to school and obtain a degree that I did not do after high school. This has allowed me to pursue my dream, my passion, which is acting and modeling, right here in Central New York. I know Governor Cuomo has had his plans by building a film up here, and also he has emphasized how he wants to increase the arts in this area. I have heard one other person speak today about the arts. This job as a waiter has allowed me to pursue that, even though the film up here hasn't been as successful as Governor Cuomo would have liked it to have been. If he is interested in having people like myself at my age go back to school, obtain a degree that I never had before because whatever I did after high school wasn't important as it is now. There are not a lot of jobs here. If any political official wants to keep people in this area, one of the things they might want to look at is if it isn't broke, don't fix it. I am using that slogan because as a waiter, you have already heard what people make. I have heard restaurant owners explain to you in all the statistics that they have what would happen if this proposal goes through. I am against this proposal 100 percent. I think it is ridiculous. I looked up the word Ludacris. I can't even believe it is even a thought in anyone's mind in this industry. I lived in Las Vegas, Nevada from 1988 to 1992. It is a tipped town, a tipped town, it is a tipping industry out there, the gambling industry. What's next? The casinos that he just had opened? Are you going to tell a blackjack dealer that if a guy tips him one hundred dollars when he wins a thousand that he can't keep it? Where will this lead? This is opening a door. Okay, there are gentlemen clubs that I don't go to in this town; what are going to happen to those people? How are you going to regulate it? If he is trying to get extra tax money, he is grabbing at straws, no pun intended here, you know? I also know, I put in a call to Senator John D. Francisco's office. I think he is running for governor. I have never been involved in politics in my life. When I was told by the person that answered the phone that John D. Francisco opposes this, I decided I have a little extra time, I want to help him with his campaign. I know a lot of people, I have a great voice, and through my acting and modeling in this little town of Syracuse, I was able to work with Ben Store last September and had a scene with Jeff Goldbloom in Willard, New York for a major motion picture. I wouldn't be able to do that here, and if I need to move away, how is he going to collect taxes from Nick Georgiade?

Commissioner Reardon: Thank you. Todd Parlato? Todd Parlato? Denise Cuiffo? Aletea DeCuffa Morales?

Aletea DeCuffa Morales: My family has had the privilege of being part of the restaurant industry for the majority of our lives. My father is the proud owner of one of Syracuse's most iconic restaurants that has been open and successful for 37 years. The people that he employs have known me for over half my life. Why? Because he treats his workers as family. These servers have done everything, from babysit me as a child to attend my wedding, and even visited me in the hospital after my children were born. Why? Because we are a family. I can be in any position I choose to be in my father's restaurant, and I chose to serve. Why? Because it allows me to work less hours per week and make great money, so I can be home and raise my children. I am college educated. I received a Bachelor of Science Degree from the University of Buffalo in Physiology. I worked in the medical field for five years in New York City and chose fifteen years ago to come home and carry on my father's legacy. Please leave our tip credit alone. It is bad enough that after the 2015 wage hike, we had to cut workers' hours and raise prices. That is a fact. The restaurant industry already operates at such a low profit margin that this new increase can and will be crippling. We will have to raise our prices yet again and cut more worker hours to make up that money. That is a fact. Before the 2015 hike, we used to run a six-server floor with a busser and two bartenders every single night. Now, our new normal is a five-server floor, no busser, and more times than not, one bartender. That, again, is a fact. If we have to cut more servers per night, it doesn't take a genius to realize that the customer will suffer as a result because we may be great at what we do, but we are human and can only do so much. I have heard testimonies from previous hearings regarding nail and carwash employees, and yes, they need change, but please don't lump us in the same category. We don't need change, we don't want a raise, we don't need to be saved. You, the Labor Board, look out for the wellbeing of workers, and I am asking you to please hear us and please do what is best for us, the servers, and that means to leave our tipped credit alone. I beg of you, please don't make my father and I have to look into the eyes of our workers and tell them that we cannot afford them anymore. This is a sad reality that will happen. It has already happened as a result of the 2015 hike. If our wage goes up to $10.40 an hour, that will be a 118 percent wage hike in three years. No industry can sustain that. Please listen to us and hear that this is not what we want, and ROC does not speak for us. We are already guaranteed minimum wage as it stands right now. Please stop trying to fix what isn't broken. Thank you.

Commissioner Reardon: Thank you. Christopher Tripp? Christopher?

Christopher Tripp: Hello. My name is Christopher Tripp, and I am 25 years old, and I work at the Olde Bryan Inn in Saratoga Springs. I am here today to tell you that ROC does not speak for me. I am not asking for a raise. I make my own paycheck because I am a sales person. I not only sell food and beverages, but an experience. With the elimination of the tip credit, I can no longer do any of the above. The personal experience with each and every guest will be impossible because I will be doing the jobs of three people. I will be too busy to create the same level of service I do now. Everyone enjoys dining out. We all have our favorite restaurant. It is always nice to have someone take care of you, to serve you a hot meal, an ice-cold beverage while you sit back with not a worry in the world. Now, how willing would you be to give your business to a restaurant where the service would be seriously lacking, and on top of that, you would have to pay 25 percent more than you normally would. Would you go back? Would you tip 20 percent? That is what is going to put businesses under. And that could be your favorite

spot. Maybe you got engaged to the love of your life in a place where you first met, or maybe your family has been eating there for many years as a tradition. It is not only a great way to make money, but many people have emotional attachments to these places. With the money I make working in this industry, I have the ability to take care of myself, my cat, travel, help family if needed, build a savings, buy a car and so much more. Maybe the people that work in these carwashes and nail salons are struggling, but I am not at all. I live very comfortably. And for any server that says that they don't do well or live well with the money they make in the restaurant business is a flat out liar. I have yet to work in a restaurant where I was seriously struggling to make ends meet, and I have been in the industry for ten years. I have worked for terrible employers in the past, but a bad person is a bad person. Do you really think that if the subminimum wage is eliminated, these employers will stop stealing wages, start paying their employees, or stop harassing their employees? I think not. Thank you.

Commissioner Reardon: Next five.

Ramona: Okay, the next five testifiers are Nicole Tortatice, Marie Medina, Rhonda Myers, Jamie Ash, and Krystina Avella. Please make your way to the front.

Commissioner Reardon: Do we have Nicole here? Marie Medina? Rhonda Myers? Jamie Ash?

Jamie Ash: Hi. My name is Jamie Ash. So I had three speeches written for today for everybody here and ripped them all up and decided to just tell you a little bit about me. As a teenager, I worked a minimum wage job. At 18, I told my father I wanted to make more money while I was in school. His suggestion, go apply at a restaurant as a server. You work the least amount of time for the most amount of money. My father works for Onondaga County. At 18 years old, I took his advice and I went into the restaurant industry. I loved every second of it, and I brought home more money than my father did in a week most weeks throughout the year. My father is about to retire from the county. He stuck with that job his whole life, and I have stuck with this industry. I put myself through college. I bought my own brand-new car, I met the man who would later become my husband; all while serving and bartending. At 24 years old, I had my first home built. I did what society believes is normal, and I graduated from college, and I got a job out of the industry. I am now a regional manager for a major corporation. My family bought a restaurant six years ago. With that being said, I have gone back to it. I still hold my job as a regional manager, but one day a week, I go back and I bartend. I do this because I make so much money one day a week. I will be very honest with you; I would work for zero dollars an hour and not take a paycheck out of there just to have my tips be left alone. So at the end of the day, you have listened to a million speeches, you are traveling all over hearing everybody; I guess the only thing that I can say is we can all tell you these things, but what really is going to help is for you to see them, so on behalf of Limp Lizard Liverpool and my family, I invite each and every one of you, and Governor Cuomo to come shadow me as a bartender for a day or come shadow my waitresses, Michelle, Deb, any one of them. I think that you will be very, very, very surprised at the kind of money all of us are making. Thank you.

Commissioner Reardon: Thank you. Krystina Avella? Krystina Avella? Okay, next five.

