



# The District's Dime

Going Beyond the Budget Book

The DC Fiscal Policy Institute blog  
[www.dcfpi.org](http://www.dcfpi.org)

July 29, 2015

## \$15 Minimum Wage Initiatives Gain Momentum In DC and Around the Country

By Ilana Boivie

Last Wednesday was an exciting day for those advocating to increase local minimum wage rates around the country. From the West Coast to the East, gains were made to bring the wage floor closer to a living wage—including a proposed ballot initiative in the District. The actions come amidst a [growing body of research](#) that finds that increasing the wage floor at a moderate pace can raise wages for low- and moderate-income workers without resulting in job cuts.

All in that single day, the following gains were made:

- **In DC**, the Board of Elections approved placing an initiative on the November 2016 ballot to raise the city's minimum wage to \$15 per hour by 2020, at a rate of about \$1 per year. After that, the wage rate would increase with the rate of inflation. In addition, tipped workers' pay would increase to \$15 per hour by 2025. (Currently, tipped workers in the District are paid a minimum wage of just \$2.77 per hour, as long as tips make up the difference between this and the city's minimum wage.) The initiative will appear on the ballot if supporters collect roughly 23,000 valid signatures.
- **In New York City**, the Fast Food Wage Board voted unanimously to recommend that fast food chain restaurant workers' wages be raised to \$15 per hour by July 2021. The decision now rests with the State Labor Commissioner to either accept, reject, or modify the measure.
- **In California**, the University of California announced that it would be raising the minimum wage to \$15 per hour by October 2017 for all direct and contract employees working more than 20 hours per week.

Cities that have already passed \$15 minimum wage laws include Los Angeles, San Francisco, and Seattle.

DC has recently [increased the city's minimum wage](#)—to \$10.50 on July 1 of this year, and to \$11.50 in July 2016—which means that some 64,000 city workers will see an increase in their standard of living by next summer. But these increases, while notable, do not go far enough. A full-time job at \$11.50 pays just \$24,000 a year. The actual living wage needed in the District is about \$15 for an individual, and over \$20 for a family of four, [according to the Massachusetts Institute of Technology](#).

Research shows that minimum wage increases also help workers making a bit more than the minimum wage. This is because employers largely want to keep their same wage structure in place, and retain quality employees. [The Economic Policy Institute](#), for example, estimates that if the federal minimum wage were increased to \$12 per hour by 2020, in addition to the 28.4 million workers who would see an increase because they currently make less than \$12, another 6.7 million American workers above that wage will also likely receive a raise.

Low-wage workers are finding it more difficult to make ends meet than ever before. Raising the minimum wage would go a long way to helping working class residents in DC and other communities provide for their families independently without having to rely on government assistance.

Stay tuned to the District's Dime for more updates on minimum wage efforts around the country.