



Dear Chair Kushner and members of the Committee on LABOR AND PUBLIC EMPLOYEES

I would like to thank you for the opportunity to speak today on this very important issue for tipped workers. My name is Sally Greenberg, and I am CEO of the National Consumers League. I am here to urge the inclusion of ending the subminimum wage for tipped workers in SB 221. The subminimum wage for tipped workers is still just \$6.38 an hour in the state of Connecticut.

A direct legacy of slavery, the subminimum wage effects for a workforce of nearly 70,000 tipped workers that is 69 percent women and 28 percent people of color. Ending this low wage carve out positively affects an overall restaurant industry of over 113,000 workers in Connecticut.

The restaurant industry has still not fully recovered from the pandemic. We know that in Connecticut, many workers left the restaurant industry and have not returned. Too often, restaurants that oppose better wages will claim that this is a result of a “worker shortage.” However, as One Fair Wage published in a recent report, the current restaurant industry isn’t facing a worker shortage, it’s a wage shortage.

Our industry in Connecticut needs to stop basing its business strategy on a 150-year-old system that is the direct legacy of slavery and join the modern working world. Already 7 states, Alaska, California, Minnesota, Montana, Nevada, Oregon, and Washington, pay the full minimum wage with those of us here in the District of Columbia joining the club. I live and work in DC and go out to eat five times a week for lunches, and dinners. The restaurants are packed and buzzing, and people are willing to tip on top of a fair wage. More restaurants have applied for licenses from the previous year since Initiative 82 went into effect.

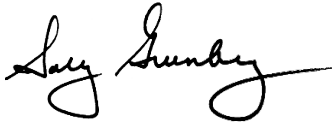
Any problems or confusion that has occurred as we implement the new law here in DC is caused by the restaurant industry adding “service fees” or other costs without informing consumers what those fees are being used for. However, an important agreement between our DC Attorney General’s office and the restaurant industry in DC has clarified how restaurants are imposing those fees and that they must go to the workers if they are called “service fees.” No other industry has been allowed to pay less than a minimum wage to workers for so many years and the tipped credit has been, well, a “license to cheat” workers and not pay them a minimum wage. SB 221 will help address that inequity. The restaurant industry needs to modernize and pay at least the full minimum wage with tips on top.

States that pay tipped workers the full minimum wage with tips on top report higher restaurant sales, employment growth rates, and tipping averages than Connecticut and the other states that still cling to the antiquated subminimum wage system. It is time to raise the wage and ensure Connecticut's restaurant industry does not get left behind.

Tipped workers deserve to be paid at the very least, the full minimum wage with tips on top. It's time for SB 221 to move forward and become law.

Thank you again for taking the time to hear my testimony today.

Sincerely,

A handwritten signature in black ink, appearing to read "Sally Greenberg". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Sally Greenberg  
Chief Executive Officer  
National Consumers League  
Washington, DC 20006  
Sallyg@nclnet.org