Ramona: The next five are Susan Mazara, Amanda Broderick, Kristina Meyers, Barbara Caruso, and Kim Gioia.

Commissioner Reardon: Okay, Amanda? Are you Amanda?

Amanda Broderick: Well, hello again. It is me, number 138 from the first hearing. I'm back. I feel like you are becoming one of my regulars, and by the time Albany comes around, maybe I could get your drink order. Since we are getting to know each other, let me tell you a little bit about myself this time. I went to college for radio and television broadcasting. With my bussing position, I was able to pay for gas, books, and my own tuition and learn valuable people skills. I saw the money servers made, and with hard work and ambition I obtained a waitressing shift. I quickly switched career paths and started studying hotel and restaurant management. It did not take long to realize that bartending was the most financially rewarding in my industry. After proving myself again with a hard work ethic, sales, and customer relations, I managed to hold a head bartender position at my current sister restaurant, Long Polous, for six years. In that time, I was voted most valuable bartender of Saratoga County for two years in a row by my patrons. Shortly after I stepped away from bartending to pursue a career in the post office as a rural mail carrier with a pension, with health benefits, with what I thought was a promising future. Big mistake. It became very clear to me that I was born to be a part of this industry. It was like a force field pushing me back. The customers, the staff, my owners, and of course the money did not compare to my federal government experience. I gave it a year and then came running back to my family. As a bartender and server, I have seen my regulars on birthdays, anniversaries, holidays, and vacations. I have celebrated births of children and grandchildren. I have introduced husbands to wives. I have borne witness to a unique wedding in our tavern where two strangers once met. I have cried and mourned with others over deaths of loved ones. My restaurant has a Hospice program that we are proud to give those suffering one last memory with their family and friends. The tip credit prices are low for our patrons. It gives them the choice to dine at our establishments. If the tip credit is taken away, so is that choice. Menu prices rising, businesses closing their doors, staff being laid off, and the overburden of workers; all directly affect the consumers, our loyal customers. The donations my restaurants make to homeless shelters will stop every Sunday. The folks that make my job so fun and rewarding will decrease over time. Dining out will be an elitist event. The revenue the restaurant industry in my town and so many other Upstate New York towns will disappear faster than you can say 86. We, the workers of the restaurant industry are telling you we do not want one unfair wage, just like in other careers with diplomas and doctorates, your personality is a requirement to not only do this job, but be successful at it. Please do not destroy everything we have built for our communities we live in, the communities we so passionately serve. Thank you. I have never been to Buffalo. I will see you then.

Commissioner Reardon: Kristina Meyers? Barbara Caruso?

Barbara Caruso: Hi. How are you doing today? I am just going to speak from my heart. I have listened to all the testimonials. I have been a waitress my whole life. This is all I have done since I was in high school; 45 years this year. I work in a restaurant, Joey's Restaurant in Carrier Circle for the last 30 years. It is my second home. When my son was very young, he was

diagnosed as autistic. Because of that, I had to become a stay at home mom, but being in the restaurant business, I was able to work part time, be a stay at home mom, take him to all of his appointments, everything I had to do. Today, he is 26 years old, and he has a license, he has gone to college, and I paid for that. I am married, so I do have a husband who does, you know, I do supplement the income in my home, and I just feel like this is not something that I think is right. I am against it, and like I said, I do love what I do, and I hope to be doing it for many, many more years. Thank you.

Commissioner Reardon: Kim Gioia? Next five, please.

Ramona: The next five are Carlos Morales, Jessica Nielson, Kay Clifton, Kelly Bush, and Pam Winberry. Please make your way to the front.

Commissioner Reardon: Carlos? Do we have Carlos? No. Jessica Nielson? Kay Clifton?

Kay Clifton: Hello, my name is Kay Clifton, and I have worked in the restaurant business for over 40 years. I am here today from Long Island to speak on behalf of our industry. Do not change the tip credit. We don't want it, and we don't' need it. Learn from Maine; it doesn't work. Recently I have heard a lot of testimonies about current labor laws not being properly followed by all businesses in this industry. If the current laws are not being followed, odds are they are not going to follow any new labor laws. The issues that they are attempting to tackle are not related to changing the minimum wage but rather to the labor laws that are being broken. If employees are not being treated fairly, they should not be afraid to report them to the Department of Labor. It is unanimous. That being said, let's talk about the real issues with the proposed tip credit reform. Most of the smaller businesses, as well as the overall industry itself will not be able to afford a 50 percent increase in salary. Many restaurants will have to close, resulting in an increase in unemployment. The increase in costs to restaurants will be passed on to the guests, with prices going up. This will result in either guests not being able to afford to go out or having to cut back the amount of time that they do. There will be a decrease in new hires, especially at the entry-level positions. Employees will be let go in order to pay the remaining staff, also resulting in a rise of unemployment. Many restaurants will be forced to rely on server module systems. As a result, the size of the server sections will great increase, which will ultimately hurt the guests' overall experience by overextending staff and not allowing them to properly see to guests' needs, which is the main reason that they go out in the first place. There will be no money left to give raises to non-tipped employees, such as cooks and the back of the house staff. Entire communities will be affected; employers, employees, guests, suppliers, service workers that restaurants employ to service their buildings, grounds, and equipment. ROC says that they want to bring us out of poverty. I have news for them. I do not live in poverty. However, if this law passes, I will be taking a huge cut in my overall income, and this will definitely put me into poverty. Sexual harassment is the platform ROC stands on in order to make people pay attention. They say by paying us full minimum wage, we will reduce the amount of sexual harassment that we tolerate because we will be less reliant on tips. Sexual harassment happens all the time in every industry. It doesn't matter how much people get paid or what they do. It is up to the employer to enforce the rules and employees to stand up for themselves. I personally have not had to tolerate or put up with sexual harassment at my job. The hospitality industry

does not need saving. Don't fix something that is not broken. I take pride in my job and the way that I do it.

Commissioner Reardon: Thank you. Kelly Bush? Kelly?

Kelly Bush: Hi. Thank you so much for letting me come in and tell my story. My name is Kelly Bush. My husband and I own Marshall Street Bar and Grill in Rochester. We have 22 employees. It has been a dream of ours to own a small business together since we met. Our dream came to life when we opened our doors in September of 2010. In the past eight years, we have been able to create what we believe to be a true neighborhood bar and grill. A place where everyone is welcome, a place that is assessable to all, a place where people feel at home, and everyone knows your name and your drink. An important piece of that is having affordable prices, so that everyone that comes in can enjoy whatever they want. The more important piece is having staff that treats you like family. The first few years were tough. My husband was working day and night. I was working full time elsewhere, and then at the bar on nights and weekends. It was rough, but we knew it was what we had to do in order to make our dream a reality. Thankfully two years in, I was able to leave my job and join my husband full time. As I said, it was our dream to run this business together. When the wage for tipped employees went from five dollars to seven fifty, we had to consider closing. Raising prices was not something we wanted to do. It doesn't fit in with our business model. Eliminating positions wasn't a good option either. The people who work with us are more than employees. We are family; we will do everything in our power to make sure that they have what they need at work and outside of it. They are part of our lives. We have been there for each other's milestones. They have lived in our home. We did the best we could. We raised some of our prices, we shortened some shifts, and we personally worked more hours. We cut back where we could, and we eliminated our marketing and advertising budget. We didn't make improvements that we wanted to make. We made personal sacrifices, which we were happy to do. That is what you do when you have a small business. We are now looking at a significant rise in labor costs again. We have discussed at length what are options are. There is not much more we can cut back on. Raising prices still does not fit in with our business model. The people who work with us are still more than employees, so what do we do? If we can stay open, and that is an if, significant changes will happen to our family. My husband will work more shifts, eliminating hours for staff, and I will go back to work full time. We will go back to how things were in the beginning, and this is a devastating thought for us to consider. This is the end of us doing this together. But that might not cut it, and we still might need to close. That would mean 22 people without this job and two people left without a dream. I am here today to ask you to consider what this will do to the small business employers and employees here in New York, working every day on their dream. None of my staff are in favor of this; front or back of house. No one in the industry that I have spoken to is looking to see this go forward. Please help us keep our dream alive.

