

May 8, 2018



The Honorable Roberta Reardon  
Commissioner  
New York State Department of Labor  
Building 12  
W.A. Harriman Campus  
Albany, NY 12240

**RE: Proposal to End Minimum Wage Tip Credits**

Dear Commissioner Reardon,

On behalf of the Capital Region Chamber, representing more than 2,400 businesses and organizations from throughout the Capital Region that employ 150,000 area residents, I want to advise you of the Chamber's strong opposition to the Department of Labor's proposal to eliminate the subminimum wage for tipped workers.

Imposing regulations and mandates, such as the proposal to end subminimum wage tip credits, would place a significant burden on businesses, particularly small businesses, tipped workers and consumers. The Chamber believes that employers and tipped workers are satisfied with the current tip credits mechanism and your Department's proposal is unnecessary.

The Chamber has met with our members that would be most impacted by this proposal and they are united in their opposition to eliminating tip credits. For the employer, your proposal will significantly increase their cost of doing business in New York State. For the tipped worker, your proposal will significantly reduce their income and may jeopardize their employment. For consumers, your proposal will increase the amount they pay for meals and services.

Far from being exploited, tipped workers in the Capital Region are treated with respect and dignity by their employers. Tipped workers that put in a fair day's work are fairly compensated. In fact, our member employers can tell you that many of their tipped workers have paid for their college education, their children's college education and have purchased their home because of the tips they received for their hard work.

When employers, tipped workers and consumers agree that the current tip credits system works, is fair and promotes economic stability, New York State should take a very cautious approach when considering any proposal that would eliminate the current tip credits.

The Chamber strongly encourages the state to pursue policies that make New York State more competitive and that lead to job creation. Proposing the elimination of the subminimum wage for tipped workers is both unnecessary and unwanted. The Chamber respectfully requests that you terminate any consideration of such a proposal.

Sincerely,

A handwritten signature in blue ink that reads 'Mark N. Eagan'.

Mark N. Eagan, CCE  
Chief Executive Officer

cc: Capital Region Legislative Delegation

At the Center of New York's Tech Valley  
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