



AUTHOR

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Nicholas Reiter is a labor & employment attorney at Venable LLP. His practice focuses on representing and advising employers in the foodservice and hospitality industries.

He is presenting "Don't Get Burned: Five Common Wage & Hour Mistakes Restaurant and Foodservice Employers Are Still Making," at the Ferdinand Metz Foodservice Forum.

*Monday, March 7, 2016
12:00 p.m. – 1:00 p.m.
Room 1C03*

Seven Wage-and-Hour Facts Every New York Restaurant and Foodservice Employer Should Know

March, 2016

1. On December 31, 2015, the minimum hourly wage in New York increased to \$7.50 for tipped employees in the hospitality industry and \$9.00 for non-tipped employees in all industries.
2. If a tipped employee performs non-tipped work, e.g., stocking shelves or carrying inventory, for either 2 hours or 20% of his/her work shift, the employer is prohibited from taking a tip credit against the employee's minimum wage *for the entire work shift*.
3. Most New York restaurant and foodservice employers are legally required to pay their cooks and wait staff on a weekly (instead of bi-weekly) basis. Penalties for non-compliance can be as high as \$1,000 per missed payday *per employee*.
4. New York employers must maintain payroll and time-keeping records for employees *for at least six years* or face potential civil and criminal penalties.
5. The failure to notify a New York employee of his/her last day of medical benefits following termination of employment may result in penalties of \$5,000 per employee. The employer may also be liable for the employee's medical expenses incurred due to the loss of insurance coverage.
6. The ten largest shareholders of a limited liability company or corporation may be held personally liable for the employer's debts to employees.
7. If a New York employer requires employees to wear a specific uniform, e.g., clothing bearing the employer's logo, the employer may need to compensate the employee for the cost of cleaning the uniform.