Commissioner Reardon: Thank you. Pam Winberry? Next five, please.

Ramona: The next five are Greg Van Ness, Ryan Brennan, Denise Scherer, Susan Sadkowski, and Elizabeth Hammels. Please find your way to the front.

Commissioner Reardon: Greg? Ryan Brennan? Denise Scherer? Susan Sadkowski? Elizabeth Hammels? Next five.

Ramona: The next five are Chris Koratsis, Tim Holmes, Joseph Graieri, Susan Vine, and Erick Lukash.

Commissioner Reardon: Chris Koratsis? Hi.

Chris Koratsis: My name is Chris Koratsis. I have been in the restaurant business for approximately 35 years in total, starting from a busboy. Today I am a co-owner of a small restaurant as well as a general manager for a large corporate chain restaurant. I am here today to support tipped credit to New York State. First I want to acknowledge and show my appreciation for all my staff and co-workers. To them I say thank you. Today, specifically I am discussing servers, bartenders, and hosts, as an owner and as a manager. As an owner I say, if you go through with this, I don't know what will become of my restaurant. If you know anything about this business, you already know profit margins are extremely low. How can I recoup this kind of massive payout you are asking of me? I will need to raise my prices so high that no one will come in. I will have to reduce staff and destroy service standards that have been in place for years. I may have to utilize a service charge to keep the doors open. My staff, who is my family, will understand, but what if I have to let some go; people that have been by my side since my doors opened. This is or was my 401K, my legacy to leave to my children. I was one of the few success stories in the restaurant business, and I had something to give my children. Now what? I had team members that come to family functions. I had team members that are my family. I have gone to team member weddings. I have gone to team member funerals. I have weathered the first wage increase two years ago, when we went from $5.00 to $7.50, when hundreds of other restaurants did not, and I will try to weather the next, but when we get to $15.00, I will have no choice but to close my family business, and my dreams will be gone. What am I going to do, Mr. Cuomo? When is enough enough? What do I tell my staff? As a general manager, I have approximately 60 front-of-the-house employees that I work with currently, and over the years have worked with literally 1,000 people. I am still amazed all the time how career servers and bartenders can lighten up someone's day, how they can get blood from a stone, and how they can get nothing at all and still push on as if nothing has happened. I have watched kids put themselves through school, banking on tips that they can make. I have watched career staff support their families. Your proposal, though it doesn't stop tipping, will still eliminate tipping due to the aforementioned hardships you will be causing on this industry. So I say Mr. Cuomo, they deserve their tips, and you need to leave them alone. They didn't ask for your help, nor did you ask those in the frontlines of everyday business.

Commissioner Reardon: Thank you. Tim Holmes? Tim?

Tim Holmes: Good afternoon, Commissioner Reardon and Department of Labor appointees. Thank you for hearing me today, and thank you for your time. You asked earlier about stories, and I guess we, I submitted a long testimony that I cannot give you in three minutes, so I will tell you an abbreviated story, and I have also submitted premium costs on the second page that show you just what has happened since 2016. Those are costs that are above and beyond our costs in

the restaurant business. My name is Tim Holmes. My wife and I own Wheatfield Restaurants in Saratoga Springs in Saratoga County, New York. I began my career in the restaurant business 35 years ago as a busboy and a dishwasher. After three years in that business, I fell in love with the service business, which followed me to a small school in Upstate New York called Paul Smiths to pursue my hospitality degree and to make it a profession. During that time during college, I cooked as a pizza cook to pay my way through that school because my father told me that it was a private school, and he would only help me with public education. Three of my brothers went to public schools, and three of them were helped by my father. I love this business so much that I was willing to risk everything and cooked pizzas for 30 hours a week, so that I could attend that college. In 2003, my wife and I bought a small restaurant in Saratoga Springs, New York. Fifteen years later, we now employ 150 outstanding citizens of New York State. We are a case study in what is possible for small, independent owners. We have no backstop. I have made commitments to my employees, I have made commitments to the banks, and I have made commitments to my landlords. I made those commitments based on business models that have been in the state for generations. If we are really considering eliminating the tipped credit for social issues, that is a larger issue at hand, and I would beg of you to look at if we want to change to a policy that is more like Canada or Europe that has a more professional focus and not a tipping model. And I understand this hearing is not for tipping purposes, but if that is a way that we would like to go, then we must give the opportunity to implore this over a long period of time. If not, you will put businesses out of business. I have two locations that will not survive this. That will put at least 50 people out of jobs. The other locations will reduce their workforce by 25 percent, as that sheet will show you. There is plenty more that I could tell you, and I implore you and would invite myself to sit with you and go over those numbers at any point in time that you would like. Please do not eliminate the tipped credit. May I answer any questions for you at this time?

Commissioner Reardon: Thank you. Joseph Graieri? Susan Vine?

Susan Vine: Good afternoon. My name is Susan Vine, and this is my story. I have been a server for almost 30 years. I have several concerns on how this change could affect my family and my community. First, my family. I work six days a week to provide for my family. I am also a caretaker for my husband. Seven years ago, my world was turned upside down. My husband had a massive heart attack and was in a coma for six weeks. Now, he suffers from anoxic brain injury, and his motor skills are severely impaired. I depend on my tips, like most servers. He depends on me. I am the breadwinner. I am concerned about what will happen to my husband if my income is cut so drastically. My home, our lifestyle is in jeopardy. Second, my community. We have a lot of family-run businesses that will not survive, leaving so many people out of work. These are my family, my friends, and my neighbors, leaving the ripple effect devastating for our area in the Southern Tier of Corning. Thank you.

Commissioner Reardon: Thank you. Eric Lukash?

Ramona: Our next five speakers are Elizabeth Clifton, Christopher Clifton, Joseph Gallo, Joe Phinney, and Lee Nolting. If you are one of those five people, please come to the front.

Commissioner Reardon: So, do we have Elizabeth Clifton? I see people moving, but they are going that way. Christopher Clifton? Joseph Gallo? Joe Phinney? Lee Nolting? Next five, please.

Ramona: The next five are Charlie Aiello, Sara Siverd, Nicole Toney, Michaela Johnson, and Shaleem Malloy. Please come to the front if you are one of those five people.

Commissioner Reardon: Charlie? Okay, thank you.

Charlie Aiello: Welcome. Thank you for having me here to represent my restaurant. I own the restaurant for 36 years with my family, and mainly, Mr. Cuomo, you are crazy. That is what I want to say, you know what I mean? Because I already increased my prices once. I don't think I could do it again, you know what I mean? I live in a small town of 900 people. I employ over 30 employees, and a lot of people are like my family, but I tell you right now, you know who is suffering? It is the dishwashers. The cooks are suffering. You know why? Because I am giving my servers the money which they don't need because they are making $25.00 or $30.00 an hour. They are very happy. My server over there, she will tell you. So let's take care of the dishwashers, let's take care of the cooks, and let's take care of families like me. It took me 36 years in this business, and my kids work there, my family works there. It is in the small town of Whitney Point. I am an immigrant from Italy, and I love this country. I think it is the best thing ever, but Cuomo, do not do it because you have got a problem if you do do it. And that's what I want to say, you know. When I first started, I worked seven days a week for years. I still work 16 hours a day, you know what I mean? So is anybody worried about me working 16 hours a day? After 36 years, I still do it. You know why? Because unfortunately, I have to cut back here, I have got to cut back there, so I have to cut back, and I have got to work harder. After 36 years, are you guys kidding me? Look, I love my servers, I love all my employees, but this is totally sick. I work holiday, you know what I mean? I live in an area which is a little bit depressed, and Mr. Cuomo is making it more depressing. We bring in homeless people from the city. Well, good job, keep it up. I guess, what else do I want to say? Listen, do not do this because I work so hard, 36 years, and if you do this and put me out of business, it will be a devastation, and it cannot happen. So let's take care of the dishwashers, the cooks; the servers are very happy, $25.00 an hour, $30.00 an hour. Me and my brother built this business, 36 years. I just want to say one more thing; please look me up on Facebook. No, no, no, it is true. I have 17,000 people in five days. Ninety-eight percent of those people are on my side. How do you like that? Charlie Aiello, Facebook, see what I did, 17,000 people in five days. God bless.

