

Letter Opposing H 5507

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,

My name is Michelle Politano, and I am the Owner of PiANTA Vegan Restaurant in Providence, RI. I write to express my strong opposition to H 5507, which would eliminate the tipped minimum wage.

To be honest, I do not know a single person in the restaurant industry who thinks this is a good idea. Every time this issue resurfaces, it is pushed by people who are not actually working in restaurants and do not understand how tipping works in the real world. The elimination of the tip credit does not benefit anyone—not the servers, not the guests, and certainly not the businesses that will be forced to bear the financial burden.

What this bill really does is reroute the money that customers voluntarily tip to instead come from the business in the form of a mandated hourly wage. Why would we put this burden on an industry that is already facing massive financial challenges? Who does this actually help? It's certainly not the servers, who will now be stuck earning a flat hourly wage that is far less than what they currently make. Tipped jobs exist because people can make serious money based on their skill, charisma, and ability to provide excellent service—this bill takes that away.

At my restaurant, tipped employees make a minimum of \$24 per hour, even when performing side work. The idea that restaurant workers are making below minimum wage is completely false.

In the wild, the places that have already moved to an hourly wage model tend to have young, “sip-the-Kool-Aid” employees, no career servers, and mandatory 3-5% kitchen or service fees tacked onto the bill. It's a mess, and it doesn't work. When businesses eliminate tipping, they simply shift costs to the customer in a different way. Historically, when the tip credit is removed, tipping decreases due to menu price increases or the addition of mandatory service fees. The result? Servers end up making less than before, while businesses struggle even more to stay open.

If this bill passes, I will have no choice but to increase menu prices, reduce staff hours, and rethink my business model to accommodate these costs. The restaurant industry is already a difficult one—adding this unnecessary financial strain could be catastrophic.

You may think eliminating the tip credit will help workers, but in reality, it will hurt them. I strongly urge you to oppose H 5507.

Sincerely,
Michelle Politano
Providence, RI