

Statement of Andrew Brandt on HB25-1208 to the House Finance Committee hearing, March 3, 2025

Thank you, committee members. I am Andrew Brandt, a Boulder resident represented by Rep. Joseph and by Sen. Amabile. I am speaking in opposition to HB25-1208.

I'm not going to talk about the overt harms this bill will inflict on the people making the lowest wages in the economy, and how their customers do not expect tips to be a part of the employees' wages but a bonus for hard work.

I want to talk about voters, and what last November's election tells us about their concerns.

In September, Pew Research published a study that found [eighty one percent of voters consider "the economy" very important to how they would vote.](#)

But these voters don't all consider the Dow Jones Industrial Average to be a measure of "the economy" – no, many people looked at how much more they were paying for groceries, or the fact that Disney or Hulu or Netflix or Amazon keep raising their prices even though they're earning record profits. They're suffering due to price gouging, anticompetitive business practices, climate change-incurred damage, and health crises that are exacerbated by conspiracy theories and nonsense.

We have entered the [First Great Enshittification.](#)

The lies endlessly repeated by the Trump campaign about how they would bring down the cost of eggs and insurance and healthcare and household goods somehow penetrated, because for nearly everyone outside of this room, the economy is not some stock ticker value, but a measure of how confident they feel in getting a steady income that provides for their needs.

We'll look at what has happened in just the past month.

Here in Colorado, thousands of people who work in our forests to fight or prevent wildfires or avalanches, or rescue people, and scientists who predict our weather, and build the world's most precise atomic clocks, and others who do important work protecting the country from cyberattacks – myself, included – have been summarily tossed out of their jobs by unelected 20-something DOGEbag tech bros, while their unelected boss shreds every social safety net we have.

Just last week alone more than 200 thousand people filed first time claims for unemployment benefits in the country. And the layoffs and dismissals are accelerating.

So right at this moment, as millions of Coloradans are feeling incredibly vulnerable, I really want all of you to think about whether this is the right time to tell our lowest paid workers, most of whom have no job protection let alone employer provided healthcare or paid time off, that they're making too much money off of tips and pocket change?

Voters said in november that they want someone who will fight for the working class. Is this not the worst possible time to be telling them, no, you only deserve a ten cent per hour pay raise over the next two years? Not even a buck over the course of an eight hour day.

What are we even doing here? Read the room, and vote no on this bill.

House Finance

03/03/2025 01:30 PM

HB25-1208 Local Govs Tip Offsets for Tipped Employees

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
Brad Bruce Against themselves	<p>I am incredibly concerned that so many of our Democrat State Representatives voted in favor of advancing HB25-1208 - Local Governments Tip Offsets for Tipped Employees - out of its first committee last week. HB25-1208 would reduce the tipped minimum wage for employees in Edgewater from \$13.50 to \$11.79. For someone working 40 hours, that's almost \$70 of lost revenue a week and over \$3,500 over the course of a year. It would affect tipped workers in Denver and Boulder even more than that!</p> <p>Not only would this bill reduce the wages of some of our most vulnerable neighbors, it is estimated that it would reduce state revenue by an estimated 6.8 million in lost taxes paid. At a time where the state budget is in a 1.2 billion dollar budget deficit, I'm not sure cutting any income to the state is a good idea when TABOR makes it so difficult to raise taxes elsewhere.</p> <p>I want to really drive home how much this bill will harm workers all across our state, not just in Edgewater. Workers in Denver are slated to lose \$4 per hour if this bill becomes law. As someone who worked many years at restaurants for the state minimum wage in Ohio, I can absolutely tell you that people working for the minimum wage are some of our most economically vulnerable residents and they cannot afford a pay cut that drastic. Workers living paycheck to paycheck will be become homeless, will be forced to drop out of school, and will go hungry to make sure their children are able to eat.</p> <p>I am also concerned that it appears that the data on numbers of restaurants that have closed seems to have been misrepresented using incomplete data from the Department of Excise and Licenses. The Bureau of Labor Statistics reports that Denver has gained hundreds of restaurants in the last five years and the mismatch seems to have occurred due to a reclassification of what is a "restaurant" by DoEL.</p>
Megan Monroe Against themselves	<p>Hi,</p> <p>I am reaching out to implore you to OPPOSE HB25-1208. While I understand the pressure restaurants are under to stay afloat financially, taking wages away from workers is not the solution.</p>

	<p>In a time where the cost of living in Denver has skyrocketed, taking wages away from workers would increase the struggle of the working and middle class to stay off the streets, pay their rent and bills, and buy groceries. By taking away wages you are putting workers in through more economic hardship than the average person already faces in this state and city. So please vote AGAINST HB25-1208. Thank you.</p>
<p>Jeffrey Fetzer For Bitty &amp; Beau's Coffee Boulder</p>	<p>My name is Jeff Fetzer and my family lives in Boulder and we own and operate Bitty &amp; Beau's Coffee in Downtown Boulder. We employ 23 individuals with disabilities, all of whom make above minimum wage. Over 80% of people with disabilities are unemployed (approximately 335,000 in Colorado) and we are trying to make a difference. Though we cannot hire as many as we would like, our business shows others what is possible. However, we cannot deliver on that mission if we can't stay open and labor costs are our biggest challenge.</p> <p>While there are many pressures on our shop, Colorado's local tipped minimum wage law gives us no flexibility to shift costs in ways that make sure everyone continues to have a good-paying job here and we stay open. There is a reason restaurant owners like me are reaching out to you and are committed to getting something passed that fairly fixes this problem.</p> <p>The crisis facing our restaurants is real and our entire business is facing it every day. We need more flexibility under Colorado's local tipped minimum wage law to adjust the amount an employer puts toward after-tip wages. Please vote yes on HB-1208. We're not asking for help next session—we need it now.</p> <p>Please join Representatives Woodrow and Valdez in fighting for our future, and the future of our employees and our communities.</p> <p>Vote YES on HB25-1208. Our industry and everyone working in it depends on your support.</p> <p>Sincerely, Julia and Jeff Fetzer</p> <p>Franchise Owners</p> <p>1468 Pearl Street, Ste 120</p> <p>Boulder, CO 80302</p> <p>720.334.7050</p>

<p>David Cohen Amend Spruce Confections</p>	<p>I'm reaching out to highlight a growing challenge for restaurant and café businesses in Boulder regarding the imbalance between tipped and non-tipped wages.</p> <p>At Spruce Confections, we pay our cafe managers \$29/hr and bakers at least \$21/hr, yet our baristas take home \$35+/hr with tips—sometimes as much as \$60/hr. This disparity makes it nearly impossible to retain managers, despite their significantly greater responsibilities. In the past year alone, two managers have left to become baristas.</p> <p>We've attempted to mitigate this by implementing tip pooling among baristas, but we are legally unable to extend tipping to managers, even when they cover barista shifts and oversee operations. Additionally, redistributing tips to back-of-house staff at a sustainable level isn't financially feasible under current conditions.</p> <p>As a business owner in Boulder since 1992, I'm committed to paying fair wages, but the growing wage gap between tipped and non-tipped positions is making it increasingly difficult to operate. I'd appreciate the opportunity to discuss potential solutions that could help create a more balanced and sustainable system for businesses like mine.</p> <p>Thank you for your time and consideration.</p> <p>Best, David Cohen Owner, Spruce Confections</p>
<p>Beth Gruitch For rioja</p>	<p>Dear House Finance Committee Member,</p> <p>Thank you for taking the time to read my testimony. My name is Beth Gruitch, and I own and operate rioja restaurant and formally operated Ulteira, Bistro Vendome, Stoic &amp; Genuine, and Euclid Hall. I am still an owner of Ulteira and Bistro Vendome. Rioja employs over 50 people at rioja, and another 60 are between the two other restaurants mentioned; all of our employees make well above minimum wage. This is not about our servers barely affording to live on such a skimpy wage. This is about a fair wage to employees without the operators going out of business. We know firsthand what it is like to have to close our business because we had no other options.</p> <p>The current Colorado local tipped minimum wage law gives us no flexibility to shift costs in ways that ensure everyone continues to have a good-paying job here and we stay in business. There is a reason restaurant owners like me are reaching out to you and are committed to getting something passed that fairly fixes this problem. If we</p>