Commissioner Reardon: Sara Siverd? Sara?

Sara Siverd: Good afternoon. My name is Sara, and I happen to work for the man who was just speaking to you, and I have to say I am so proud of the business I work for. He is fabulous boss. He works harder than any man I have met in my life, and he deserves to keep his business and keep the wages where they are at. I don't know if he can keep his doors open if you are going to double my pay in the next couple of years. I will also say that I have been doing this for 18 years, so my career is technically old enough to gamble. This is not a gamble I want to take. I have a family to support. I have four children by myself. I recently took custody of two

additional children because I have a heart like that, and I don't know, if you cut my wages, I will not be able to take care of these kids. I will be on welfare, I will be on food stamps, and I don't want that. I am an independent person. I have worked so hard for everything I have. Some of the negatives that people have been saying. I would like to address those. I don't want to be too much of a broken record and repeat what every server here has said. I want to address the sexual harassment. Somebody said that we were scantily clad this or that, let me tell you, gentlemen, that is the shirt I wear, the same shirt you have on, buttoned up. I wear a tie, long black pants, no skin. As far as that sexual harassment goes, my boss has my back. If somebody grabbed me, I would go to my boss, and he would say that is not acceptable. When I am at the gas station, when I am walking down the street, I wish my boss was there to have my back because that is where I have been sexually assaulted. That is where I have had problems; not at my job. Benefits? If that is the concern that we are not; I have a 401K, I have a Roth IRA, I own two vehicles, I am successful. I have made my life in this industry. I have almost twenty years of experience, and I consider that an education that I was lucky enough to have and get paid for. I have been to wine seminars, I have been all over food tasting, food shows; I have done everything in this industry to make sure I'm at the top. The pay gap that Rose Batt referenced; I am really proud that she said that. I know she meant that as a negative, that we make $0.91 to $1.00 that men make; every other industry it is $0.80 to $1.00, so we are actually doing better in this field. And they are saying no job loss? That's impossible. I am going to be replaced by a tablet, and I can guarantee you that tablet is not going to give you the conversation that I do, they are not going to give you the fresh-grated cheese and the fresh-cracked pepper that is something extra that fine dining allows you. And this will get rid of fine dining. It is all going to be a monotonous industry because nobody is going to work harder. I am not going to grate your cheese if you are not tipping me. I hate to sound like that person, but I won't have time, as I will have double the tables. I won't be able to do it. He is going to have to cut his staff in half. The tax argument; I do have to say, we do pay taxes. My boss keeps track of my sales, and if I am not claiming enough, he says something. Thank you so much for your time.

Commissioner Reardon: Nicole Toney? Nicole Toney? Michaela Johnson?

Michaela Johnson: Good afternoon. My name is Michaela Johnson. I have been in the industry for ten years. I have been on both sides. I was a server for many years. I am now currently a manager. I am employed by Outback Steakhouse. As a server, I got my family, I raised my family, I went to school. I chose to stay in this industry after going after a degree not in this field. I have passion for here, for this industry, which has taken care of my family. The company that I work for and the people that I work with, we have policies firmly in place to take care of things like sexual harassment, tip credit, wage theft. Those are not an issue for us. Please go after those people who do have those issues. Please help them out. We are asking you to do that, but please do not punish those of us who have done our due diligence, who have done right by our staff, and have done the legal thing. My staff is my family. I have their backs, and they have mine. We want nothing but the best for them, and my servers make more than me on most days, but I take care of them nonetheless. They take care of me. Unfortunately, if this wage goes up, my business will be affected. Their hours will be affected, their money will be affected, and their respective families will be affected. It is not just one person, not just a couple

of people, it is our entire industry. Unfortunately, we can do nothing but ask you to consider our side and to take it to heart that we do not need this change. Thank you.

Commissioner Reardon: Shaleem Malloy?

Ramona: After Shaleem, our next five speakers are John Vigliotti, Calanne Van Laeken, Kuran Van Lacken, Amy Conrad and Corey Mott. If you are one of those five people, please come to the front.

Shaleem Malloy: Good afternoon, my name is Shaleem Malloy, and currently, I am a server at Outback Steakhouse in New Hartford. Michaela is my manager, and she is actually the one who hired me. I have been a server now for a little under two years, and before that, I was a customer service rep at various locations over the past eleven years. During those eleven years as a retail worker, the highest wage I ever obtained was only $15.00 an hour, working 40 hours a week, and that was pretax. That wasn't enough to provide for myself and my four children. I also wasn't able to spend as much time as I would have liked to with them. I was fortunate that my sister worked in the restaurant industry, and she told me that it may be a good switch for me, so I took her advice and I decided to look for a job as a server. It has been the best decision I have ever made. As a server, I average anywhere from $28.00 to $30.00 an hour, and that is before even my hourly wage of $7.50, so in actuality, we actually average between $27.00 to $37.00 an hour, which you can't get that anywhere. I only work on average about 25 hours a week, and working 25 hours a week, I can make almost $600.00 to $800.00 in that one week, which allows me time to take care of what I need to at home and also spend more time with my children. So being that I have that outlook of the retail side for so long and being so new to the server world, I don't see any need to raise the wage from $7.50 to $10.50 because of as of right now, I already make way more than minimum wage. I have my own house, I have a car, and I have four children, and I would not be able to take care of them working 25 hours a week anywhere else. So I definitely think that the wages should remain the same as they have been. Thank you.

Commissioner Reardon: Thank you. John Vigleotti? John? Calanne Van Laeken? Kuran Van Laeken? Amy Conrad? Corey Motts? Next five, please.

Ramona: Next five are Elizabeth Nicholson, Malinda Prinzing, Angelyn Pompa, John Perry and PhyllisPhy Henderson.

Commissioner Reardon: Do we have Elizabeth? Malinda Prinzing? Angelyn Pompa. Okay.

Angelyn Pompa: Hi. My name is Angelyn Pompa. I would like to thank the Department of Labor for allowing me to speak. I am 27 years old, and I currently work at Hooligan's Seaside Grill in Webster. I have been with the company for eleven years. I started off as a hostess when I was 16, a server when I was 18, and I am currently a bartender/cocktail waitress. Under this new bill, my entire life would change drastically. In reality, my pay would be cut by more than half. I have built my life based on the income I currently make. Working in this industry, I am able to afford a mortgage, a car payment, among many other bills. I attend classes at St. John Fisher to obtain my Bachelor's Degree in Biology. If minimum wage is increased and tipping is

limited, I would potentially lose my home. I would have to drop out of school to pick up a second or third job to try to meet my bills. On behalf of business owners, menu prices would rise, based off of that, guests would not want to tip anything additional. Customer service would decline, and servers would have no incentive to work harder for bigger parties. Especially at Hooligan's, we have many sporting events around the area, so we have large groups about 50 or plus people coming in at one time. Finally, tipped employees in this economy are more likely to have cash in hand. Everyone uses plastic these days, so when there is cash at hand, people are more liable to spend it. For example, I made additional income the other week and ended up spending about $600.00 at Target. Spending sprees like this, which boost our economy will cease to exist. Thank you very much.

Commissioner Reardon: Thank you. Watch out for that cash! John Perry? PhyllisPhy Henderson?

Ramona: Our next five are Gregory Scialdone, Jacob Martin, January Baker, Jeanne Bowman, and Jenna Bush. Please come to the front if you are one of those five.

