

To: Secretary of Labor Alex Acosta From: Wisconsin State Rep. David Bowen

CC: Sen. Ron Johnson (R-Wisc.), Sen. Tammy Baldwin (D-Wisc.), Rep. Gwen Moore (D-Wisc.)

Subject: Protect American workers' hard-earned tips

Wednesday, Ferburary 7, 2018

Dear Secretary Acosta,

One of the Department of Labor's most important responsibilities is ensuring that American workers are protected and treated with dignity and fairness in the workplace. Generations of labor activism and organization have succeeded in advancing workers' rights but, unfortunately, your misguided labor policies, Secretary Acosta, have started to roll back these hard-fought gains.

As <u>Secretary of Labor</u> for <u>America's Cabinet</u> – a group of young elected officials from across the country who came together to offer an alternative vision for the nation – I call on you to protect America's workers and foster healthy work environments. Sadly, the Department of Labor under your leadership has thus far failed to do so.

Recently, you threatened to remove Obama-era protections for service workers by changing the rules of "tip-pooling" to allow restaurant owners to collect the hard-earned tips of their employees and use them as they see fit. Under the new tip-pooling rules, restaurateurs are free to redistribute these tips, or keep them for themselves.

Under this new system, employers could pocket \$5.8 billion of workers' tips, a fact which led 17 state attorneys general to join together in opposing the new tip-pooling rule. Facing such opposition, the Department of Labor was recently caught hiding an internal report from the public because it revealed the tip-pooling rule's negative consequences for servers and other service employees. Secretary Acosta, is this your idea of protecting American workers?

America's Cabinet has a different vision for labor in America. For one, we know that hard-working service employees rely on tips to meet day to day family responsibilities and household expenses, so we would protect -- not endanger -- that income.

Second, instead of focusing on the stock market as a sign of economic health, we should be measuring growth based on income gains and economic mobility numbers. Our federal minimum wage, still only \$7.25, is nearly \$4 less than the inflation adjusted minimum wage from 1968. We must raise the minimum wage to reflect a living wage as part of a strategy to fix the multi-decade problem of wage stagnation.

Third, not only do workers deserve their hard-earned tips, they also deserve more of a voice within their companies. America's Cabinet proposes a program to require companies to include front-line employee voices on their board if the company seeks to do business with the government or benefits from public subsidies. By doing so, we can ensure that workers truly have a say in the way their companies operate.



This is the promise of America's Cabinet. As Secretary of Labor for America's Cabinet, I propose a new direction for America's labor policy, one that includes protections for workers, expanded access to job training and improved working conditions with responsible employers. Secretary Acosta, America needs you to lead. If you don't, we – the working people of America – will.

Sincerely,

David Bowen

Wisconsin State Representative

Secretary of Labor, America's Cabinet