



Mr. Bryan Smolock,

Pittsburgh Restaurant Workers' Aid is writing to express our strong support for the Department of Labor and Industry's proposed updates to the Minimum Wage Regulations which will impact the income of tipped workers.

Pittsburgh Restaurant Workers Aid (PRWA) is an organization which provides resources and community support to restaurant and hospitality workers who have lost financial, housing, food, and healthcare security. Built as a direct response to the COVID-19 pandemic, PRWA has helped thousands of restaurant workers through direct aid, resource navigation, story sharing, and advocacy. As an organization of workers for workers, we are acutely aware of our community's needs and have established deep connections to the worker network in Allegheny County.

Our organization's existence and the necessity for us to mobilize so quickly reflects how precarious and unstable restaurant industry work can be. Many restaurant workers receive such low and unpredictable wages that it is difficult to save any money left over from a paycheck, especially if folks have children, transportation expenses, healthcare needs, etc. While the pandemic made these issues extreme and widespread, food, housing, and economic insecurity have been problems before this crisis. These issues will remain until we are able to create a more equitable and sustaining industry for all.

Pennsylvania's minimum wage of \$7.25 an hour and the allowance of paying tipped workers as little as \$2.83 an hour has emboldened many employers to consistently keep wages low for workers in our industry. Some employers have taken advantage of legal loopholes, such as deducting credit card processing fees from tips or using tip pools to supplement non-tipped workers' wages, in an attempt to salvage their profits. Strengthening clarifications regarding who can be considered a tipped employee and who can participate in a valid tip pool will help ensure that employees in our industry are being paid full wages for their work, while prohibiting employers from deducting credit card processing fees from tips and requiring employers to inform patrons that service charges are not tips will better protect the incomes that tipped employees have to rely on.

The proposed regulations around tipped minimum wage are a welcome update to tipped wage law and are even more necessary now as many tipped workers have seen a decrease in income throughout the COVID-19 pandemic. We are all struggling during the pandemic, however, the solution is not to pass the buck to workers that are already inadequately underpaid.

Workers in the restaurant and hospitality industry deserve dignity, respect, and a guaranteed living wage. While the proposed regulations will improve our working conditions, we will still need broader changes including increasing the minimum wage to a livable wage for ALL workers in Pennsylvania regardless of whether they earn tips. Pittsburgh Restaurant Workers Aid believes the proposed regulations will have a positive impact on Pennsylvania's workers, as

they will increase transparency between managers/owners, workers and customers and will ensure tipped workers take home more of the tips they are entitled to through their labor.

Sincerely,

Pittsburgh Restaurant Workers Aid