	<p>don't do something today to change this issue, we will be fighting this issue for years to come.</p> <p>The crisis facing full-service restaurants is real, and our entire business faces it daily. Under Colorado's local tipped minimum wage law, we need more flexibility to adjust the amount an employer puts toward after-tip wages that are often twice the minimum wage.</p> <p>This bill is a critical lifeline. It tackles our soaring labor costs by resetting a system that handcuffs our industry. This is not a minimum wage conversation; it's about ensuring our teams earn the wages they deserve while keeping our doors open.</p> <p>We want to pay our kitchen crews more, restore positions for bussers and hosts, stop slashing the shifts of tipped workers, and stop increasing menu prices. But we can't achieve any of this without a larger tip offset. We're not asking for help next session—we need it now.</p> <p>I hope we can find a time to discuss this issue, your concerns, and how I can help provide good information. Please vote yes on HB-1208.</p> <p>Thank you for your time!</p> <p>Beth Gruitch Rioja 720-560-4343 beth@riojadenver.com</p>
<p>Michael Mehiel For themselves</p>	<p>Hello. I am a restaurant owner and operator in Boulder - myself and my family run two restaurants, Gemini and High Country, on Pearl St. We are at work, on the floor, in the kitchen and everywhere else every day.</p> <p>I've been in the industry for over 25 years in a variety of capacities - started on the dish rack, spent 12+ years cooking and also worked operations on the corporate side with a multi-unit, multi-concept group for a number of years.</p> <p>We all moved to Boulder 4 years ago and decided it was time to do it for ourselves. Unfortunately since 2022 things have gotten incredibly difficult for us and all of our peers. I'm certain you know the reasons so I'll skip all that here.</p> <p>Long story short, without meaningful change we will close one of our restaurants later this year and the other next year as there will be no reason to go on and we do indeed need to make a living.</p>

	<p>Legislative inaction in our sector will result in the loss of a significant number of jobs for working people. Inaction will destroy the full service restaurant industry in Boulder right now and the entire state of Colorado over time. This is an industry that working people rely on. You can be a part of the solution.</p> <p>So I am writing to encourage you to vote yes on the Restaurant Relief Act (HB25-1208). If you need anything from my side to help you understand the details inside the four walls, let me know. I am happy to provide the data.</p> <p>Thank you.</p>
<p>Erica Thomas Against themselves</p>	<p>My name is Erica Thomas. I have worked in the restaurant industry for 17 years, 9 of those years being in Denver. I am in opposition of this law passing. I have read an argument that Denver tipped employees have some of the highest wages nationally. Denver housing prices are also higher than the national average, with median rent prices being about \$1900/ month. Tipped workers live paycheck to paycheck and often aren't able to save enough money to be prepared for the slow season. As a tipped worker myself, I will say that this is one of the worst slow seasons since deep in the pandemic, and I have been struggling to even get shifts. Now is NOT the time to cut wages. During the pandemic, I, as a tipped service worker, went through losing jobs, struggling to get or stay on unemployment, reopening a restaurant during very unsure and scary times. I was constantly at risk of getting sick and also constantly exhausted due to the amount of workers that my restaurant had to cut. I gained a new form of anxiety due to the unsure conditions and constant changes, along with the unfairness that some people were treating those in service jobs. Since the pandemic, some places have gotten busier, but our lives as service workers have never been the same, and money has been more scarce in my opinion. 2024 was one of the slower years for me as a tipped worker, yet my bills and rent have gone up. I was recently, at one point, working about 60 hours a week, constantly on my feet which has highly effected my mental health. In the restaurant/bar industry, there are, more often than not, a lack of benefits to working full time. Many service industry folks suffer severe mental health issues (ESPECIALLY since the pandemic), as well as other physical health issues that we cannot afford to take care of due to our jobs and lack of money. Many of the businesses I am seeing on the list in favor of this bill passing, are known for a long history of treating employees unfairly. I believe passing this bill will destroy the lives of many people and these owners will just profit of the people that don't deserve it more than they already are. Now is NOT the time to cut wages from the people working their butts off just to live.</p>
<p>Jeany Rush Against themselves</p>	<p>TO: House Business Affairs &amp; Labor Committee House Finance Committee RE: HB25-1208 Local Governments Tip Offsets for Tipped Employees 3-3-25 SPONSORS: WOODROW, VALDEZ, AMABILE FROM: JEANY RUSH COLORADO SPRINGS CONSTITUENT VOTE: NO</p> <p>The State should not be in the business of setting wages anyway, much less dipping into the proverbial small pot of the tip jar! What current laws, tax requirements, etc.</p>

	<p>exist are already too much. The over reach into commerce by the state of Colorado is way too much, and exceeds the proper roll of government.</p> <p>I would have thought by now the state would have realized that more people are leaving, and much of the reason is the over taxing. This is a trend that always repeats, when you increase taxes on everything from tips, to real estate properties, both residential and commercial.</p> <p>It is really time for this body to stop creating the Bloomberg Bot bills for the sake of undermining the public, the middle class, the lower class, and enslaving everyone in the state. "Your attitude is noticed you know" Dr. Zhivago that and 1984 would be a good idea at this point!</p>
<p>Kendall Wilson For Eat Denver</p>	<p>Hello Committee Members, I want to thank you for your time today &amp; the opportunity to speak on behalf of a community I'm deeply passionate about.</p> <p>My name is Kip Wilson, I run a media company focused on the culinary &amp; cannabis industry called Stonde Appetit.. I am testifying before you today in support of HB25-1208.</p> <p>I have been working in a hospitality-adjacent role over the last 7+ years and before that I was a long time front and back of house restaurant employee. In that time I've seen a litany of friends and peers open and close restaurants. Sadly, the latter has become much more of a trend than the former.</p> <p>By not providing relief to those who desperately need it, we'll quickly return to a "meat &amp; potato town" with chain restaurants that no one would go out of their way to dine in. As we see many of our favorites leaving the Downtown/urban areas for suburbia or worse, other states... I ask of you to please think of these small businesses in our city that have helped put Denver as a must-visit destination in the region.</p> <p>I've seen a direct correlation between the growth of our food community and an interest in exploring the city. The strength of our city's competitiveness is in the strength of what draws people here - events, activities, and, especially in recent years with Michelin and James Beard nods, its culinary experiences.</p> <p>Visit Denver, Boulder, Mountain Towns &amp; the state as a whole have spent hundreds of thousands of dollars in marketing efforts to not only attract better chefs, restaurants &amp; accolades to our community.. that without addressing the pain points of the industry, we'll quickly lose any/all progress we've made in the past few years.</p> <p>I understand this isn't the only angle of the industry that is crippling the independent restaurant community, but it's the only one we're able to address at the moment. Rent increases, cost of food &amp; cost of labor have all risen rapidly over the last 5 years</p>

	<p>and it is no longer sustainable to own and operate an independent restaurant in this town. I beg of you, please find a way to assist our restaurant community, before it's too late and we don't have one any longer.</p> <p>Thank you for your time.</p>
<p>Andy Bruch For himself</p>	<p>Dear Chairperson and Honorable Representatives:</p> <p>I'm providing written testimony in support of this legislation rather than appearing in person before you today. My preference would have been to be in the room with you, but my experience testifying previously on this matter has shown me that, as an operator, written testimony is the only way to (hopefully) ensure some degree of anonymity. I own and operate Point Easy Denver, a newer restaurant in the Denver area located in the historic Whittier neighborhood. After my last testimony, I was targeted with negative messaging, my restaurant has been placed on a 'blacklist' on Reddit, and some of my staff were targeted as well - and I may have gotten off comparatively easy relative to the experience of some of my peers. The idea that someone was sitting in that room taking down names of Denver businesspeople and using that information to target businesses is fairly sickening. If I had some idea that the opposition side was more than capable of dirty, underhanded and abusive tactics, my experience since has confirmed it for me. So you can understand that I don't have any interest in putting my staff, my restaurant or myself at additional risk.</p> <p>I want to state first that my restaurant does not take the tip credit, and do not plan to. For me, supporting this bill is about standing with fellow restaurant owners whose service models (we're a full-service restaurant, many of those most affected by the current climate are not) are very exposed to the financial burden imposed on them by the current tipped minimum wage structure. I believe I'm correct in stating that Denver has the second-highest tipped minimum wage in the country behind New York City; major metropolitan areas like Chicago, Washington D.C. and Atlanta have rates that are significantly lower. Denver (thank goodness) is not New York City; and that means that we can't charge NYC prices for food and beverage. We don't have the population density, we don't have the median annual income, and all the other financial markers to support it. It's an intense struggle to control costs which continue to spiral, while trying to provide value for money for our guests.</p> <p>Thanks for your time and consideration and here's hoping a fair democratic process prevails.</p> <p>Best</p> <p>Andy</p>

