



February 5, 2008

Representative Alex M. Sonson, Chair
Committee on Labor & Public Employment
House of Representatives
415 S. Beretania St.
Honolulu, Hawaii 986813

LATE TESTIMONY

Dear Chair Sonson and Members of the Committee,

I am writing this letter in opposition to HB 2930 (State Minimum Wage) as it is currently written.

Thank you for allowing me to speak to the Committee today.

T S Restaurants currently employ about 1,100 employees of which over 500 are working in the 'front of the house' earning minimum wage and in every case also receive tips. These tips range from about \$4.00 per hour for Greeters to upwards of \$25.00 per hour for Servers and Bartenders. These are not the ones who need the increase in Minimum Wage but will be the ONLY ones to benefit from this proposed increase as it is currently written.

To put this into perspective and give an idea of the cost of such a proposal without the addition of an increase in the Tip Credit; each \$.50 increase in minimum wage will equate to approximately \$350,000 or \$1,050,000 over the three proposed increases. Unfortunately these costs will be passed on to our guests and make Hawaii just that more expensive for residents and visitors. This is not a good thing, it will cost everyone.

At a time when Hawaii is struggling with their economy, increasing costs to local restaurants will only make it harder to keep their doors open.

Tip credit is \$.25 per hour and has not increased since it was started many years ago when minimum wages were much lower.

I respectfully ask that without a provision to increase the tip credit in an amount that will offset the increases in Minimum Wage HB 2930 should not be passed.

Thank you for your efforts in making us feel "LUCKY WE LIVE HAWAII".

Sincerely,

Chris Colgate
Oahu Regional Manager
T S Restaurants