UNITED STATES DISTRICT COURT

WESTERN DISTRICT OF WASHINGTON

SEATTLE DIVISION

INTERNATIONAL FRANCHISE ASSOCIATION, INC., *et al.*,

Plaintiffs,

v.

CITY OF SEATTLE, *et al.*,

Defendants.

Case No. 14-cv-00848RAJ

BRIEF OF AMICI CURIAE THE CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA, AMERICAN HOTEL & LODGING ASSOCIATION, NATIONAL RESTAURANT ASSOCIATION, ASIAN AMERICAN HOTELS OWNERS ASSOCIATION, HOME CARE ASSOCIATION OF AMERICA, AND WASHINGTON RETAIL ASSOCIATION IN SUPPORT OF PLAINTIFFS' MOTION FOR A LIMITED PRELIMINARY INJUNCTION

Amici Curiae the Chamber of Commerce of the United States of America, American Hotel & Lodging Association, National Restaurant Association, Asian American Hotels Owners Association, Home Care Association of America, and Washington Retail Association ("Amici") submit this amicus brief in support of Plaintiffs' Motion for a Limited Preliminary Injunction ("Mot.") to enjoin enforcement of Seattle City Ordinance No. 124490 ("Ordinance").

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I. INTERESTS OF AMICI

As set forth in the accompanying Motion for Leave to File, Amici have an interest in this case because many of their members are located in Seattle and will be affected by the Ordinance. In particular, the Ordinance likely will impose significant economic harm on their members by causing them to, among other things, reduce their workforce, abandon plans to expand, raise prices, and/or reduce employee benefits. Accordingly, Amici are well suited to provide the Court with information on how the Ordinance will affect Seattle businesses.

II. INTRODUCTION AND SUMMARY OF ARGUMENT

The Ordinance is extraordinary. On January 1, 2017, less than three years from now, businesses that Seattle deems to be "large" employers—those employing more than 500 people anywhere in the United States—must pay a minimum wage of $15.00 per hour. "Small" employers will be subject to that minimum wage increase in 2021. $15.00 per hour is more than double the federal minimum wage of $7.25 per hour and more than 60% higher than the State of Washington's minimum wage of $9.32 per hour, which itself is the highest in the nation. Simply stated, the Ordinance will soon prohibit countless businesses from hiring any person, regardless of their skill level and experience, to perform any job unless they pay a wage of $15.00 per hour.

The Ordinance will be especially harmful to franchisees. Not only does it impose the largest minimum-wage increase in the history of the United States, but it does so by targeting franchisees for disparate treatment because of their affiliation with out-of-state franchisors and fellow franchisees. The Ordinance accomplishes this discriminatory purpose by declaring that "all franchisees associated with a franchisor or network of franchises with franchisees that employ more than 500 employees *in aggregate in the*

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United States" to be "large" employers even though these independent, locally owned and operated businesses would otherwise qualify as "small" employers under the law. Ordinance § 2(T) (emphasis added.)

In so doing, the Ordinance puts franchisees at a significant disadvantage vis-á-vis their small-business competitors. Consider the new minimum-wage scale the Ordinance imposes on Seattle businesses over the next five years:

Year	"Large" Employer Minimum Wage (Franchisees)[1]	"Small" Employer Minimum Wage (Franchisees' Competitors)	Labor-Cost Differential
2015	$11.00	$10.00	10%
2016	$13.00	$10.50	24%
2017	$15.00	$11.00	36%
2018	$15.27	$11.50	33%
2019	$15.55	$12.00	30%

By saddling franchisees with increased labor costs that non-franchised small businesses are not required to bear, the Ordinance will make it difficult—if not impracticable—for franchisees to compete. This is untenable both as a matter of law and equity: a small, independently owned franchisee employing (for example) 40 people should be subject to the same implementation period for the increased minimum wage as every other small, independently owned business employing 40 people. Given the size of the Ordinance's minimum wage increase and its differential treatment of similarly situated businesses based on out-of-state associations, the Court should grant the motion.