<p>Murphy Hogan Against themselves</p>	<p>Once again I'm amazed this has made it this far. I think it's absolutely shameful that any lawmaker in the state house would be a proponent of this. Once again, it seems that the people in support of this bill are more ready to blame wage workers for the rising costs of doing business in the state as opposed to the artificially increased rent in the state or increased cost of goods sold. I wish I was surprised that the elected officials in this state refuse to look at their masters as the source of the problem, but I hope they, especially the house Democrats, are ready to lose every modicum of power they have in the next election if this passes. If you're not the party of the working class, what do you even stand for? No on 25-1208.</p>
<p>Arielle Martinez Against themselves</p>	<p>Hello, my name is Arielle Martinez, I'm a Denver resident, and I'm submitting a testimony today because I'm very concerned with how effectively lowering the tipped minimum wage will impact the quality of life for the roughly 85k tipped workers in Colorado.</p> <p>Coming from a family of restaurant workers, including everything from owners to event planners and to servers, I have immense respect for people in this industry and I know it is not easy. However, this bill would push the burden of inflation and operating costs onto an already financially vulnerable group.</p> <p>According to estimates from the Economic Policy Institute, a standard living wage in Denver for a single adult without dependents is \$27.75, which is a staggering 76% higher than the current tipped minimum wage in Denver. The EPI estimates that an average Colorado tipped worker's hourly pay, including wages tips and overtime, is \$19.95. Even if we assume Denver is 10% higher than the state average, putting their wage at \$21.95 an hour, that would still leave us with a considerable gap.</p> <p>I understand that our minimum wages in Denver may seem high to some, compared to the federal minimum, but if we look at the context, this group cannot afford to lose roughly \$8k in income a year. Based on the averages I've shared, Denver tipped workers would be making roughly 45k dollars a year before taxes. If they rent a 1 bedroom apartment, which is \$1643 in Denver metro according to apartments.com, they are spending 44% of their total income on rent. Nevermind the other required expenses like groceries, taxes, utilities, transportation to your job, doctor visits, etc.</p> <p>All of this is to say I don't see how our representatives can pass this bill in good conscience. Restaurants are important third spaces where we build community, celebrate life's milestones, and exchange our cultures. But we cannot force workers to absorb the costs to run them. I would urge the bill sponsors to consider focusing on other ongoing key restaurant expenses, such as materials and rent, instead of using wage cuts to lower labor costs.</p>

<p>An Nguyen For themselves</p>	<p>Dear House of Finance Committee Members,</p> <p>My name is An Nguyen. I am the Head Chef and Co-Owner of Dân Dã Restaurant, located at 9945 East Colfax Ave in Aurora. Thank you for allowing me the opportunity to share my story with you today.</p> <p>I chose to open my restaurant in East Aurora, a place that many lifelong Coloradans may not consider an attractive location. But for me, it was an opportunity to keep the legacy alive by any means necessary. The rising costs of doing business in Denver made it nearly impossible to continue there, but in Aurora, I saw a chance to re-build, and create something sustainable. Dân Dã is more than just a restaurant; it is a stepping stone, a creative kitchen lab for dreamers like myself to continue sharing our cuisine in a new light to the community and one day own more than just one restaurant.</p> <p>However, if this bill is not supported, I fear that the same struggles that forced me to shutter my previous restaurant in Denver will follow me here to Aurora, and history will repeat itself.</p> <p>Before Dân Dã, I was the co-owner of Savory Vietnam, a women-owned business that opened in 2019, just a few blocks east of Denver’s Little Saigon District. From the start, we poured our hearts into the restaurant, and our hard work was recognized. Savory Vietnam was quickly embraced by the local Vietnamese community and earned recognition in news media as Denver’s Best Vietnamese restaurants year after year during our time in business.</p> <p>Savory Vietnam went through several trials and tribulations during its time alive, especially during the pandemic. We faced unimaginable challenges—closures, restrictions, supply chain disruptions, and a sharp decline in business. Despite these hardships, we fought to keep our doors open. I spent sleepless nights creating new recipes and perfecting my craft, determined to keep sharing my passion for Vietnamese cuisine with the community. It was a truly a blessing, communities from all walks of life continued to embrace the flavors of Savory Vietnam even after the pandemic. Even though, our food was in demand, the rising costs for food, rent and especially labor made it difficult to breathe.</p> <p>One of the biggest challenges was the dramatic increase for tipped minimum wage in Denver. From 2019 to 2023, the average increase per year for the tipped minimum wage increased as followed:</p> <p>2019-2020 increased by \$1.75 *2020-2021 increased by \$1.92 *2021-2022 increased by \$1.10</p>
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	<p>2022-2023 increased by \$1.42</p> <p>2023-2024 increase by \$1.00</p> <p>While the state tipped wage increases in those year were averaged less than \$1.00.</p> <p>From 2020-2022, Savory Vietnam was not able to function normally due to restrictions because of the pandemic. Before the Pandemic, we were able to staff both full-time and part time about 15 employees, not including the partners as workers. After the pandemic we were only able to staff 6-7 employees, including partners because we simply could not hire more. We were playing catch up for the 2 years we lost during the pandemic, therefore were working tirelessly to stop the bleeding. We wanted to hire more staff but we just couldn't because the BOH had to rely on the FOH to stay afloat.</p> <p>We stayed alive for as long as we could but no matter how hard we tried, the costs kept rising. Rent, food, and labor expenses became overwhelming. My two partners, whom are older, struggled to keep up with the constant changes and eventually got burnt out. In the end, the financial burden was too great, and we had to make the heartbreaking decision to close Savory Vietnam at the end of 2023.</p> <p>I have poured my heart, energy, and every waking moment into this industry, yet I still find myself hustling every day just to stay afloat. Taking on extra catering orders past our regular business hours to make sure we didn't fall behind in business operations. Our family goals has always been to serve authentic Vietnamese cuisine that is both delicious and affordable. However, as expenses mentioned earlier above continue to rise across Colorado, that philosophy, while rooted in love and tradition, was becoming harder to sustain and I fear it will happen sooner if cities outside of Denver follow suit.</p> <p>I don't doubt that it will happen, but at least when it does, this bill will give us the flexibility to allocate money back in the restaurant to continue its success to stay open, provide jobs, and invest in all our employees with year-end bonuses and promotions year after. It also creates an opportunity for mom and pops to become more than one store front, some day to continue sharing their passion and culture.</p> <p>Born and raised in Colorado, the thought of leaving breaks my heart. But the reality is that many restaurant owners like me are being forced to make impossible choices, not because there isn't demand for our food, but because we simply can't keep up with rising costs in Denver with little to no flexibility.</p> <p>It wasn't just a loss for us, it was a loss for our staff, our loyal customers, and the Little Saigon community that we were proud to be part of.</p>
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	<p>Now, as the co-owner and Head Chef of Dân Dã in Aurora, I see firsthand how important it is to support small businesses before it's too late. While this bill may not affect me directly right now, I wish the problem was addressed sooner. If this bill existed when we were struggling in Denver, I truly believe Savory Vietnam would still be functioning. The challenges of running a small, family-owned restaurant are immense, and policies that provide relief could mean the difference between survival and closure.</p> <p>A Plea for Support</p> <p>I urge the committee to support HB25-1208, the Restaurant Relief Act, not just for me, but for ALL the small, family-owned restaurants trying to survive to grow.</p> <p>I grew up in a mom-and-pop restaurant scenario. I witnessed firsthand the hard work my parents put in, working alongside them and eventually branching out to open my own business. You would think that as a second-generation Vietnamese-American, I could carry on their legacy and even grow beyond it. But here I am, just another small business owner, at the worst time for restaurants, working tirelessly to keep my doors open and worrying if Colorado is still a place where I can thrive and continue the legacy they left behind.</p> <p>I am not alone in this. There are countless other ethnic restaurant owners who share my story but may not have the opportunity to because of the language barrier. We do this work not just to run a business, but to share our food, our culture, make our parents proud that risking their lives was not wasted and for our children to grow up in the communities we grew to love as kids. But without support, small, family-owned ethnic restaurants will continue to disappear, and Colorado will lose a vital part of what makes it so special, a diverse and thriving culinary scene rich with culture and history.</p> <p>I sincerely hope you will stand with us and vote in favor of HB25-1208, the Restaurant Relief Act. Thank you for your time and consideration.</p> <p>Sincerely, An Nguyen</p>
<p>Katherine Jasmann Against</p>	<p>Thank you, Committee Members and Madame Chair.</p>

