

March 1, 2025

The Honorable Arthur J. Corvese
Chairman, House Committee on Labor
Rhode Island State House
82 Smith Street
Providence, RI 02903

Re: Opposition to H 5507

Chairman Corvese and Members of the House Labor Committee,

As an employee owner of Castle Hill Inn located in ,Newport I write to express my opposition to H 5507, which would eliminate the tipped minimum wage.

There is a reason people choose tipped restaurant jobs – they know the economics are in their favor. Tipped workers take these jobs for the earning potential.

As a server bartender, my life revolves around the hustle and bustle of the bar, the clinking of glasses, and the laughter of patrons. I've worked hard to build relationships with regulars, honing my craft to provide not just drinks but experiences that keep them coming back. But when I hear about the idea of eliminating the tipped minimum wage, I can't help but feel a knot in my stomach. It's not just a policy change—it feels like it could shatter the delicate balance of my livelihood.

So while some might celebrate the idea of a eliminating the tipped minimum wage, for me, it feels like a ticking time bomb. I love my job and the connections I've made, but the unpredictability of my income, the potential erosion of tipping culture, and the risk to essential services all weigh heavily on my mind. It's not just about money; it's about my life, my stability, and my future in a profession that I'm passionate about.

The median full-service restaurant tipped worker makes nearly \$29.00/hour in Rhode Island. In my restaurant, that number can go as high as per \$60 hour.

No tipped worker ever makes less than the prevailing minimum wage for any hour they work. Historically, when tip credit has been eliminated, the level of consumer tipping has dropped because of menu price increases or imposition of house service fees.

You may think by eliminating the tip credit you will be helping employees, but it will drastically change their earnings. The elimination of the tip credit will drastically change one of the fundamental business models in the industry, forcing me to quickly make changes to how we operate and force us to find ways to bear the cost of \$11.11 more per hour for each tipped

employee. This does not include the additional payroll costs such as workers 'compensation and other costs that are directly related to payroll.

The elimination of tip credit could be a catastrophe for our industry. I respectfully ask that you oppose H 5507. Thank you for your consideration.

Sincerely,

Melissa Meier
Cranston, RI