PhyllisPhy Henderson: I would like to start out that I am opposed to the Governor's plan to give servers a flat wage of $10.40 an hour. Servers choose this job, and I emphasize the word chose for several reasons, tipping being first and foremost. Up in Canada, servers are not tipped as well because they do make a higher wage, and I know this because I have dual citizenship. My client base, my customer base is partially or largely Canadian due to the fact that I am on a major highway coming in from Canada. We discussed this. I could not do this job if I lived at home. I would have to have what I call a big-girl job. Flexibility in scheduling is another reason we chose this profession. The ability to control the amount of hours we work is another. Terms like dignity and exploitation have come up in relation to this matter, as well as fairness. I would ask, is it fair to try and take away our livelihoods? If we wanted to work for $10.40 an hour, honestly, we could chose to work at Wal*Mart as a greeter or as a dishwasher, which are both honest professions and hardworking professions, but they are also very low paying professions. I, for one, will not work $10.40 an hour. I didn't need the $7.50 I was given. I was good with $5.00. All I need to do is cover my insurance and my taxes out of that paycheck. I live off the tips I make. Basically if my tips go down or become nonexistent, I lose half of my pay yearly, if not a little more. We are talking to the tune of twenty to twenty-two thousand dollars a year. Would you rather tax me on $20,000.00 or $21,000.00 or $42,000.00? I would think the state needs the tax money coming out of $42,000.00. This is going to impact delivery drivers, retailers, wholesalers; small businesses can't sustain a $10.40 an hour with a server. They would have to cut back on all of their employees, including servers. They can't afford to give raises to those who work in the back of the house if they are paying me some ridiculous $10.40 an hour, when I make out better making tips. It just makes no economic sense. My buying power goes down. I was going to buy a Jeep three months ago, but I am afraid to now because I don't know if I will be able to sustain payments if my checks start going down. I have a mortgage that I am paying off in six years. Not if it goes away.

Commissioner Reardon: Gregory Scialdone?

Gregory Scialdone: Thank you for having me here today. I just wanted to start off by letting you know that I work a normal Monday afternoon shift at my restaurant. I make average $100.00 to $120.00 every single Monday. I gave up that shift to be here today, so I am losing out on money to be here. I have been in the industry for 18 years. I have done everything. I have cooked, I have managed, I have bartended, I have served, I have anything and everything in the restaurants. I have seen the money that the servers make, and that is why I keep coming back to it. I started off at 13 years old, waiting fish fries on Friday nights at a lodge, making a hundred dollars a night at 13 years old. I went from that to cooking, went back to serving, went to managing and getting a salary, went unemployed, was told I did not need to take a job that paid me less than $22.00 an hour because of my salary and my experience. What did I do? I went back to serving and bartending. When we went from five dollars and hour to seven-fifty, we didn't ask for it. We didn't want it. I still don't want it. Pay me five dollars an hour. All it has to do is cover my health insurance. That's it. Most of my guests that come in are regulars. I take care of probably four sets of regulars on a daily basis. They come in every week, request me. If I am not there, they come back the next day. If you knock us to $10.40 an hour, that's $395.00 a week before taxes. I can make that in two shifts. The one fair wage, it is not fair. Like I said, I have been doing this for 18 years. Most people in this room have been doing it for 10, 15, 18, 20 years, 30 years plus. Ten-forty is not a valid wage for us. You should be paying us more than that, and guess what? Restaurants will not do that because they will have to close if they want to pay us what we deserve with our experience. The people that are supporting the set minimum wage are the inexperienced servers, the ones that have been doing it for two, three, four years that don't have the clientele base. Also, the people that don't serve or have never worked in a restaurant in their entire lives. They are the ones supporting it because they don't want to tip us anymore because they don't think we deserve it. Also, tipped employees, I heard someone say this earlier, they are responsible for cleaning toilets; I have never worked in a restaurant where a tipped employee has to do anything outside the scope of taking care of a guest, whether it is cleaning toilets, shoveling snow, washing dishes; all we are responsible for is the guest and their happiness and making sure that the tables are clean and they got their food. Thank you very much.

Commissioner Reardon: Jacob Martin. Jacob? January Baker? Jeanne Bowman?

Jeanne Bowman: I just want to thank you for having me here today and allowing me to speak. I am 58 years old, and like what everybody else has said, please do not eliminate the tip credit. I have six beautiful grandchildren that I drove to Rochester every Monday morning to be with, and it just broke my heart this morning that I couldn't get in my car and go to Rochester; that I chose to come here. This is all I have ever known, this is all I have ever done. I work at Pronto Joey Joey's off Carrier Circle. Two great restaurants under one roof, been there for 24 years. I have never had a problem with anything. I love the people I work for. I have watched Eleda Decuffa grow up, watched him go through high school, college; it is just a devastating feeling to know that my owner; I am not going to have a job. I will have a job, but it is going to be half of what I am used to. I work every shift I can work except for with going to Rochester on Mondays for my daughter. She is an RN. She has a very stressful job. She has six girls that she has to get up if I don't come at five o'clock in the morning. They all pack their lunches, they all go off to work, so this job has really benefited me. I can't imagine losing this job. I don't know what I

would do. This is all I know. I am 57; where am I going? What am I going to do? Go mop floors some place? So I just beg Governor Cuomo to please reconsider what he is trying to do. And again, thank you very much for giving me this opportunity.

Commissioner Reardon: Next five, please.

Ramona: The next five are Colleen Elizabeth Buske, Mara Parker, Joedy Hill, Elizabeth Golden, and Cassandra Drake. Please find your way to the front.

Commissioner Reardon: Colleen Elizabeth Buske? No. Mara Parker?

Mara Parker: Good afternoon. I was at the Watertown hearing also. My name is Mara Parker. I bought a restaurant in the Thousand Islands three years ago, and I have been in the business as a server, a bartender, and a manager. I decided to buy a restaurant three years ago, and the first initial increase in wage affected us a lot. We had to cut back on 16 people. Now, with that, I work 18 hours a day. If you give us another increase, I can't do physically or mentally work any more hours than I am. We are in Northern New York, up on the St. Lawrence, and our area of Cape Vincent, Clayton, and Alexandria Bay is made up of only mom and pop restaurants. There are no chain restaurants. We cannot absorb the increase of this wage. I have worked with servers for over 30 years in small towns and in cities, and in all my years, I have never heard anyone complain about the amount of money they made as a bartender, server, or of being sexually harassed. We have to keep in mind our business is a luxury. People don't have to go out to dinner. If we keep raising our prices to make up for this increase, the first thing that is going to go off people's list is going out to dinner. One of the items on my list would be hiring students under 18. They do not deserve to earn a living wage when New York State does not allow them to do all the jobs. With the elimination of the tip credit, you are stomping on my dreams. I work very hard 18-hours minimum a day. I don't do anything, I don't ask my servers or anybody to do anything more than what I would do. If I have to close my business; what is going to happen is you are going to put a lot of people out of work, and there is going to be one less Quick Draw machine in New York State. And all these bars and restaurants that own these Quick Draw machines; New York State is going to lose a lot of money. And I am going to get to this; is that it started in 1995, Quick Draw, minimum wage was $4.25, and you paid us six cents on the dollar. Minimum wage has gone up six dollars and forty cents; we are still only getting six cents on the dollar, and it takes a human to run that machine, you are not giving us the increase that we need to run our business. In closing, I just don't understand what this is all about. It is not broken. You don't need to fix it. There are so many things on your list that need to be fixed, and this is not one of them. Thank you.

Commissioner Reardon: Joedy Hill?