<p>themselves</p>	<p>My name is Kate Jasmann, and I have dedicated 25 years to the restaurant industry as a server. I am here to express my deep concern about the proposed legislation to reduce wages for tipped employees. This bill severely threatens my livelihood and that of my colleagues.</p> <p>It's shocking and unfair to see tipped workers wages being blamed for restaurant closures.</p> <p>The data supporting this bill is flawed. Changes in licensing have inflated the number of restaurants closures. Bill Sponsor Rep. Woodrow acknowledged that fact to me personally. But, it's true that downtown Denver is no longer a vibrant destination. Attractions are few. We face crime with stabbings, homelessness, vacant office buildings, and a lack of parking—worsened by costly bike lanes and ongoing construction. Commercial property tax is high, raising rents. Consumer behavior has shifted; dining out is more expensive, and patrons are selective about where they spend their money. We need investment in revitalizing our city, to make it attractive again.</p> <p>An issue for servers is that Wage theft is rampant, and many tipped workers don't know their rights, leaving them vulnerable. I am currently in a four-year wage dispute against Sushi Den, now in the Colorado Court of Appeals. It has been an ordeal. The enforcement of wage laws is weak, and this proposed law will only make the situation worse for us.</p> <p>Importantly, servers lack representation, and unions. We don't have the financial backing of lobbyists like the Colorado Restaurant Association, who advocate for owners, not workers. We endure mistreatment and perform dirty, demanding and sometimes degrading work; we deserve fair hourly wages.</p> <p>Coloradans voted for our wage increases, and this is now a backdoor attempt to lower it.</p> <p>I urge you to look for solutions other than pay cuts. Servers are suffering from high costs like everyone. I'm particularly disappointed in the Democrats supporting this bill. This is not what we voted for, and now you're turning your backs on us instead of addressing the real issues.</p> <p>Please stand with the little guy and protect us front line restaurant workers. Say no to this bill. Thank you.</p>
<p>Niya Gingerich For</p>	<p>Please hear my cry. I have been in the restaurant business since I was 12 years old. My grandmother owned a bar in the 70's, it is in my blood. It is my calling. My passion lies especially in creating 3rd places and preserving legacy establishments in</p>

<p>themselves</p>	<p>the Denver area. In his book <i>The Great Good Place</i> (1989), Ray Oldenburg argues that third places are important for democracy, civic engagement, and a sense of place. Some argue that third places are the answer to loneliness and political polarization. They offer stress relief from the everyday demands of both home and work. They provide the feeling of inclusiveness and belonging. We are a home away from home for many. Our team, many who have been with me for 8-10 years, are my chosen family. I would do anything for them.</p> <p>My husband and I opened Local 46 in 2012 on Tennyson street, preserving the 100+ year old institution formally called Music Bar and The Rodeway Inn when there were still trolley tracks on Tennyson. That beautiful brick building has since been demolished (our lease was up in 2023) and high rises now stand in the place of the quant brick building and 100 year old Oak tree. The community expressed a great desire to see us "live on", so we purchased another iconic establishment, in 2023, Edgewater Inn Pizza, which has been a third place in the community since 1973. I have been in the fight of my life since. As a restaurant operator, my future is in peril.</p> <p>Please support the Restaurant Relief Bill. Our industry is struggling like never before. This is one piece that could help us have a fighting chance. I met with the Mayor of Edgewater and his team this morning to show hard numbers of how this would play out with our actual payroll numbers.</p> <p>I wanted to provide you with additional information and context.</p> <p>To illustrate the impact, I've included the hourly tipped wages from the past three weeks:</p> <ul style="list-style-type: none"> <li>* Week 1: \$41.47 (tips) + \$13.50 (minimum wage) = \$54.97/hour</li> <li>* Week 2: \$21.42 (tips) + \$13.50 (minimum wage) = \$34.94/hour</li> <li>* Week 3: \$32.59 (tips) + \$13.50 (minimum wage) = \$46.09/hour</li> </ul> <p>My top kitchen folks are only making \$25/hour. In Edgewater this bill would take the tipped credit up by \$2, thus "saving" us \$2/hour on all front of house wages and would give me the flexibility to increase my back of house hourly. As you can see if you take \$2/hour off of the above tipped amounts, they are still going to be making an incredibly fair wage and still way above the back of house. In Denver the same would be true if you took \$4/hour away. The numbers above are not including cash tips that servers take home with them which can be significant as well.</p> <p>I believe that addressing the tip credit issue is crucial for the survival of many restaurants in Edgewater but it is just the beginning.</p>
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	<p>Thank you for taking time to consider how this will impact our industry.</p> <p>Kindly, Niya Gingerich</p>
<p>Laura Dellaira</p> <p>For themselves</p>	<p>I have been a bartender and server in the Denver area for over 15 years since I moved here. I am FOR the bill because I want to see our locally owned bars and restaurants, like the one I work at, survive. After seeing so many beloved local places (22% in the last year in Denver) close, I can't imagine piling on another expense to owners when they are hanging on by a thread due to soaring food costs, utilities, rent, property taxes, etc. If we continue to pile on arbitrary expenses, we will only see the big, chain restaurants and bars survive. Our city will slowly lose the character it has left.</p> <p>I am a tipped employee and myself and my co-workers are making an average of \$45/hour which is already a fair wage.</p>
<p>Stephen Richter</p> <p>For Rio Grande Mexican Restaurant</p>	<p>The reality at the Rio: HB-1208 would enable us to pay more and offer more hours to our lowest paid employees.</p> <p>Our cooks and support staff earn between \$20.50 and \$25 per hour.</p> <p>Our servers and bartenders earn between \$30 and \$40 per hour.</p> <p>Without the Restaurant Relief Act, we will be forced to increase the pay of the top earners, the servers and bartenders, instead of giving raises to the cooks and support staff.</p> <p>It will force us to cut the hours for our lowest paid workers.</p> <p>Lower wages and less hours if HB-1208 fails.</p> <p>Higher wages and more hours if HB-1208 passes.</p> <p>That is the reality at the Rio Grande, a restaurant that has employed over a 1,000 people in LODO for the last 25 years.</p>
<p>Huong Dang</p> <p>Against themselves</p>	<p>I urge you to vote NO on this bill. As a Denver resident who supports small businesses unequivocally, I do not support your intention to bail out business owners at the expense of our tipped workers. I will and always will stand with labor, and this bill is anti-workers all the way. If passed, I will no longer support food and beverage businesses and instead channel my money elsewhere.</p>
<p>Ashlyn Lange</p> <p>Against themselves</p>	<p>This \$4 cut to minimum wage would be devastating for restaurant employees. The Boulder, Denver, and Edgewater communities have high costs of living and workers already struggle to meet their basic needs. Employers must fairly compensate and take care of their employees -- this proposal is cruel and clearly displays that employers in support of it do not value their staff. If budgets must be cut, this should come through negotiations with food producers, landlords, or out of the employer's</p>

	<p>salary. They must ask themselves, "could I survive on the wage I am proposing? Would I be able to pay for healthcare? Gas? Food? Provide for my family?"</p>
<p>Josh Dinar  For  themselves</p>	<p>Dear Committee Members,</p> <p>Thank you for affording the opportunity to submit testimony in support of The Restaurant Relief Act. I am very sorry I'm unable to give testimony in person today, but I unfortunately have a conflict that doesn't allow me to be present.</p> <p>I have been in the restaurant industry, in one way or another, for most of my adult life. I have been a busboy, dishwasher, server, bartender, and an owner. I was able to utilize my positions working in restaurants to bootstrap a magazine that is about restaurants, which grew into a national publication, so I have talked to hundreds, if not thousands, of restaurateurs, chefs, and restaurant workers in cities across the country.</p> <p>I have also experienced just about every variation of pay structure in restaurants, both as an employee and as a business owner. I shared the following approximate data in my prior testimony, but it bears repeating at the Finance Committee level:</p> <p>Last year (2024), I did not take the tip credit in Colorado, opting instead for a full-house tip pool and a base minimum wage without any offset. However, I DID take the tip credit at the restaurant we were operating in Idaho. Our hourly base wages were \$14.65 in Colorado, while, with the tip credit, base wages were \$8/hr in Idaho. Average effective wages, after tips, for a server in Colorado were \$34/hr, while they were \$37/hr in Idaho. Our average BOH line cook in Colorado earned about \$25/hr, while in Idaho, it was closer to \$27.</p> <p>Profit margins at the end of the year were 6% in Colorado...and 16% in Idaho. In Idaho, we were able to put 25% of our margins into a bonus pool for staff. In Colorado, we put it into a reserve to cover rising costs for 2025.</p> <p>I'm personally no fan of tip culture, but it's a reality that is not going away anytime soon. And while that reality is in place, fixing the tip offset in Colorado is a huge and common-sense step towards alleviating barriers to sustainability in an industry that's crucial to the local economy, and to the fabric of our communities. No restaurant will get rich off of this legislation—even the handful of bad actors can do minimal harm.</p> <p>In the grand scheme, passing this bill would allow those of us in cities like Boulder and Denver to be proponents of and advocates for minimum wage adjustments, knowing that our teams deserve that and more.</p>

