

Beyond Outdoor Movies: Summer in DC Also Brings Paid Family Leave and a Higher Minimum Wage

By Simone Holzer

With summer in full swing and July 4th around the corner, there's lots to celebrate and look forward to. But this week, we're also celebrating DC's progress towards implementing paid family leave and a new minimum wage increase that goes into effect July 1—a week from today. With paid family leave and an increased minimum wage, workers are better able to take care of themselves and their families, and the District can move towards being a place where everyone has a chance to succeed.

Paid Family Leave Ensures Everyone Can Care for A Loved One or New Child

On July 1, 2019 the District will begin collecting taxes from employers so that by July 1, 2020 DC workers can begin to claim paid leave benefits when they have a new child or a sick relative. The Universal Paid Leave Act, passed by the DC Council in 2016, grants eight weeks of paid leave for new parents to be with their children; six weeks for workers to care for an ill relative; and two weeks to address one's own health needs.



Maya Warren's story demonstrates the importance of having a paid leave program in DC: Maya delivered a baby via c-section [but had to return to work only eight days later](#) because she had no paid leave benefits from her employer and just couldn't afford to take time off unpaid.

Paid family leave benefits [workers and employers](#) alike, and is crucial for improving public health. With paid leave, parents will have more time to bond with their newborns. That makes it easier for moms to breast-feed and otherwise care for their babies, leading to reduced infant mortality. For employers, offering paid leave will boost morale, and help attract and retain good employees. Paid leave also increases [women's participation in the labor market](#) and can help close the gender wage gap.

Paid leave is funded through an [employer payroll tax](#). While this is certainly something for businesses to adjust to, the burden is not enormous, especially given the benefits. For an employee making \$40,000 a year, the cost of the tax is less than \$250— that's less than \$5 per week. For someone making \$25 an hour, the cost would be 15 cents an hour. This is a small price to pay considering how valuable paid leave benefits are. A DC Council [analysis](#) found that implementing paid leave would not harm businesses or employment.

Importantly, DC's paid leave structure ensures that the lowest-wage workers benefit the most. The program replaces 90 percent of wages for low-wage workers, with a smaller replacement rate for those with higher pay. In programs in other states, replacement is 60 percent and low-wage workers often don't take time off

because the benefits are too low. DC's structure ensures that the workers who face the greatest barriers to economic prosperity can actually use their benefits and won't face additional challenges paying their bills when taking time off.

It's no wonder so many people are [excited for](#) the policy to be implemented in July 2020! If you're wondering how DC's paid leave policy will impact you, check out this [paid leave benefit calculator](#).

A Higher Minimum Wage Helps Workers with Low Wages Stay in DC

On July 1, 2019, DC's minimum wage will [increase](#) to \$14.00 per hour, under legislation that will bring it to \$15.00 an hour a year from now. DC's tipped minimum wage also increased, to \$4.45 per hour now and \$5.00 an hour on July 1, 2020. ([Initiative 77](#), which voters approved last year, would have eliminated the tipped minimum wage, but the Council overturned it.)

Given DC's [high cost of living](#), it's important to take intentional steps to help workers with lower wages stay in the District. As wealthier residents have moved to DC, and as the city has courted developers, costs have gone up, and it's been increasingly hard for low-wage workers, many of whom are long-time Black DC residents, to stay in the District. Multiple studies have shown that gentrification and [displacement](#) in DC are among the worst in the nation.

Furthermore, decades of systemic barriers—school segregation, job discrimination, restrictive deed covenants, and more—have prevented Black residents and other residents of color from fully benefitting from the District's prosperity. [Nearly half](#) of all workers who will benefit from a \$15 minimum wage are Black, and another 24 percent are Latinx. While incomes have increased for DC's white residents in recent years, the median household income for Black residents [has not changed](#) in the last 10 years.

Higher wages help workers make ends meet, support their families, and stay in DC as the costs of living rise. With a larger paycheck, it will be easier to pay rent, fill the refrigerator with nutritious food, afford transportation to and from work, and more.

DC's upcoming improvements for workers are cause for celebration. And, they're also a reminder that we still have more to do to support workers at all income levels and ensure that everyone has the opportunity and resources they need to stay, and succeed, in the District.

Want to learn more, and help educate others too? Join our partners from the DC Just Pay Coalition for a [Know Your Rights Training and Webinar](#) on June 26, and then [join them to do outreach around the city](#) before these changes go into effect on July 1!