Joedy Hill: Good afternoon, ladies and gentlemen. I was in Watertown, and again, and at that point I didn't write anything. I am just speaking from my heart. Again, I really think that you people aren't grasping what we are really asking of you. All we ask is to let us do our jobs. I, for one, was hired at a rate that I knew I was getting. It wasn't a surprise. I was asked if I like to have a good time, if I wanted to wait on people, and just be part of the public. You go out to eat,

and you like to know who is waiting on you. I went to Red Robin or wherever else, I don't even know, TGI Friday, I believe. They have little tablets on the table. I don't even know how to use one of those tablets! If I had to use one of those to get food, I would starve to death, which wouldn't be a bad thing, but anyway, it is ridiculous. That's not what I want when I go out to eat. Another thing I thought of after I left Watertown, my son, who is now a doctor, he is a veterinarian, he worked just one summer between his first four years of college and his medical school. He earned enough money in four-and-a-half months as a bartender, and he is a fantastic bartender, and he is also a fantastic doctor, but he made enough to pay for his first semester in the Caribbean. That is where he attended school. He made enough to buy his now wife a beautiful engagement ring. He wouldn't have that luxury working any other kind of a job at all. There is no way on God's green Earth that he would ever have been able to afford something like that at a minimum wage job. I don't make minimum wage. Yes, I do make below minimum wage, but with my tips, yesterday for instance, I made $37.50 an hour. Okay? I am not complaining. My wages are not broken. Please don't fix them. You are not helping me. You are hurting me. I want to work two days a week, three days, two days a week. I want to spend time with my kids, my grandkids. I don't want to have to work a forty-hour week to make what I make in two or three days. Simple as that. Thank you very much for hearing me. Please take this into consideration.

Commissioner Reardon: Elizabeth Golden?

Elizabeth Golden: You guys, thank you for listening today. I am going to start off from the heart first. I am going to be 55 years old on May 28th. I have been in this business for 35 years. My husband is in law enforcement, drug enforcement, so he is not allowed to help me in my business because of his New York State Liquor Authority law. I do work seven days a week. I will wash dishes, I work along with my employees, I never ask them to do anything I would not do. We have been there for each other, if they have a financial problem, a death in the family; we are a family. Whatever Governor Cuomo is trying to do with this proposal, my employees, I am here to speak for them today, do not want this. A lot of them have said they will leave this industry. I have worked so hard to get the employees that I have. We live in a very deprived area. We are on the Canadian border in the Thousand Islands. We have three months to make it. As I told you at the last meeting, I am going this summer $40,000.00 in debt. I lost money trying to stay open this winter. It is horrible. We live in an area with a lot of welfare. Raise the minimum wage right now is still not making people come out looking for jobs where we live. We can't find people to work, so we get a good staff, we are fortunate. I want to give Governor Cuomo some advice, what we need to do in this state. We need to stop driving small business out of the business. We need to stop large businesses from leaving our state. We need to stop driving citizens out of state due to high taxes and utilities. We need to stop putting the overspending of New York State on current businesses and the taxpayers. We can't afford anymore. Raising the minimum wage is not making people look for jobs. We need to stop creating problems where there are none. We need to stop trying to fix things that are currently working. Governor Cuomo says he gives incentives in this state. It is not to small business owners at all. He just keeps raising our taxes and fees. We are killing the young workforce. I looked up a report from May 2017. We spent 131.9 billion dollars, our government does, on welfare. Make these people go out and look for a job. Quit raising things on us. If this

regulation passes, my Workmen Comp insurance will automatically increase by 35 percent or more. Payroll dollars will continue to raise with no increase in sales. Costs of food and beverages continue to rise due to the domino effect of continued increased mandated wages, thus profits continue to decrease. We have now less employees doing more work, and I see no decrease in the welfare rolls. People are not looking for jobs, and a good percentage cannot of ones cannot pass a drug test. There you go; if you want to put people on welfare, make them do a drug test. Make them go out and work for their money. We do work for our money. Please stop putting all of the burden on the businesses that exist right now. Governor Cuomo, it is not about you; it is about us! It is about us! Stop rewarding bad behavior and non-accountability. Please listen to us, you guys, I want to stay in business.

Commissioner Reardon: Thank you. Cassandra Drake? Next five, please.

Ramona: The next five are Nicholas Moon, Deborah Graham, Ashley Mothersell, Jessica Diaz, and Alyssa Burns. Please come on down to the front.

Commissioner Reardon: Nicholas?

Nicholas Moon: Alright. Leona Allen, Katherine Carnahan, Kim Dembostan, Louise Bruno, Kim Loftus, Grace Majarett, Connor McClusky, Lauren Millens, Sidney Murphy, Schyler Patterson, Lizzie Paul, Stephanie Short, Emily Valley, Caleb Benton, Carly Boyer, Savannah Benton, Caroline Brady, Johnnie Cappelle, Emily Coble, Logan Hicks, Joan Jackson, Cooper Johnson, Nancy Matter, Katelyn Nash, Cassie Patrick, Aubrey Riley, Michelle Smith, Peter Wortman, Anthony Paluso, and Jensen Kingsley. This is a list of 30 hosts, hostesses, and bussers that are facing the very real danger of losing jobs if Governor Cuomo decided to eliminate the tip credit. These are just employees from two of the thousands of restaurants in New York State. The final number of employees that would be left unemployed as an indirect consequence of the tip credit elimination is staggering. Keep in mind this only the hosts, hostesses, and bussers. To cover the cost of the spike in our pay raise, owners will also have to make cuts in the kitchen, as well, if not shut down completely. An owner can't simply cover the cost by raising menu prices. I have three years of W-2's that show I make a minimum of $50,000.00 a year. Does that seem like a number that makes you worry that I am living in poverty? I don't qualify for Medicaid, food stamps, or any other assistance from the state. Thankfully, I don't need it anyway because I make more than enough. On the other hand, those 30 names along with the tens of thousands of other people that would be left with no jobs will need Medicaid, food stamps, and whatever other assistance is needed after being left unemployed. Tell me this, would you rather deal with the floods of paperwork costing the state millions of dollars in taxpayer's money to list these newly and wrongly unemployed workers to get the assistance they will need because someone thinks that the people that make the most need more or just leave us alone? Leave our pay alone because it is more than enough as is. We are not victims, and we as servers do not need help. However, our colleagues do. Help us save our jobs and our industry. Again, my name is Nicholas Moon, and I am here to fight for my livelihood, as well as all of yours. Not only that, the ones that aren't here to fight for themselves. I represent our industry. I have traveled to Long Island into Watertown, and now I sit here in Syracuse before you today. Have no doubt, you will see me next week in Buffalo, the next week

in Albany, and for the last time in New York City, unless you decide to come and enjoy a truly amazing meal at Longfellow's with me. I think you know by now, we will not simply sit by and be a victim to one fair wage. We will fight until we can't. I will fight for those that don't until I am made to stop. I challenge Cuomo to face us himself. I challenge Cuomo to come sit down at one of these hearings and hear our piece. Until then, I will keep preaching to you on that note. So on that note, thank you again for listening. You know, it has been nice the past three weeks, and I look forward to seeing you all in Buffalo.

Commissioner Reardon: Deborah Graham. Deborah Graham? Ashley Mothersell? Jessica Diaz?

Jessica Diaz: Hello again, ladies and gentlemen. This is our third encounter out of what will be six. I would like to talk about some different issues today than what we have listened to. Being that this is our third location, we have seen Long Island and we have seen Watertown, very different areas altogether, and here we are now in Central New York, Syracuse, New York with, may I say two out of three of these hearings have been pro-tip wage and pro-serve and saving our industry, so two out of three, we are here to represent. What I want to talk about is, I am not sure if you guys notice or not, but we have certain people that are speaking for us or here to protect us, celebrities, Sara Jessica Parker; she is holding a gala in New York on May 21st, raising money for I don't really know what, to be honest with you, where the money is going to go, I would like to know, and I would also like for everybody to realize that 75 percent of sex in the city was in a restaurant, so how would that movie and all of her shows made it had they not had a location to film it? Then I wonder, did they tip or not tip? I mean, we are talking New York City here, but you know what I mean? It is just kind of funny how these celebrities that were never servers are here trying to stand up for us. Cerue; she is like a Berkeley professor, and she has never been a server her whole life either, and these are two women that are attending galas in fancy dresses and spending lots of money to represent us. Well guess what? We are here without fancy dresses, without the extra money, and we are representing ourselves to you, and it just boggles my mind how they think getting dressed up, walking down a red carpet is going to make any difference, when the people that you are trying to save and trying to help are here physically, human to human with you. Where is Sara Jessica Parker? Where is Cerue? Where are the main ROC people? Where have they been? Three times we have been together. I haven't seen them here once. I have been here all three times, along with other people from Saratoga Springs, Long Island, wherever we come and we join, we are speaking to you as the servers, as the ones who are really going to be directly affected. And if these women are so fair wage, would they like to do their professional jobs for $15.00 an hour? I really doubt that she would be up there doing that for $15.00 an hour. Like not even close! So again, it boggles my mind that they are out here fighting for us, when we are here fighting for us. Where are these people? Are they going to be at the next one? Are they going to wait until we get to New York City, where it is convenient for them? When it is inconvenient for us, and we are going to strive and make all the efforts we can to save the restaurant industry. Help us save the industry. It is not about tips, it is about our industry, people. Please help us.