	<p>As someone who cares at least as deeply for my community as I do for my business in Colorado, I urge you to support HB 1208, and all the good the independent restaurant industry can continue to do in our state.</p> <p>Many thanks for your work on this matter, and your service to our state.</p> <p>Josh Dinar</p>
<p>Max Kaufman For themselves</p>	<p>Dear members of the finance committee,</p> <p>My name is Max Kaufman and I have been working in the back-of-house of restaurants for a handful of years now. And I currently make 20\$ an hour. I have grown up in and around the restaurant industry all my life and have just begun to see the true depth of it. Despite a shorter resume than most I can easily comprehend and understand the massive benefits that this bill will give locally owned restaurants in not just Denver but most of Colorado. That is why I ask you to vote yes on HB 25-1208.</p> <p>Prices in this state have been increasing all across the board from cost of business to cost of living, leading to an endless loop. Businesses can't afford to increase pay, employees can't afford to spend money at restaurants, businesses aren't receiving enough money to make ends meet and the cycle continues. I wish there was a better alternative but there is not and the cycle has to stop somewhere. Things cannot get better until they stop getting worse.</p> <p>The opponents of this bill will tell you that this bill is an attempt to rob tipped employees. But we are not dealing with millionaire CEOs of fast food chains. We're dealing with local business owners trying to make some half-decent food, some of whom live in the same 2 bedroom apartment complexes I do. The cycle has to stop somewhere. I know that it isn't being stopped in the way that some of us hoped. but another option could take years and many restaurants don't have that kind of time or money. If this bill is passed they just might survive to continue to pay employees. Restaurants are not required to take tip credit and I believe that as more legislation is passed to improve things, most restaurants will drop the tip credit.</p> <p>As I've said things cannot get better until they stop getting worse. For that to happen there needs to be some give and take. and saved dollar can act as a lifeline for the local businesses in this City. I've worked for local business owners for my entire career, and despite what the opposition will tell you, they DO care for their employees, oftentimes to a fault. The restaurants who will take this tip credit will take it with a grain of salt. but a restaurant that stays open is a restaurant with employees MAKING MONEY.</p>

	<p>With Regards, Max Joseph Leslie Kaufman</p>
<p>Katherine Robida Against themselves</p>	<p>This bill does not offer a solution for Colorado, and instead panders to the interests of poor business practices and maintaining the structures that have caused the crisis we are in now when as it pertains to the impending death of casual dining in our state.</p> <p>Cutting employee pay reduces their economic spending and pushes out skilled workers, meaning businesses suffer with high turnover and related costs. These costs are then passed onto the consumer by way of increases in food prices, as well as undue stress to tip more. This prevents the vast majority of constituents that enjoy dining out at casual restaurants from participating in the local economy, and instead they opt for cheaper, national or international options such as fast food chains, Walmart, Kroger, or Whole Foods - preventing local economic growth in favor of non tax paying, or under paying, entities.</p> <p>Owners that profit due to cutting wages also do not automatically or reliably spend those profits in economically advantageous ways, such as re-investing in their business to increase sales or personal spending in the economy. Was 2008 so long ago that we've forgotten that people save everything they can during times of global or national economic hardship, of which we are currently in the initial throes of?</p> <p>This legislation does nothing to fix the catalysts of the issues in the long run - vacant businesses, artificially high rent, national vendor price gouging, abnormally high small business taxes, and low consumer and employee morale. These issues will continue to eat away at casual restaurants until all that's left is fast food and fine dining. This will result in a litany of other issues such as increased state expenditure in welfare benefits, decline in collection of state, sales, and business taxes. There is also the issue of crime - areas with a surplus of vacant business often experience higher rates of crime, raising property and car insurance, decreasing property value, and negating any expenditure the state has spent on increasing the economic viability of struggling neighborhood centers.</p> <p>This bill is simply an offer to save \$4 today to spend \$10 tomorrow, and spits in the face of the longstanding economic viability of Colorado. Colorado is smarter than only looking 2 quarters ahead, and is better off focusing on practices that will not only maintain, but will grow the Colorado economy.</p>
<p>Andrew Ganick For WidespreadGanick, LLC</p>	<p>I am owner/operator of The Pig &amp; The Sprout, in its 9th year of operation in the Union Station neighborhood downtown, and former owner/operator of The Berkshire Restaurant, which thrived in the Central Park neighborhood for 13 years, until 2020. I don't have any investors – it's just me.</p>

	<p>I'd like to address some of the claims that the opposition made last week at the capital.</p> <p>Some said last week, "If your business can't survive without this bill, you don't know how to run a business." I'll admit, it's a tough business, but after 18 years of running successful restaurants in this city, I must disagree: I know how to run a business. My first restaurant, The Berkshire, was profitable for 11 out of 13 years, and allowed me to buy my home, support my growing family, and maintain an incredible, loyal staff of 50+. My second restaurant, The Pig &amp; The Sprout, has a 4.5 star rating from over 6 thousand reviews, so people obviously think we are doing a good job. The Pig &amp; the Sprout is busy every day, and I have an incredible staff in a great location, but with the tipped minimum wage as it is, I can no longer break even.</p> <p>Some have argued that we can't "just take \$4/hour away from this vulnerable group of workers."</p> <p>My tipped employees have not made less than \$40/hour in the last 2 years. For 5-6 months of the year, they make \$60-65/hour. For the first 5 years The Pig &amp; the Sprout was open, I employed 4-6 salaried managers, with salaries ranging from \$50-85k/year. Today, I can afford only one. Last week at the Capital, someone said that restaurateurs who say tipped employees make more than \$40/hour are liars. I invite anyone who doesn't believe me to come to my restaurant and look at last year's W2s. I'll redact personal information and show you exactly how much they're making.</p> <p>In my restaurant, my staff is making three times the minimum wage. Since I opened my first restaurant in 2007, the tipped minimum wage has risen almost a dollar every year. My business can no longer afford it. If this bill passes, for my staff it will mean going from making \$60/hour to \$56/hour. As the owner, it will make the difference between being able to run my business or having to close my doors, leaving my staff searching elsewhere for jobs.</p> <p>Some said last week that the Denver restaurant scene is "fine," and that restaurants are not closing nearly as often, or as many as the supporters of this bill claim. The reality is that plenty have closed, but more importantly, many of the best home-grown restaurant talent here in Denver have publicly said that they won't continue to open restaurants here. Don't take my word for it; ask Troy Guard, Alex Seidel, Jen Jasinski, or Tommy Lee, four of Denver's most successful restaurant owners, who combined employ thousands of people, why they can't grow and thrive here any longer, or read the article published in The Colorado Sun from August of 2024. And that was before we had the slowest Winter any of us can remember!</p> <p>Some have said that this bill is just an example of more corporate greed. It would be easy to oversimplify it and paint this issue as the fight between greedy corporations and disenfranchised, underpaid workers. If someone described this issue to me as "corporations vs. workers" I would "take sides" with the workers too. But the truth is, this restaurant relief bill is not "for" corporate greed and "against" a livable wage. If</p>
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	<p>passed, restaurant workers will maintain a living wage while saving thousands of small businesses like mine that create jobs. Will corporations benefit too?</p> <p>If you were at the last hearing at the Capital, you know that there wasn't a single corporation in sight. It was mostly members of EatDenver, which is made up of all independent restaurateurs who own either one, or a small handful of restaurants.</p> <p>Most of us opened our first/only restaurants in Denver, with the intention of making our careers here. Like me, these owners have invested hundreds of thousands, or millions, into their businesses. We are the ones who go without a check when times are tough. We have worked months without pay, or years without a day off. We have worked from open to close so many days we've lost track. We clean bathrooms and do payroll and hire and jump on the line when our sous chef calls in sick. We're not overlords trying to steal money from disenfranchised workers to line our pockets; we're fighting for the right to stay open, keep paying our teams, and keep contributing to the economy and culture of the city we love.</p> <p>Outside of Denver, no one is paying this amount of tipped minimum wage. Not even in New York City, the most expensive city in the United States. Every worker deserves a living wage, in New York City, Denver, and every other city in this country. But the current model in our city is unsustainable, and we need to change it.</p> <p>The independent restaurant is dying in Denver. Imagine a near-future in which our downtown streets are lined with mostly dark storefronts, save for the neon lights of your favorite multi-million dollar chain restaurants. This is where we're headed. Small businesses like mine and those of my fellow restaurateurs are the heart and soul of our city, and they are disappearing. But you have the power to prevent that.</p> <p>Please, for Denver, and for the sake of all of the workers who you may think you are helping by opposing this bill, vote in favor of HB25-1208, before it's too late.</p>
<p>Matt Ross Against himself</p>	<p>I have lived, worked, and paid taxes in Denver for the past four years. I have labored in almost every front-of-house service role, from host to barback to backwait to server. In addition to my lived experience as a member of the working class, I am also well-versed in social policy from my studies of social work at University of Denver's Graduate School of Social Work.</p> <p>I stand before you today to unequivocally urge you to vote "No" on HB 1208, known as "Local Governments Tip Offsets for Tipped Employees."</p> <p>In the summer of 2021, I was part of the opening team of one of Denver's best new restaurants. I worked 70+ hours per week, tirelessly investing myself in the dream of the restaurant owner: to create a true neighborhood restaurant in the heart of Denver. However, once we opened, it became clear that the values of inclusion, fair pay, &amp; equitable treatment that she had used to convince me to uproot my life and support her dreams were a lie. During this time, the tipped minimum wage of Denver</p>

