

Testimony of Lynn Ward, President & CEO
Waterbury Regional Chamber
Before the Labor and Public Employees Committee,
Hartford, CT
March 13, 2023

Testifying in opposition to SB 1177: AN ACT CONCERNING ONE FAIR WAGE.

Good afternoon, Senator Kushner, Representative Sanchez, Senator Sampson, Representative Ackert and members of the Labor & Public Employees Committee. The Waterbury Regional Chamber, which serves 14 towns in the greater Waterbury region and represents the collective interests of 900 members in matters of public policy and economic development, **strongly opposes SB 1177: AN ACT CONCERNING ONE FAIR WAGE.**

This proposed legislation would continue to hurt restaurant owners all over Connecticut due to the elimination of the state's prior tip credit provisions. Both bartenders and servers have been proven in many cases to earn somewhere between \$20-\$30 an hour after taking home their tips. While bartenders tend to earn slightly above what servers do, both of their hourly wages significantly boost each shift due to these tips. With the elimination of the tip credit, owners would be forced to pay these employees the same "minimum wage" as any other profession who do not receive extra due to customer satisfaction.

We at the chamber understand that the objective of this policy is to address income inequality, which is a laudable goal. The fact of the matter is, this bill will have unintended consequences that will hurt thousands of employees. After speaking with members of our chamber who own and operate restaurants, it's been made clear that if the general assembly passes this bill, employers will in some cases be forced to add a "service charge" onto diners checks to help make up for the added wage increase. Not only is this hurting the pockets of those who dine out, it will also most likely make customers less inclined to tip after seeing yet another added charge on their bill. Connecticut businesses and the customers of these businesses already suffer enough being in the top ten most expensive states to live in. Our residents of Connecticut deserve consistency in taxes, fees and expenses.

In conclusion, we urge you to consider the impact that these policies will have on small business restaurants across Connecticut. Restaurants operate on small margins even in the

best of times, and the ongoing impact of the COVID-19 pandemic has only made it more challenging to stay afloat. We need policies that support small businesses and promote job growth and economic development, we believe Senate Bill 1177 would not achieve those goals.

Thank you.

Respectfully submitted,

Lynn Ward

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President & CEO