Commissioner Reardon: Thank you. Alyssa Burns? Alyssa Burns? Next five.

Ramona: The next five are Kacie Grubb, Randy Miller, Leah Johnson, Teresa, and Victoria Cole. Please come on down to the front.

Commissioner Reardon: Kacie Grubb? Randy Miller? Okay.

Randy Miller: Good afternoon. My name is Randy Miller, and I don't know how I got to speak, but I think I checked the wrong box, so here I am. I have been doing this for 38 years, for all my life, if half my life. There is not a better place to be than to be a tip server. In today's day and age, you know, you look at the little bit of short hours we work, we make a lot of money. I look forward to keep on making that money. I work at the Scotch and Sirloin for ten years. I work for Tom Tiffany, and I can say I have been a food and beverage director, I have been an owner, I have been a general manager; I have never seen one independent owner that cares for his employees the way Tom Tiffany does. From benefits to insurance to dental to just sticking there for them; Tom Tiffany is there for you. So I am not going to take up three minutes to just say. We don't need this, we don't want it, and like I said, I want to keep working for Tom Tiffany. He is a great guy.

Commissioner Reardon: Thank you. Leah Johnson? Leah? Teresa? Victoria Cole? Okay, next five.

Ramona: The next five are Carol Bennett, Vera Ditch, Alfred Ditch, Alexander Reed, and Tammi Carl. Please come down to the front.

Commissioner Reardon: Carol? Is there a Carol Bennett? No. Vera Ditch? Alfred Ditch? Alexander Reed? Tammi Carl? Tammi? Good.

Tammi Carl: Hello. Thank you for the opportunity to speak today. My name as we all know now is Tammi Carl. I am a server and bartender from Corning, New York. Why? Can someone please tell me why Governor Cuomo is so against the food industry? I have read every article I can find on this proposal to do away with the tip credit, and it is nonsense. When it comes to the food industry, the ending of the tipped credit will not only hurt me, it will deeply impact my community. Corning, New York is a city with a population of only 10,978 people, and that is according to the 2016 statistic census. Out of those 10,978 people, 10.2 percent of our community work in the food industry, but that is 20 percent of the people who are employed in our community. It is number two as far as employment of the community of the City of Corning. We have approximately 39 restaurants in our community in the City of Corning; 35 of those employ tipped credited employees. The wage hike that went up into effect on December 31, 2015, cost the New York employer an average of $10,000.00 more each year for each full-time tipped employee in just wages, that is not including everything else. That is just wages. It cost them $10,000.00 more than our Pennsylvania neighbor. We are only just a few miles from Pennsylvania. So now what happens? The consumer either travels to Pennsylvania to get cheaper food and beverages, or when they do come in, they are making up for the higher guest checks by lower tips and also they are purchasing less. They are now skipping the appetizers, they are drinking water, they are skipping the desserts. Because by doing that, they can keep their guest check balance lower, and what is also happening when they do that, the restaurants

are not moving less product, so the restaurant sales may show the same, but they are not because their food is costing them the same if not more, their help is costing them more, and people aren't buy the product to make up for it. All in all, I have to say if the issues are to do with the carwashes, make them get rid of the tip credit. Don't save me; save my industry, save my community. I don't want the tip credit to change.

Commissioner Reardon: Thank you.

Ramona: Next five are Michael Sorge, Tracie Williams, Barry Gordon, Veronica Abila, and Darrel Sukhdeo.

Commissioner Reardon: Do we have Michael Sorge? Tracie Williams? Barry Gordon? Tracie, great. Thanks.

Tracie Williams: Hello, Commissioner Reardon. My name is Tracie Williams. I drove two and a half hours to be here today to speak. I won't be available when you come to Albany; I will be on a trip. I have been in the service industry since I was 15 years old. I am currently 52. I choose to do this profession as a moonlighting profession in addition to being a realtor. I don't sell a home every week. I sometimes don't even sell a home every month, so I use serving as a bridge career. I enjoy it. I work with young people. I am able to help put my daughter through college with it. She is also a server in the summer, and she is able to buy her books and have her spending money. It is a lifestyle choice for me. About a year and a half ago, I was going to give up real estate and go into a daytime career, regular profession, and I lasted about three months. I have five years of college. I was working alongside of people who have college degrees, and I was working at the time four days a week, some five days. Then I started to think, what am I doing? I can work two nights as a waitress and make the same money I am making in four to five days a week, along with all these other people, and I can afford to go to a gala in Saratoga with my extra cash. I can, took my daughter out for her 21st birthday two nights ago, and I can afford a bottle of champagne with my extra tip money, and then when I sell a house, I pay my dentist bill, or I can afford a vacation. So to take this extra money that I count on away, because I know that people will not tip once the wage goes up the way that they do now; I have several customers that come into the restaurant, and I see them every week, every other week, and we wave, we talk, sometimes I wait on them, sometimes I don't. The young people I see go through the restaurants are stay at home moms. They go to work at night, when their husband comes home during the day. Two of them just bought houses. I have sold houses to people I work with in the past. I mentored other people I work with just by being one of the oldest people on the staff, by saying hey, you don't want to be doing this when you are my age! Go apply for that job and become a police officer. Needless to say, you know they do trust my opinion, I mean, I am educated and we are all friends. We are like a family. I also work for Tim Holmes, who drove here from Saratoga today, as well. He owns four restaurants. I hope mine isn't one of the two he will have to close. But at the same time, he has a zero tolerance policy on sexual harassment, and the minute you are hired, you are told that. I have never felt any reason to feel threatened by any other employees, and if anyone were to even slightly joke about it, there would be another employee, you would just get the look, it is just not acceptable. So I think you have a

responsibility as a person at your own workplace to speak up for yourself or go to your manager. I don't feel like this career

Commissioner Reardon: Thank you. Thanks. Barry Gordon? Barry? Veronica Abilia? Darrel Sukhdeo?

Ramona: Okay, next five are Tammy Timmerman, Tracy Tucker, Thomas Volungus, Ronald Schultz, and Mark Rhode, and Jason Thelmus. Please come on down to the front.

Commissioner Reardon: Tammy Timmerman? Tracy Tucker? Thomas Volungus? Thomas, great.

Thomas Volungus: Thanks to listening to everybody, first of all. It is going to be a long day for you guys again.

Commissioner Reardon: It is what we do.

Thomas Volungus: My name is Tomas Volungus. I have been in the food service industry almost all my life. Do I need to sit up a little bit?

Commissioner Reardon: His mike is a little low.

Thomas Volungus: About the only time I wasn't in this industry, was when I served our country. Why, you may ask, do I love this place? I love seeing people enjoy those special days, being able to cook that special meal for that person. I can't do that now. I just lost my restaurant on March 25th because of the wage increases. I was in business for eleven years. What is this state doing to us? I can't help my community now. I can't help my staff. I lost 40 staff members. I look at every single one of them and say you are unemployed because I can't pay the bills. I can't pay your labor anymore. I took all my savings, everything, I took my dad's savings. He is 77 years old. We tried to make it work. You guys are killing the industry with all these wage increases. It goes to your unemployment insurance, but do people realize on the outside of this industry, all the insurances, all the back bills that you have to have? I paid thousands and thousands. You just lost $590,000.00 in salaries because of the tax increases and increases on minimum wage; $590,000.00 are off the books now. I thank you for doing that because this is what Cuomo is doing to this industry. They are killing it each and every day. What is good for New York City and the issues that the other tipped employees are having; it is not in the restaurant industry. I have never, I have had this, in the ten years I was in business, or eleven years, sorry, I had the Labor Department in my restaurant three times. They fined me because I didn't have a washing machine for my servers' to wash their uniforms, when I first opened. Now there was one, but it broke, and somebody turned me in because I didn't pay for their uniform cleaning. Well, that's it. They never found anything different. I ran a great business, and now it is gone because of what they are doing. I am emotional, I am sorry I cried a little bit, but I just lost another almost million dollars, and I don't know what else to say. Thank you. I hope this doesn't go through for everyone else that is back there. Good luck.