	<p>was raised, to help offset the unprecedented rise in the cost of living spurred on by the unfettered greed of the corporate real estate development industry. My boss opposed the raise. Meanwhile, she was paying herself well-over six figures and showing up to work only 2-3 times a week, leaving her tipped workers and myself to float her dream.</p> <p>Now, I am putting myself through DU's MSW program by working as a server here in Denver. If HB 1208 passes, I will see my pay slashed by 25%, cut back to 2021 levels from \$15.79 to \$11.79 per hour. This bill is a deeply harmful step backwards that jeopardizes economic security for 70,000 tipped workers in the state, solely to benefit the wealthy restaurant owners who rake in their profits on our backs. To support this bill is to choose greed over compassion, profit over people.</p> <p>I not only urge you to vote "No" on HB 1208, but I encourage you to focus on the real problem: the greed of the corporate real estate market. In 2021, my boss had to pay \$18,000 per month to her corporate landlord for a poorly-maintained, cheaply built, Cheesecake-Factory-style commercial space. To charge this much money is not only criminal, but it encourages restaurant owners to support anti-labor policies such as HB 1208 rather than to go after the real perpetrators: the self-same developers that Mayor Mike Johnston is in bed with. Stand with labor. Stand against billionaires. Kill HB 1208.</p>
<p>Rachel Stewart Against themselves</p>	<p>Dear committee, my name is Rachel Stewart, I am here representing myself and to speak in firm and unwavering opposition to HB1208. I am here representing myself and other restaurant employees who could not be here because they were either not made aware of this rushed legislation that will cut their pay, are currently working and don't know their pay is at stake, and those who had to leave to make it to work, because let us be clear that none of us who work in the industry that will be affected by this bill are paid to be here unlike the Colorado Restaurant Association. Let us be clear, the Colorado Restaurant Association is using small businesses to push a bill that would benefit large restaurant chains, this bill is not to save small businesses. I work at a small business and our high pay is what is keeping everyone employed.</p> <p>I work in a woman-owned, mostly woman &amp; LGBTQ staff establishment, we are able to focus our energy on cultivating a safe, inclusive, welcoming environment BECAUSE they pay us a living wage plus tips. We don't have to worry about being punished for our identities through our pay.</p> <p>My boss who could not be here, who is successful at running a business and who does not blame staff for her entrepreneurial failures has this to say about pay: "Offering a living wage is a sign of respect for your staff and the energy that they bring to your business. I believe that employees who feel they are compensated fairly are more likely to stick around, reducing turnover and training costs. In addition, they are more motivated to do their work to the best of their ability. They know that they</p>

	<p>are a valued member of a team that chooses to be invested in the success of the business.”</p> <p>Lastly, Senator Judy Amabile I voted for you. I am your constituent, I voted for you because I thought this meant safety for my community and for myself and this bill is failing in every form.</p> <p>How dare you go after the workers. Oppose this bill. Thank you.</p>
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Thank you for the opportunity to submit written testimony. My name is Andrea Kuwik. I'm the Director of Policy and Research for the Bell Policy Center. We provide policymakers, and the public with reliable resources to develop a practical policy agenda that promotes economic mobility for every Coloradan.

Respectfully, the Bell Policy Center is opposed to HB 25-1208. We appreciate the attention which the sponsors are calling to the financial challenges some restaurants are facing. We recognize there are a multitude of issues which restaurants - particularly small restaurants - are confronting, many of which are driven by a global pandemic which caused monumental shifts in where people work and how people spend their money.

Our concern with this bill stems from how it proposes to address the above-mentioned challenges. Instead of pursuing options that reduce rent, equipment, or food costs, or those that encourage Coloradans to frequent restaurants, HB 1208 directly reduces worker wages for thousands of tipped workers in Boulder, Denver, and Edgewater. Per the fiscal note, this bill will reduce wages for impacted workers by an average of \$3.19 an hour. For full-time workers, this is a more than \$6,500 cut in yearly wages.

In addition to the \$92,000 which this bill will directly cost the state in its first year, we're also concerned about the downstream effects on the state's budget. While some suggest that the workers impacted by this bill are regularly making upwards of \$39/hour, data from the Bureau of Labor Statistics (BLS) says otherwise. Importantly, we consider the BLS a gold standard in the collection and reporting of data. The Bureau employs professional statisticians who are consistently learning from and implementing best practices as it relates to surveying, collecting data, and analyzing results.

The BLS found that waiters, waitresses, and bartenders in the Denver metro made an average of \$18.94 an hour in 2023. To us, this indicates that many of the workers impacted by this bill are likely economically insecure. We have concerns that directly reducing wages will exacerbate already existing challenges for these Coloradans and their families. This in-turn, will increase the need for state services and supports – all of which will grow state expenditures.

Our concerns about these downstream impacts are only heightened by the current state of economic precarity many are already facing. For example, data shows that debt, evictions, and food insecurity are all on the rise across Colorado.

Again, we recognize the challenges that some restaurants are facing. However, we do not believe that the solution to this problem should exacerbate financial and economic challenges for Colorado workers. Thank you again for the opportunity to submit written testimony, and please reach out if you have any questions.

Hello House Finance Committee,

My name is Hosea Rosenberg. I am writing today in favor of House Bill 1208.

I am the chef and owner of 2 restaurants in Boulder and 1 in Denver. I have spent my entire career in this industry. I started as a dishwasher and worked my way up to where I am now. I understand first-hand how hard it is to get by on minimum wage in this state.

I am here to talk pay EQUITY. Taking care of our employees is paramount. They are the most important element in our business. I am not against minimum wage hikes. But the ones struggling the most to make ends meet are NOT the ones earning tipped pay. If we want the lowest earners to make a better living and a better wage, the tip credit must be adjusted.

How we pay tipped employees is governed by law. In most restaurants, tipped employees make much more – often double – per hour than the cooks and dishwashers. In many instances, they make even more than the management.

We pay our kitchen staff a very competitive hourly. It is well above minimum wage. Currently my BOH employees are averaging \$25/hr. and the FOH employees are averaging \$40/h, with the highest earners making over \$50/hr.

Every time the minimum wage is raised, we are forced by law to give our highest earners get a bump in pay, yet the lowest earners are left out.

Does it make any sense to give a raise to the person making the equivalent of nearly \$100,000 per year and not to the person making the equivalent of under \$50,000 per year?

Across my company, this year's minimum wage hike will increase our labor costs by \$135,000. None of that is going to the BOH employees. Changing the tip credit amount would help fix this.

Each year these minimum wages go up, and the tip credit stays at \$3.02, the chances of the restaurant's survival go down, the public pays higher prices, the FOH gets a raise, and the BOH gets entirely left out.

If the amount of the tip credit – a number baked into the constitution – was increased, I would be able to afford to pay more to those most deserving, while allowing the highest earners stay where they are. This closes the pay gap. To me, this is equitable and fair.

I plead with you to support HB 1208, as it will provide a much-needed lifeline to restaurants on the brink of failure.

Thank you for your time.



