CITY OF TACOMA'S MINIMUM WAGE TASK FORCE

THE TASK FORCE'S FOURTH MEETING

Thursday,11 June 2015 5:30 – 7:50 p.m.
The Center for Urban Waters

SUMMARY

OF THE MEETING'S KEY DISCUSSIONS, DECISIONS, AND AGREEMENTS

Approved by the Task Force on 18 June 2015

In attendance: Task Force Members and Alternates: Sarah Cherin (phone), Pastor Gregory Christopher, Michelle Douglas (phone), Liz Dunbar, Dennis Farrow, Reggie Frederick, Eric Hahn, Russ Heaton, Dr. Ali Modarres, Abranna Romero Rocha, David Strong, Robert Taylor, and Brenda Wiest; City Staff serving the Task Force: Tadd Wille, Andy Cherullo, Jared Eyer, and Christina Watts; Economic Consultants: Katie Baird; Facilitator: Jim Reid

Task Force members who were absent: Kelly Chambers, Odette D'Aniello, and Elizabeth Lewis

Facilitator Jim Reid called the Tacoma Minimum Wage Task Force's meeting to order at 5:30 p.m. PDT.

THE TASK FORCE'S DECISIONS AND AGREEMENTS

The Task Force members:

1. Approved the summary of the key discussions, decisions, and agreements of their third meeting on 4 June 2015. The final summary will be posted on the Task Force's website to help keep the public informed about the Task Force's work.

TASK FORCE REFINES FOUR PROPOSALS FOR RAISING THE MINIMUM WAGE IN TACOMA

On June 4th the Task Force members brainstormed four alternatives for raising the minimum wage in Tacoma. Building on those alternatives, they put four proposals "on the table" during tonight's meeting.

As the discussion unfolded, Task Force members identified *points of consensus* among them and their proposals. They are:

1. Increases in the minimum wage should be incremental and phased in over time until the goal is reached.

- 2. Once the goal has been reached, the minimum wage should increase annually based on the Consumer Price Index (CPI) or another appropriate index.
- 3. Tacoma should allow the same credits and exemptions in its minimum wage policy that the State of Washington allows.
- 4. The program recommended by the Task Force to Mayor Strickland and the City Council should be as clear and simple as possible to make it understandable and appealing to voters if it is placed on the November 2015 ballot.
- 5. Another reason why it should be as simple and efficient as possible is to minimize the costs of administration and enforcement.

Here are the four proposals the Task Force is considering. During the coming week leading up to their meeting on June 18th, Task Force members will reach out to their associates, colleagues, and constituents to hear their reactions to the proposals and continue to look for common ground and one solution that will meet the interests of all parties.

PROPOSAL #1:

Goal: Raise the minimum wage to \$15 per hour.

When: Phased in over time. Begin: 1 January 2016.

Key elements: Define small businesses as those with 50 or fewer employees, and large businesses as

those with more than 50 employees. Small businesses can take longer to reach \$15 per

hour than large businesses.

Exemptions: Same as what the state uses now.

PROPOSAL #2:

Goal: Raise the minimum wage to \$10.88, then allow it to rise annually (and remain higher

than the state's minimum wage) by using the CPI.

When: On 1 January 2016 Tacoma's minimum wage becomes \$10.88.

Key element: Businesses of all sizes are on the same pathway to raising the minimum wage.

Exemptions: Same as what the state uses now.

PROPOSAL #3:

Goal: Raise the minimum wage to \$13 per hour.

When: Phased in over time to reach the goal on 1 January 2019.

Begin: 1 July 2016.

Allow minimum wage to rise according to state law on 1 January 2016 to approximately \$9.77 per hour. On 1 July 2016 raise it to \$10.88. Then raise it incrementally each year

until the goal is met on 1 January 2019.

Key elements: a) Businesses of all sizes are on the same pathway to raising the minimum wage.

b) Propose this solution to the Mayor and Council and urge them to adopt an ordinance

enacting it into law before Election Day.

Exemptions: Same as what the state uses now.

PROPOSAL #4:

Goal: Raise the minimum wage in Tacoma by \$2.53 (the same number as Tacoma's area code,

and, therefore, dubbed "The Tacoma Solution") to \$12 per hour by a date certain.

When: By either 2018, 2019, or 2020.

Scenario 4A: By 1 January 2018: Minimum wage rises to \$10.31 in 2016, \$11.15 in

2017, and \$12 in 2018.

Scenario 4B: By 1 January 2019: Minimum wage rises to \$10.10 in 2016, \$10.74 in

2017, \$11.37 in 2018, and \$12 in 2019.

Scenario 4C: By 1 January 2020: Minimum wage rises to \$9.98 in 2016, \$10.48 in 2017,

\$10.99 in 2018, \$11.49 in 2019, and \$12 in 2020.

Key element: Businesses of all sizes are on the same pathway to raising the minimum wage.

Exemptions: Same as what the state uses now.

During the brief conversation after all four proposals were put on a whiteboard, Ali Modarres commented that he sees Proposal #3 as a compromise Liz Dunbar raised the issue of providing credit to businesses that provide health care so to not risk employees' health benefits by raising the minimum wage. David Strong suggested the Task Force should consider which proposal is most winnable at the ballot box as well as responsible public policy.

Task Force members pledged to talk to their associates, colleagues, and constituents in preparation for the next discussion of the proposals on Thursday, 18 June.

The meeting adjourned at 7:50 p.m. PDT.