

BALLOT INITIATIVE 77 IS GOOD FOR WORKERS

What is Ballot Initiative 77?

Ballot initiative 77 will incrementally increase the tipped minimum wage by \$1.50 per year until it reaches \$15 per hour in 2025. Currently, the law requires employers to pay tipped workers a “tipped minimum wage” – \$3.33 an hour. When workers receive less than the current full minimum wage (\$12.50 per hour), employers must pay the difference between a worker’s tips and the full minimum wage. Under [Ballot Initiative 77](#), there would be one wage for all workers.

Who are Tipped Workers in the District?

Tipped workers are employed in a range of industries in the District. Let’s think about the people we tip regularly. Yes, there are food-service workers like servers and bartenders, but there are also hairstylists, hotel workers, taxi drivers and other employees who all rely on tips.

Tipped workers—who are overwhelmingly women of color— are nearly twice as likely to live in poverty than all other workers. The annual median wage for bartenders and servers is approximately \$31,000 and \$25,000, respectively. This is far below the annual salary of \$68,000 needed to cover costs of living in the District.

Which States Have One Fair Wage?

Alaska, Montana, Nevada, Minnesota, California, Oregon and Washington. [Let’s make the District next!](#)

How Will Initiative 77 Impact Tipped Workers?

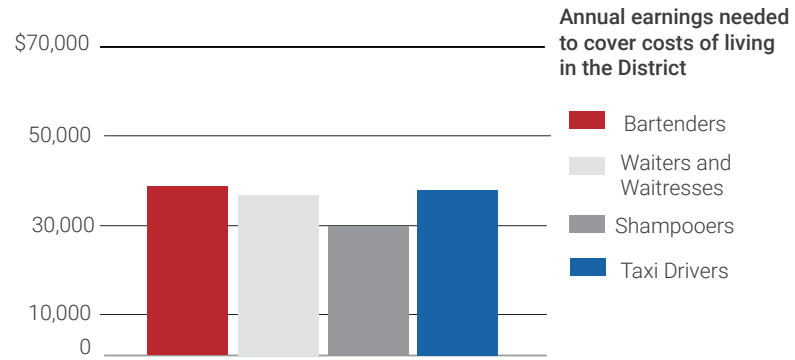
In states that have maintained the tipped minimum wage, poverty rates are comparable for tipped workers and workers overall. But in the seven states with no tipped minimum wage, poverty rates are substantially lower for tipped workers.

How Will Initiative 77 Impact the Restaurant Industry?

The National Restaurant Association projects growth in the states with no tipped minimum wage. Per capita restaurant sales increase as the tipped minimum wage increases. Employment growth¹ for tipped workers in the restaurant industry tends to be higher in the states that pay tipped workers above \$5 per hour, and also higher in states with only one wage.

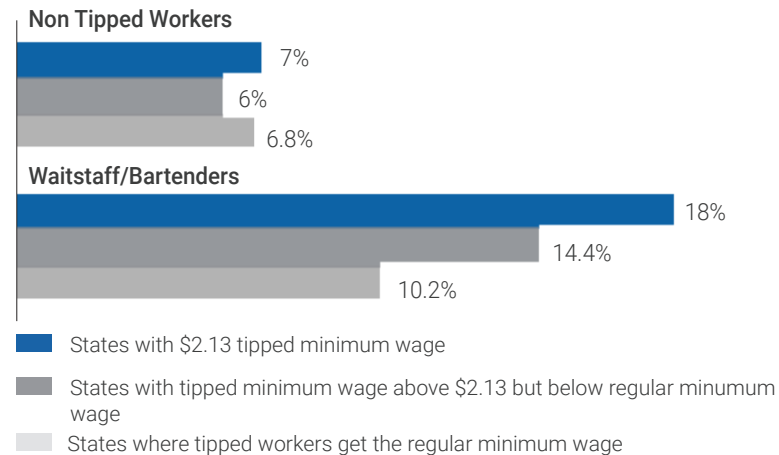
¹ Employment growth is calculated as a percentage of total state employment

Tipped Workers’ Annual Wages in DC



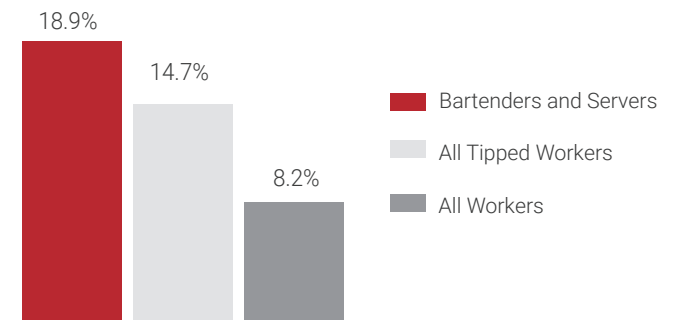
Source: BLS, May 2017 State Occupational Employment and Wage Estimates District of Columbia

Workers are Less Likely to Live in Poverty with One Fair Wage



Source: EPI, David Cooper Analysis of Current Population Survey Annual Social and Economic Supplement microdata, 2010–2012

Poverty Rates for Workers in the District



Source: National Employment Law Project, ROC United (2016), American Community Survey, 2010–2014 merged-five year sample