[HB25-1208](#)

**Local Governments Tip Offsets for Tipped Employees**

**Sponsors: Woodrow, Valdex, Amabile**

**CFI position: OPPOSE**

Chair Ricks and members of the committee,

My name is Caroline Nutter and I am the legislative coordinator at the Colorado Fiscal Institute, a nonprofit, nonpartisan research organization that advocates for widespread economic prosperity. I am here today to ask you to oppose HB25-1208, on the grounds that it hurts the lowest-wage earners the most, that tipped minimum wage should remain a local issue, and that the bill contains no strengthening of wage theft enforcement.

HB25-1208 is a pay cut for the lowest-wage workers. You have heard in testimony that some of these workers are making \$45 an hour with tips, but that is not the case for all, or most, tipped wage earners. Going from \$45 an hour to \$41 an hour is a significant, but not life-changing, cut. Going from \$22 to \$18 an hour, however, is a huge shock to household budgets. People are making economic decisions based on what they are earning – signing leases, paying for childcare, buying groceries – and for those workers living paycheck to paycheck, a \$4 an hour pay cut is going to put them over the edge into crisis.

Additionally, this is a local issue that requires local attention. Local governments are better positioned to make these decisions, especially when it's in response to something they have implemented, like the wage increases in Denver, Boulder, and Edgewater. The cost of living varies widely across our state, and localities should deal with those variations as they see fit.

This bill also has issues with enforcement, and worsens an already major problem in this industry, which is wage theft. This bill assumes that all businesses are complying with the law, which we know isn't the case from Denver and state wage theft data. At minimum, there needs to be language in this bill to strengthen compliance and enforcement with existing wage and hour laws. There is nothing in the bill currently that beefs up enforcement, tracking, or compliance to correspond to the massive changes it is asking localities to make.

There are ways to address the issues that restaurants are facing. There must be a way to do this with workers at the table, and without starting at cutting the wages of some of the lowest-paid workers in the state.

CFI urges a no vote on this bill.

Thank you for your time.

Thank you to the committee for providing the opportunity for me to express my support for House Bill 25-1208. My name is Darren Chang. I am here on behalf of MSG Food Concepts. I, like many of my fellow proponents of the bill, have businesses that have endured the difficulties of operating in Colorado. Instead of presenting FOH vs BOH wages or other numbers that vary business to business. I want to present numbers that are irrefutable and universal to all restaurants that operate in our state.

Colorado has the 9th highest minimum wage in the country.

The average minimum wage of the top 8 states is \$15.29 and the average tip credit is \$9.36

Of the 43 states that provide a tip credit, Colorado ranks 39th out of 43 in tip credit allowance.

Since Colorado introduced the tip credit in 2006 the state's minimum wage has increased 287% to \$14.81. Since 2006 the tip credit has increased 0% and remains at \$3.02. A tip credit that once offset 59% of the minimum wage when introduced now offsets 20% of the state minimum wage and just 16% of Denver's minimum wage. This tip credit issue should have been addressed years ago. If we don't address this issue now, when is the appropriate time? Restaurants are closing at an alarming rate. It is not sustainable for our businesses to continue to operate with an annual minimum wage increase while relying on a stagnant tip credit that has not increased in almost two decades. Please support this bill before the jobs our industry wants to provide to our communities get replaced by automation and your food is brought to your table by a roomba. Thank you.

State	Minimum Wage	Tip Credit	% of minimum wage offset by tip credit
Connecticut	\$16.35	\$9.97	61%
New York	\$15.50	\$5.50	35%
New Jersey	\$15.49	\$9.87	64%
Delaware	\$15.00	\$12.77	85%
Illinois	\$15.00	\$6.00	40%
Massachusetts	\$15.00	\$8.25	55%
Maryland	\$15.00	\$11.37	76%
Rhode Island	\$15.00	\$11.11	74%
<b>Colorado</b>	<b>\$14.81</b>	<b>\$3.02</b>	<b>20%</b>
Denver, CO	\$18.81	\$3.02	16%
Boulder, CO	\$15.57	\$3.02	19%

Dear House of Finance Committee Members,

My name is An Nguyen. I am the Head Chef and Co-Owner of Dân Dã Restaurant, located at 9945 East Colfax Ave in Aurora. Thank you for allowing me the opportunity to share my story with you today.

I chose to open my restaurant in East Aurora, a place that many lifelong Coloradans may not consider an attractive location. But for me, it was an opportunity to keep the legacy alive by any means necessary. The rising costs of doing business in Denver made it nearly impossible to continue there, but in Aurora, I saw a chance to re-build, and create something sustainable. Dân Dã is more than just a restaurant; it is a stepping stone, a creative kitchen lab for dreamers like myself to continue sharing our cuisine in a new light to the community and one day own more than just one restaurant.

However, if this bill is not supported, I fear that the same struggles that forced me to shutter my previous restaurant in Denver will follow me here to Aurora, and history will repeat itself.

Before Dân Dã, I was the co-owner of Savory Vietnam, a women-owned business that opened in 2019, just a few blocks east of Denver's Little Saigon District. From the start, we poured our hearts into the restaurant, and our hard work was recognized. Savory Vietnam was quickly embraced by the local Vietnamese community and earned recognition in news media as Denver's Best Vietnamese restaurants year after year during our time in business.

Savory Vietnam went through several trials and tribulations during its time alive, especially during the pandemic. We faced unimaginable challenges—closures, restrictions, supply chain disruptions, and a sharp decline in business. Despite these hardships, we fought to keep our doors open. I spent sleepless nights creating new recipes and perfecting my craft, determined to keep sharing my passion for Vietnamese cuisine with the community. It was a truly a blessing, communities from all walks of life continued to embrace the flavors of Savory Vietnam even after the pandemic. Even though, our food was in demand, the rising costs for food, rent and especially labor made it difficult to breathe.

One of the biggest challenges was the dramatic increase for tipped minimum wage in Denver. From 2019 to 2023, the average increase per year for the tipped minimum wage increased as followed:

2019-2020 increased by \$1.75

\*2020-2021 increased by \$1.92

\*2021-2022 increased by \$1.10  
2022-2023 increased by \$1.42  
2023-2024 increase by \$1.00

While the state tipped wage increases in those year were averaged less than \$1.00.

From 2020-2022, Savory Vietnam was not able to function normally due to restrictions because of the pandemic. Before the Pandemic, we were able to staff both full-time and part time about 15 employees, not including the partners as workers. After the pandemic we were only able to staff 6-7 employees, including partners because we simply could not hire more. We were playing catch up for the 2 years we lost during the pandemic, therefore were working tirelessly to stop the bleeding. We wanted to hire more staff but we just couldn't because the BOH had to rely on the FOH to stay afloat.

We stayed alive for as long as we could but no matter how hard we tried, the costs kept rising. Rent, food, and labor expenses became overwhelming. My two partners, whom are older, struggled to keep up with the constant changes and eventually got burnt out. In the end, the financial burden was too great, and we had to make the heartbreaking decision to close Savory Vietnam at the end of 2023.

I have poured my heart, energy, and every waking moment into this industry, yet I still find myself hustling every day just to stay afloat. Taking on extra catering orders past our regular business hours to make sure we didn't fall behind in business operations. Our family goals has always been to serve authentic Vietnamese cuisine that is both delicious and affordable. However, as expenses mentioned earlier above continue to rise across Colorado, that philosophy, while rooted in love and tradition, was becoming harder to sustain and I fear it will happen sooner if cities outside of Denver follow suit.

I don't doubt that it will happen, but at least when it does, this bill will give us the flexibility to allocate money back in the restaurant to continue its success to stay open, provide jobs, and invest in all our employees with year-end bonuses and promotions year after. It also creates an opportunity for mom and pops to become more than one store front, some day to continue sharing their passion and culture.

Born and raised in Colorado, the thought of leaving breaks my heart. But the reality is that many restaurant owners like me are being forced to make impossible choices, not because there isn't demand for our food, but because we simply can't keep up with rising costs in Denver with little to no flexibility.

It wasn't just a loss for us, it was a loss for our staff, our loyal customers, and the Little Saigon community that we were proud to be part of.

Now, as the co-owner and Head Chef of Dân Dã in Aurora, I see firsthand how important it is to support small businesses before it's too late. While this bill may not affect me directly right now, I wish the problem was addressed sooner. If this bill existed when we were struggling in Denver, I truly believe Savory Vietnam would still be functioning. The challenges of running a small, family-owned restaurant are immense, and policies that provide relief could mean the difference between survival and closure.

### A Plea for Support

I urge the committee to support HB25-1208, the Restaurant Relief Act, not just for me, but for ALL the small, family-owned restaurants trying to survive to grow.

