

Dear Council members:

As members of Mayor Murray's Income Inequality Advisory Committee (IIAC), we have stood behind the Mayor's proposal as a compromise solution negotiated in good faith between business, labor, nonprofit, and community representatives. We are very concerned that the City Council's Central Staff is presenting options to the Council to weaken the Mayor's proposal for Seattle 100,000 low-wage workers. The options the Central Staff contemplates in a memo dated May 22nd to the Select Committee on Income Inequality and Minimum Wage – including training wages, longer phase-in periods, and exemptions - are options that the IIAC considered and rejected as part of the negotiated settlement. Reconsidering these options would cause major disruption to the compromise negotiated at the IIAC.

If changes are being considered to the proposal, public opinion favors changes that strengthen the proposal for workers. Many of our colleagues in the progressive community have raised concerns about the Mayor's proposal that are not reflected in the Central Staff's document. If the Council is reviewing amendments and alterations to the Mayor's proposal, they should also review the following options that would lift more workers out of poverty in a faster way, including:

1. *Don't count tips toward minimum compensation.* Allowing employers to count tips toward minimum compensation will encourage wage theft and exacerbate the gender wage gap. 64% of the public thinks that tips should never or should only temporarily count toward the minimum wage.
2. *Shorten the phase-in.* Big businesses can afford to pay \$15 sooner. The public supports a faster phase-in for big business by 51% to 35%.
3. *Eliminate training wages.* Very few exemptions exist under state law. The city shouldn't allow businesses to pay lower wages to disabled workers, young workers, or immigrant workers.
4. *Decrease the threshold for big businesses to 250 employees.* 250 is the largest threshold in the City's sick leave law, and businesses over that size should be able to afford to lift workers out of poverty sooner.
5. *Strengthen enforcement.* The enforcement mechanism in the minimum wage policy does not institute strong penalties that would discourage businesses from trying to avoid or violate the law. Enforcement should include a stronger private right of action, larger damages for violations of the law, and a robust education and outreach component.

If the Council intends to consider different options, we would expect it to consider pro-worker options supported by the public and not only employer-friendly options. That said, we want to be clear that we believe the Mayor's compromise proposal remains the best way forward. Passing the bill as-is would lift 100,000 workers out of poverty and put \$3 billion into low wage consumers' pockets in the first 10 years. Moreover, the compromise embodies a delicate and hard-fought balance of interests. Substantial revision could result in the collapse of public support for the mayor's proposal. We urge you to pass the deal as recommended.

Sincerely,

David Rolf, IIAC co-chair

David Freiboth, IIAC member

Nick Hanauer, IIAC member

Pramila Jayapal, IIAC member

Nicole Vallesterro Keenan, IIAC member

Eric Liu, IIAC member

Diane Sosne, IIAC member

Steve Williamson on behalf of Sarah Cherin, IIAC member