

March 24, 2026

The Honorable Robert Britto  
Chair, Senate Commerce Committee  
82 Smith Street  
Providence, RI. 02903

Chairman and Members of the Committee,

My name is Elsie Foy, I am the owner of Aunt Carrie's Restaurant in Narragansett, a family run Fourth generation restaurant in our 106th year! I am writing to express my strong support for S 2344.

Like many small family owned hospitality businesses in Rhode Island, we operate on thin margins while struggling to survive with the rising labor costs, utilities, insurance and food costs. At the same time, most of our customers now pay with credit cards. Swipe fees are one of our fastest-growing operating expenses.

Currently, swipe fees are charged on the entire transaction amount, including:

State and local sales taxes that we are required to collect and remit to the state; and  
Gratuities that guests voluntarily leave for our employees.

These funds are not revenue to our business. We do not keep sales tax, and gratuities are passed directly to our staff. Yet we pay percentage-based interchange and assessment fees on those amounts as if they were part of our sales.

S 2344 would simply require that separately listed taxes and gratuities be excluded from the swipe fee calculation. It does not cap interchange rates or regulate overall pricing. It ensures that businesses are not charged fees on money that does not belong to them.

Our point-of-sales systems already itemize taxes and gratuities separately, so this reform aligns with existing business practices. For a small hospitality operator, the savings from this change would be meaningful and could be reinvested in wages, improvements and price stability for our guests.

I respectfully urge you to support S 2344.

Sincerely,

Elsie Foy  
Owner  
Aunt Carrie's Restaurant  
Narragansett

