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Tip Credit Reconsideration Begins in N.Y, Restaurant Business , ft. Keith Gutstein

Part of **Keith Gutstein's testimony, co-managing partner in the Long Island office of Kaufman Dolowich & Voluck, LLP, was featured in an article written by Peter Romeo for** *Restaurant Business/Workforce. Mr. Gutstein testified at the NYSDOL Subminimum Wage Hearing at SUNY Farmingdale, in reference to the Governor's proposal to eliminate the tip credit. He presented testimony on behalf of employers in New York State striving to control labor costs.*

(April 20, 2018, Workforce) - Reconsideration of the tip credit began in New York today with a public hearing that felt more like professional wrestling at times than a serious airing of what's at stake for restaurants and their employees.

Little of the testimony given during the first few hours of the daylong session dealt with tipping at all. Rather, most speakers spoke with passion about the negatives and pluses of working in restaurants, with the critical far outweighing the effusive. Assertions of being disrespected and unappreciated by restaurant bosses were routine.

A core complaint was being stiffed on pay because employers didn't always make up the difference between what servers were due under the state's minimum wage requirement and what they made in tips. Their argument seemed to be: If enforcement is an issue with the tip credit, why keep it?

In addition, restaurant workers who called for ending the tip credit argued almost to a person that their pay was far too little for the amount of effort and aggravation their jobs entailed. Though no one expressly said it during several hours of testimony, the insinuation was that employers should pay more, and scuttling the tip credit would naturally make that happen.

"Eliminating [the] credit would significantly increase the cost of doing business," countered Keith Gutstein, co-chair of the labor and employment group for the law firm Kaufman Dolowich Voluck. "One restaurant client told me that he firmly believes that the elimination of the tip credit would result in such a marked increase in the cost of meals served at his restaurant that he would anticipate a steep decline."

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