



Large Retailer Accountability Act Moves Forward in DC Council

By Elissa Silverman

Last week, the DC Council moved forward with important legislation to help ensure that people who work in our city's retail sector earn a living wage. The council's Committee on Business, Consumer, and Regulatory Affairs approved the bill known as the "Large Retailer Accountability Act of 2013" by a vote of four to zero, with one abstention. The legislation will head to the full Council soon.

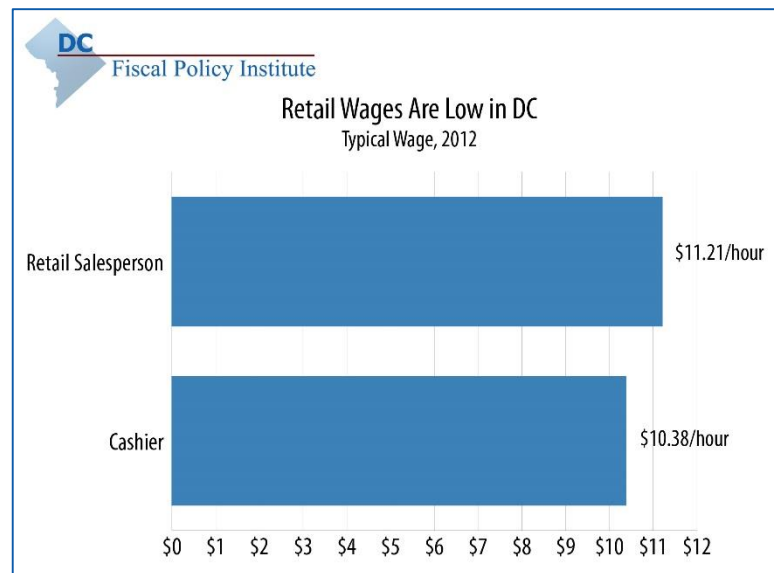
The bill comes at a time when the District is experiencing a population boom, and when development in many neighborhoods is attracting national retailers. A growing retail sector adds jobs to the District, but the hourly pay is often at or close to the city's minimum wage, which is currently \$8.25 an hour. The median wage for cashiers in DC area is \$10.38 an hour – meaning half earn less than this and half earn more – while the median wage for retail salespeople is \$11.21 an hour.

In a high cost of living city such as the District, where the average cost of a one-bedroom apartment is more than \$1,000 a month in most neighborhoods, the typical annual salary for these workers -- under \$25,000 -- makes it hard to pay for even basic necessities such as housing, transportation, and food costs.

The Council is attempting to address these concerns by requiring large retailers in the city to hire workers at D.C.'s living wage, which is currently \$12.50 an hour. Initially, the bill defined large

retailers as those with 75,000 square feet or more retail space, but the legislation was changed to retailers whose gross revenue exceeds \$1 billion. As the committee noted, many of the city's large retailers already have an average wage that meets or exceeds the living wage, which means the living wage requirement would affect their lowest-paid workers but not all.

The bill exempts franchisees and workers who are covered under a collective bargaining agreement. For large retailers who currently operate in the District, the bill gives a four-year period to raise starting wages to \$12.50 an hour.



The legislation has several benefits. [Research](#) has shown that one of best ways to lift DC families out of poverty is to provide work that can pay for housing, transportation, food, and other basic essentials. In fact, full-time work at \$12 an hour would lift about two-thirds of DC's working-poor families out of poverty. The District's economy also would benefit, because lower-wage workers spend their earnings at local businesses.

Efforts to raise wages for DC's working poor, such as the Large Retailer Accountability Act, are important to ensuring that the District remains affordable to all residents and that the benefits of DC's economic boom are widely shared.