Commissioner Reardon: Ronald Schultz? Ronald Schultz? Mark Rhodey? Jason Thomas? I have four additional names; Richard Hubbard? Followed by Laurie O'Brian, Kimberly Sardo, and Angelique Elios. Richard?

Richard Hubbard: My father put me in the business, so I wouldn't go in the Vietnam War. I wasn't a good student, so I went to Sullivan County Community College to be a chef. I then went to Shannon University, and I graduated from the University of Denver with a business degree. I help run Cork'N Cleaver Restaurants, which is owned by Charterhouse Restaurants. We had over 1,000 restaurants in this country. I then ran the Sherwood Inn, and for 34 years, I have had my own restaurant in Cazenovia, New York. Last year, I sold to my employees. Someone said disingenuous. I think that is really what is going on here. I think there is hypocriticalness in it, as well. In 1970, I made more money than my brother, who was a lawyer when I was a waiter. All my waitresses probably make more than ninety percent of your staff here today. This has nothing to do with their earnings. It is about their taxes. When I was a waiter in 1970, I had to declare one dollar an hour. My brother had to declare his whole paycheck. Probably not fair. In 2000, New York State made my restaurant declare all of my waitresses' wages, so you could get their taxes out of them. The reason you gave them a raise a couple of years ago is because they were all getting zero paychecks. You needed their cash faster. That is the only reason you gave those people money because you didn't give the dishwasher money, you didn't give the bagboy money, you needed your taxes, okay? And that is the same issue right now. You have raised it up to 100 percent, so they are now declaring $60,000.00 a year. This subminimum wage thing is phony, totally disingenuous. This is about Cuomo and getting his money. It is about taxes, and you are putting people out of business, and probably not just to the restaurant business, probably to all businesses. If I was the employee of Cuomo, and I had to sit like you and listen to us, I would feel really bad that he is the guy I don't want to work for. You are forced to be there, I know that. I know that, but all you people behind me, there is chance to get rid of him when you elect. If you find somebody else, well you are the largest body of people in this state, the waitresses, waiters, and this business; and if he heard that you didn't like him, and you would hire somebody else, maybe he would stop doing this kind of stuff, and maybe he would stop sending people here to force this down your throat. Thank you.

Commissioner Reardon: Thank you. Laurie O'Brian?

Laurie O'Brian: I hear a lot of commentary and people making what I think are assumptions that the tipping is going to be gone, and obviously your sign there says that it may or may not be, but I would like to make a point that if any of you worked in a restaurant industry, you would see why many of the servers and business owners feel threatened by this. Because although it is just a two dollar or three dollar increase to the minimum wage and just a few dollars per person per hour, there are so many other things that end up being affected by this. For instance, I have already done the numbers for, I own a business, by the way, two restaurants in Oswego, New York; and I have already crunched the numbers based on what my new payroll would be if all hours were still the same based upon my staffing and sales were similar, but basically for me to cover the increases, I would confidently be closing down my lunch hours, which would take away two servers, at least five days a week. Saturday is a good day for lunch, but Monday through Friday, not, so my business is primarily a dinner business. As well as, I think I would

probably just cut the last hour of business from eight o'clock to nine o'clock, so there would be some wages lost there. I used to, up until about a year ago, work off of one server at lunch because like I said before, the lunch is not my busiest time of year, but then I added two, and I thought maybe my servers would balk at it because they would have to share their tips, but the opposite happened, they actually were all for having a second server there because they felt they were able to spend more time with their customers and were actually getting better tips by splitting the workload and not having to run around because they were able to stop and engage, and I think that these are like all fallouts that you will see happening if we have to start cutting staff on our end as business owners, which we will have to do. We are business owners. We have to live within margins. We have a financial statement, and we stay in percentages, benchmarks. If I can't, I can't take a loan from a bank, I can't, it is kind of my business. That is just what I do, it is what I am built to do as a business owner. I think you will see that one of the reasons why people here are so vehemently supporting this when you would think it would be, it would make sense to support a pay raise, but they realize that it really isn't a pay raise for them because so many other things will happen. Another thing I will point out to you is we server wood-fire pizzas, and in 2011, that same pizza cost eleven dollars for a 12-inch wood-fired pizza, and today it is $14.00, and in 2019, I will probably have to raise it to $19.00 for the same eleven-dollar pizza I served in 2011. I don't think people will pay for it. So those are the things I wanted to bring up.

Commissioner Reardon: Thank you. Kimberly Sardo?

Kimberly Sardo: Good afternoon. Alright, I do have to apologize. I am a little unprepared. I wasn't planning on speaking today, but thank God I have my high boots on, because after listening to the bull from ROC, I felt as if I have to say something to them. So, my name is Kimberly Sardo. I am a restaurant manager at the Clam Bar in North Syracuse, which is actually a staple in Syracuse. I have 32 employees. With just my waitresses, and there are only twelve of them, I am looking at a $97,000.00 increase. I have to cut staff, which my own daughter works there. I will have to let my own daughter go, and I don't know if you would ever be able to do that. I can't do that. She is sixteen years old, and she has over $5,000.00 in a savings account that she earned from this restaurant towards her college. Now eliminating this tip credit affects all of us. The menu prices will increase, my regulars that are on budget incomes will no longer be able to come in and see me on a weekly basis. Eliminating the tip credit is bad for New York anyway you look at it, and that is all I have to say, thank you.

Commissioner Reardon: Thank you. The final speaker is Angelique Elios.

Angelique Elios: Hello, I also was not actually planning on speaking today, but I also felt compelled based on some of the other testimonies that I heard. I have worked in the service industry for about four years now with Applebee's as a server and bartender. Five years ago, I was enrolled at Le Moyne College. I was a junior, going for my Bachelor's in Psychology. I went through a series of unfortunate financial events through my family, and I actually had to withdraw and take a leave of absence. I also actually lived in a shelter for four months. Five years later, I have graduated, I paid my way through school, I worked my butt off to go back to school, get my Bachelor's in Psychology, and that would not have been possible without this

type of job and without the service industry. The hours that I needed to go to school during the day to take classes allowed me to work in the evenings and allowed me to serve and bartend. The money I was able to save and become financially independent would not have been possible. This job has opened so many opportunities and so many doors for me and continues to do that for me and for other people. It has allowed me to save up money towards graduate school now. The amount of changes I have made in five years because of this job and because of this industry alone, I can't even describe how unbelievably grateful I am. I know there are many, many other people with similar situations as mine with similar outcomes. I know there are single parents, just plenty of people. I can think of two other employees just at my restaurant alone, who currently go to school and pay their way through school, and numerous, numerous mothers with children that they need to support. This type of job with the flexibility and the hours allows them to do that. If minimum wage goes up, yes, you are not eliminating tips, but people will not tip, realistically it will not happen, and if they do, it will be at a minimum. It will not allow these people to spend time with their kids or go to school or create a better life or open more doors and opportunities. People will be let go, and unemployment will rise. People will be going to the unemployment offices and going for food stamps and going on welfare. It will affect everybody, and also, I can't speak for other corporations or businesses, but I know Applebee's in particular does things with the Make-A-Wish Corporation. And it always has a ripple effect. They donate, and I know numerous other foundations that receive benefits from restaurants and corporations, as well. Everything has a ripple effect, and when you increase this and business will go out.

Commissioner Reardon: Thank you. Thank you all very much for coming.