

INITIATIVE 77 IS GOOD FOR WORKERS

Initiative 77 eliminates the sub-minimum wage so that all workers earn “one fair wage” and workers do not have to depend on tips for their income.

Initiative 77 creates One Fair Wage for all workers.

Initiative 77 will gradually increase the tipped minimum wage from \$3.89 to \$15 per hour by 2025. Initiative 77 eliminates the sub-minimum wage so that all workers earn “One Fair Wage” and no longer depend on tips for their income.

Tipped workers aren’t just in restaurants.

Let’s think about the people we tip regularly. Yes, there are servers and bartenders, but 1/3 of tipped workers are in jobs where tips are modest. That includes parking garage attendants, hair stylists, taxi drivers, and others.

Tipped jobs often are low-paid.

While some tipped workers are doing fine, many are not.

- The median annual earnings for bartenders in DC is \$31,000. It’s \$25,000 for servers.
- 16% of DC tipped workers are low-income enough to receive SNAP benefits.
- Tipped workers—overwhelmingly women of color—are nearly twice as likely to live in poverty than all other workers.

The majority of tipped workers are people of color.

Some 70% of tipped workers are people of color.

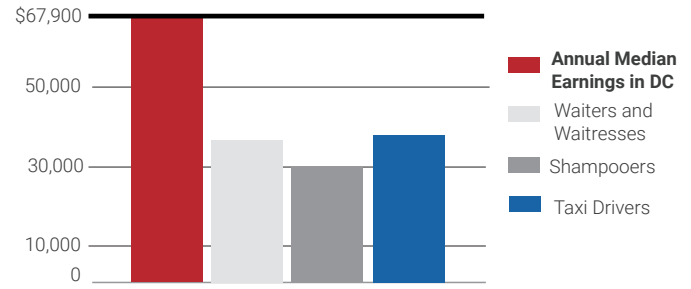
One Fair Wage will raise earnings and reduce poverty.

Currently, workers in seven states receive One Fair Wage. The poverty rate for non-tipped workers in these states is about the same as in the rest of the country. But the poverty rate for tipped workers is much lower in One Fair Wage states, presumably because of their higher base wage.

Restaurants and customers are doing well in states with One Fair Wage.

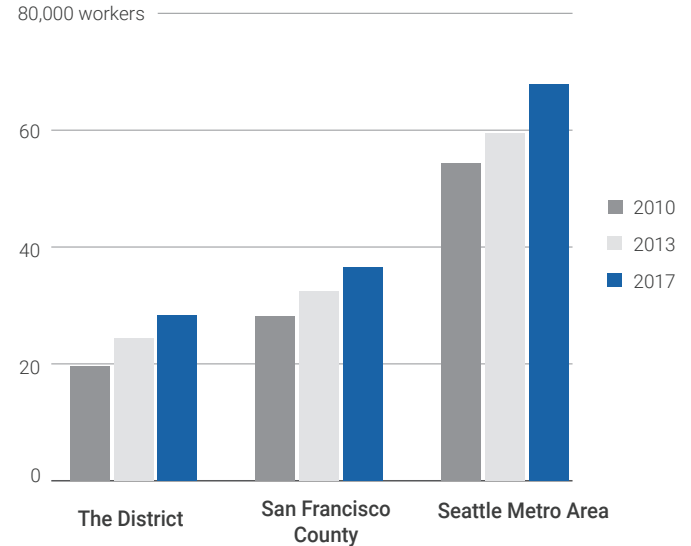
The experiences of other states suggest that with time to adjust, DC restaurants can pay their workers the full minimum wage and still thrive. In places with One Fair Wage, restaurant employment growth is healthy and customers still tip at normal rates.

Many tipped workers have lower earnings



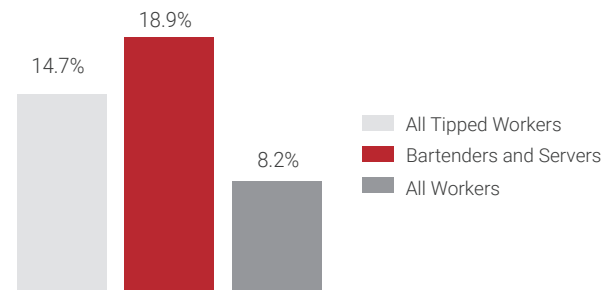
Source: BLS, May 2017 State Occupational Employment and Wage Estimates District of Columbia

Restaurants continue to grow in One Fair Wage states



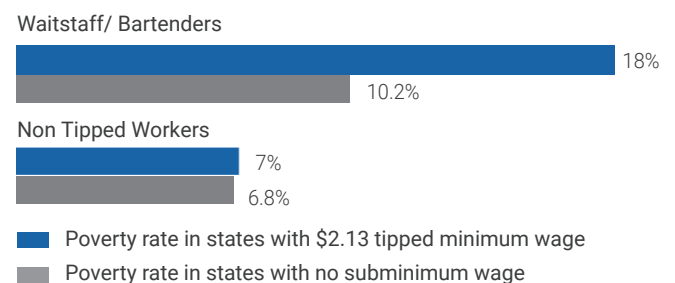
Source: EPI analysis of County Business Patterns data, 2010-2016

Poverty rates for tipped workers are lower under One Fair Wage



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

Workers in One Fair Wage states are less likely to live in poverty



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