



An out of state activist group has brought a ballot question forward that poses a significant risk to the livelihood and incomes of tipped employees across Massachusetts. This proposal would eliminate the 'tip credit' and allow restaurants to implement 'tip pools' where non-tipped employees would share in tips!

Know the FACTS to fight the LIES:

- Washington, DC implemented this policy late last year. In the first nine months, over 10% of tipped employees have either been laid off or left the industry due to lower take home pay and closures. If this proposal were to pass in Massachusetts, some bars and restaurants simply will not survive.
- According to an industry analysis performed by Toast, California (one of the few states where this policy has been implemented) consistently has the lowest tip average among all 50 states.
- Cornell University has released a study that found states with higher tipped minimum wages see lower average tip percentages in restaurants.
- Out of state activists are saying that there is a 'sub-minimum wage' here in Massachusetts. This is a lie. EVERY worker in Massachusetts is already guaranteed to earn at least the current minimum wage of \$15 including tipped employees.

A restaurant owner can employ more than two full time waitstaff employees for the same hourly rate as one minimum wage employee. This is a win for the tipped employee because they are the highest compensated employees in the restaurant. It's a win for the guest who is getting a full-service experience, and a win for the restaurant operator who gets to employ as many people as possible to ensure the operation runs smoothly.

What are the risks to restaurants if this passes?

- Eliminating the tip credit will lead to increased menu prices and/or service charges for customers. This will undoubtedly lead to fewer people going out and push restaurants to a non-service model. If this proposal were to pass in Massachusetts, some bars and restaurants simply will not survive.
- Deciding where to distribute tips among staff with different responsibilities operating in different areas of a restaurant is inherently subjective and leads to resentment and dissatisfaction among the staff. It also poses significant issues that will inevitably lead to legal action and lawsuits.
- Tipped employees choose to work in the restaurant industry. A move toward tip pooling would encourage experienced servers to leave the industry in search of higher individual earnings.

Vote NO on the Tip Pooling Ballot Question because tipped employees have made it abundantly clear that the current tipping system is not broken and does not need to be changed!



Learn more at: ProtectTips.org

Paid for by the Committee to Protect Tips.