Congress of the United States House of Representatives

Washington, D.C. 20515

January 22, 2018

The Honorable R. Alexander Acosta Secretary of Labor U.S. Department of Labor 200 Constitution Avenue, N.W. Washington, D.C. 20210

RE: Request for Public Hearing for Notice of Proposed Rulemaking, RIN 1235-AA21, Tip Regulations under the Fair Labor Standards Act (FLSA)

Dear Secretary Acosta:

We write to respectfully request that the Department of Labor's Wage and Hour Division hold public hearings on its Notice of Proposed Rulemaking, Tip Regulations under the Fair Labor Standards Act (FLSA). The Department's proposed rule rescinds parts of its current regulations that clarify tips are the property of employees, regardless of whether the employer takes a tip credit or pays the employee the full federal minimum wage.

We appreciate the Department's decision to grant our request to extend the public comment period by 30 days, from January 4, 2018 to February 5, 2018. We believe this extension will be helpful in providing workers with an opportunity to share with the Department how the proposal will impact them.

We believe, however, public interest in the impact of the rule demands public hearings from the Department. At the time of the writing of this letter, more than 120,000 public comments have been submitted, many from workers. We urge the Department to hold public hearings, both at its Washington, D.C. headquarters and throughout the country, to respond to this strong public awareness and interest in providing input on the proposed rule's impact.

Additionally, as we have stated before, the proposed rule lacks a quantitative analysis, as required under Section 1(c) of Executive Order 13563, that demonstrates its benefits justify its costs. A public hearing also provides an additional opportunity for the Department to hear from economists on the costs of the proposed rule, including the loss of income from the transfer of tips from workers to employers.

Thank you for your consideration of this request. If you have any additional comments or questions, please contact Udochi Onwubiko at <u>Udochi.Onwubiko@mail.house.gov</u> or (202) 225-3725.

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Sincerely,

ROBERT C. "BOBBY" SCOTT

Ranking Member

Committee on Education and the Workforce

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Ranking Member

Subcommittee on Workforce Protections Committee on Education and the Workforce KEITH ELLISON

Co-Chair

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