I grew up in a mom-and-pop restaurant scenario. I witnessed firsthand the hard work my parents put in, working alongside them and eventually branching out to open my own business. You would think that as a second-generation Vietnamese-American, I could carry on their legacy and even grow beyond it. But here I am, just another small business owner, at the worst time for restaurants, working tirelessly to keep my doors open and worrying if Colorado is still a place where I can thrive and continue the legacy they left behind.

I am not alone in this. There are countless other ethnic restaurant owners who share my story but may not have the opportunity to because of the language barrier. We do this work not just to run a business, but to share our food, our culture, make our parents proud that risking their lives was not wasted and for our children to grow up in the communities we grew to love as kids. But without support, small, family-owned ethnic restaurants will continue to disappear, and Colorado will lose a vital part of what makes it so special, a diverse and thriving culinary scene rich with culture and history.

I sincerely hope you will stand with us and vote in favor of HB25-1208, the Restaurant Relief Act. Thank you for your time and consideration.

Sincerely,

An Nguyen

Dear House of Finance Committee Members,

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I sincerely hope you will stand with us and vote in favor of HB25-1208, the Restaurant Relief Act. Thank you for your time and consideration.

Sincerely,

An Nguyen

Committee Members,

My name is Hunter DeJoy, and I help run The Cactus Flower, my family's restaurant in Pueblo, Colorado. Thank you for allowing me to submit written testimony in support of HB25-1208, the Restaurant Relief Act. As a locally owned business, we take pride in serving our community, providing jobs, and supporting the local economy. While Pueblo has not yet experienced a local minimum wage increase, we see what's happening in other parts of the state, and we worry about what that could mean for the future of our business and our employees.

In cities like Denver and Boulder, local wage hikes have created a growing pay gap between front-of-house and back-of-house employees. Tipped workers see automatic raises—not just from wage increases but also from higher menu prices, which lead to larger tips—while kitchen staff continue to fall behind. If Pueblo were to face a similar increase without the ability to adjust the tip offset, we would be forced into the same difficult position as many restaurants in those areas: struggling to balance wages, cutting hours, or even closing our doors.

We want to pay our kitchen staff more. We want to invest in our employees and keep our business strong. But we also need a system that allows us to do so without putting our entire operation at risk. HB25-1208 provides that solution. By ensuring that restaurants in high-wage localities have the ability to adjust their tip offset, this bill helps create a more sustainable future for independent restaurants—one where we can keep our doors open, pay fair wages across the board, and continue serving our communities.

Pueblo may not be facing this challenge today, but if and when we do, we want to be prepared. The Restaurant Relief Act ensures that restaurants like ours won't be caught off guard, unable to adapt, and forced out of business.

I urge you to support HB25-1208 and give Colorado's independent restaurants the tools they need to survive and thrive. Thank you for your time and consideration.

Sincerely,

Hunter DeJoy

Cactus Flower Restaurant in Pueblo, CO

# Testimony of Yannet Lathrop

National Employment Law Project

## In Opposition to HB25-1208, Which Cuts the Wage for Tipped Workers in Colorado Localities

### Hearing before the Colorado General Assembly

House Committee on Finance

March 3, 2025

Yannet Lathrop

Senior Researcher and Policy Analyst

National Employment Law Project

90 Broad Street, Suite 1100

New York, NY 10004

(202) 640-6518

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Thank you for the opportunity to testify today. My name is Yannet Lathrop, and I am a senior researcher and policy analyst for the National Employment Law Project (NELP). NELP is a national nonprofit advocacy organization that for more than 50 years has sought to build a just and inclusive economy where all workers have expansive rights and thrive in good jobs. We partner with federal, state, and local lawmakers and local community-based groups on a wide range of workforce issues, including the minimum wage.

**NELP testifies in strong opposition to HB25-1208**, which slashes the base wage of thousands of tipped workers in Denver, Edgewater, Boulder County and the city of Boulder—all of which have enacted ordinances raising their wage floors above the state minimum wage—and curtails local power.

HB25-1208 could cut the wages of tipped workers by as much as \$8,300 in the 12 months beginning October 2025 for workers in Denver, assuming full-time, year-round work. (Table 1). That means that Denver tipped workers would need to earn over \$8,000 more in tips to make up the difference, if this bill becomes law. In the city of Boulder, Boulder County and Edgewater, the loss in base pay could range from \$1,580 to \$3,660.

Local Jurisdiction	Hourly Wage Cut	Annual Loss (Part-Time)	Annual Loss (Full-Time)
Denver	\$4.00	\$4,160	\$8,320
Edgewater	\$1.71	\$1,778	\$3,557
Boulder County	\$1.76	\$1,830	\$3,661
Boulder	\$0.76	\$790	\$1,581

At a time when wages and the cost of living are top of mind for workers in Colorado and across the nation,<sup>1</sup> this bill would be a staggering misstep. An adult worker without children in Denver needs to earn over \$29 per hour to afford rent, food and other necessities. The Denver subminimum tipped wage is

\$15.79. While this wage does not fully cover the cost of living in Denver, it is much closer to a living wage than \$11.79, which would be the city's state-mandated tipped wage if HB25-1208 becomes law.

**Table 2. Living Wage vs. Minimum Wage and HB25-1208 Tipped Wage, by Family Type**

	Living Wage	Tipped Wage (Current Law)	Tipped Wage (HB25-1208)
<b>Denver</b>			
Single adult	\$29.03	\$15.79	\$11.79
1 adult, 1 child	\$49.12	\$15.79	\$11.79
1 adult, 2 children	\$63.08	\$15.79	\$11.79
<b>Edgewater</b>			
Single adult	\$29.03	\$13.50	\$11.79
1 adult, 1 child	\$49.12	\$13.50	\$11.79
1 adult, 2 children	\$63.08	\$13.50	\$11.79
<b>Boulder County</b>			
Single adult	\$28.83	\$13.55	\$11.79
1 adult, 1 child	\$52.15	\$13.55	\$11.79
1 adult, 2 children	\$63.92	\$13.55	\$11.79
<b>Boulder</b>			
Single adult	\$28.83	\$12.55	\$11.79
1 adult, 1 child	\$52.15	\$12.55	\$11.79
1 adult, 2 children	\$63.92	\$12.55	\$11.79
NELP analysis of Economic Policy Institute's <i>Family Budget Calculator</i> . Living wage estimates are in 2024 dollars.			

Restaurant owners contend that they are hurting and need a policy slashing the tipped wage to survive. What they neglect to say is that they and other employers of tipped workers can already count on a \$3.02 tip credit under current law. There is no need to subsidize their labor costs further—not at the expense of workers who have been struggling with high inflation for the past

three years, many of whom cannot afford a \$400 emergency.<sup>2</sup> A majority of tipped workers are women and people of color,<sup>3</sup> who are twice as likely as other workers to live in poverty, and who face double the rates of sexual harassment as their non-tipped peers.<sup>4</sup> HB25-1208 would further compound their precarity.

HB25-1208 is an affront to local power. The bill directs local governments to expand their tip credit, and in doing so it essentially prohibits localities from improving upon the state tipped wage baseline. Local governments are closest to their constituents and understand local needs best. That was the basis for adopting a repeal of wage preemption in Colorado in 2019. Colorado would be ill-advised to reverse that gain by adopting HB25-1208.

## Conclusion and Recommendations

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For the reasons discussed above, NELP urges an unfavorable report on House Bill 25-1208.

## Endnotes

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1. Aimee Picchi, "Americans Say the Economy is a Top Election Issue. Here's How Economists are Grading It," CBS News, October 18, 2024, <https://www.cbsnews.com/news/trump-kamala-harris-policies-how-strong-is-the-economy-election/>.
2. "37% of Americans Can't Afford an Emergency Expense Over \$400, According to Empower Research," Empower, July 2, 2024, <https://www.empower.com/press-center/37-americans-cant-afford-emergency-expense-over-400-according-empower-research>.
3. Nina Mast, "Tipping is a Racist Relic and a Modern Tool of Economic Oppression in the South," Economic Policy Institute, June 18, 2024, <https://www.epi.org/publication/rooted-racism-tipping/>.
4. Teófilo Reyes, "One Fair Wage: Supporting Restaurant Workers and Industry Growth," in Stuart Andreason, Todd Greene, Heath Prince, and Carl E. Van Horn (editors), *Investing in America's Workforce: Improving Outcomes for Workers and Employers*, Volume 2 (Kalamazoo, MI: W.E. Upjohn Institute for Employment Research, 2018), 32-34.

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