First, Plaintiffs are likely to succeed on the merits of their legal claims, particularly on their dormant Commerce Clause claim. The Ordinance purposefully imposes higher wage costs on Seattle franchisees because of their out-of-state

[1] This assumes a 1.83% inflation rate for 2018 and 2019. *See Cleveland Fed Estimates of Inflation Expectations*, The Federal Reserve Bank of Cleveland (June 17, 2014), https://www.clevelandfed.org/inflation-central/201406-inflation-expectations.cfm.

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connections. This type of blatant economic protectionism—specifically designed to insulate favored local businesses from the rigors of interstate competition—is squarely prohibited by the dormant Commerce Clause.

Second, Plaintiffs likely will suffer irreparable harm through, among other things, the loss of goodwill and destruction of their businesses. The Ordinance soon will increase franchisees' labor costs by more than 60% (10%-36% more than their competitors). While such cost increases ordinarily cause economic harm in the normal course, they are especially problematic here because Plaintiffs' non-franchise competitors will not face them. The irreversible and unquantifiable competitive harm franchisees likely will suffer as a result of this discrimination warrants preliminary relief.

Third, the balance of hardships and public interest weigh strongly in favor of granting the motion. Unlike franchisees, the City will endure no hardship if the injunction is granted. Indeed, franchisees would merely be subject to the same phase-in schedule for increasing the minimum wage that the City has already deemed appropriate for all other "small" businesses in Seattle.

More fundamentally, granting the motion will serve the public interest by preventing the Ordinance from inflicting economic harms on the people of Seattle. The Ordinance is likely to: (1) cause unemployment to rise, as franchisees lack the capital, demand, and revenue to pay every worker $15.00 per hour; (2) harm the very people the Ordinance is ostensibly designed to help—low-skilled and inexperienced workers—as the jobs worth $15.00 per hour shift to those with more skill and experience; and (3) cause many of those employees fortunate enough to keep their jobs to lose their benefits and work fewer hours as businesses take other measures to offset increased labor costs. At base, Seattle's unprecedented minimum wage increase may undermine franchisees'

competitiveness and erode the value of their businesses, stifle the City's economic growth, increase un- and under-employment, and ultimately hurt the very people the Ordinance is supposed to help. The Court should enjoin the offending aspects of the Ordinance while this meritorious legal challenge is litigated to resolution.

III. THE COURT SHOULD GRANT A PRELIMINARY INJUNCTION.

A party seeking a preliminary injunction must show: (1) likelihood of success on the merits; (2) likelihood of irreparable harm; (3) the balance of equities tips in its favor; and (4) relief is in the public interest. *Winter v. Nat'l Res. Def. Council, Inc.*, 555 U.S. 7, 20 (2008). Under the Ninth Circuit's "sliding scale" approach, the motion for preliminary injunction should be granted if there are "serious questions going to the merits," the "balance of hardships . . . tips sharply" towards plaintiffs, and the other factors are met. *Alliance for the Wild Rockies v. Cottrell*, 632 F.3d 1127, 1131 (9th Cir. 2011). Plaintiffs meet either test.

A. Plaintiffs Are Likely To Succeed On The Merits Of Their Claims.

The Court need only reach Plaintiffs' claim that the Ordinance purposefully discriminates against interstate commerce to conclude they are likely to prevail or have at least identified "serious questions." Mot. at 15-17. The Commerce Clause "embodies a negative command forbidding the States to discriminate against interstate trade." *Associated Indus. v. Lohman*, 511 U.S. 641, 646 (1994). The negative, or "dormant" Commerce Clause, outlaws "economic protectionism—that is, regulatory measures designed to benefit in-state economic interests by burdening out-of-state competitors." *New Energy Co. v. Limbach*, 486 U.S. 269, 271, 273 (1988). "Thus, where simple economic protectionism is effected by state legislation, a virtually *per se* rule of invalidity has been erected." *City of Philadelphia v. New Jersey*, 437 U.S. 617, 624 (1978).

That is precisely what the Court confronts here. To be sure, the Ordinance purports to neutrally apply one rule to "large" employers and another rule to "small" employers. But the Commerce Clause "is not so rigid as to be controlled by the form by which a State erects barriers to commerce." *West Lynn Creamery, Inc. v. Healy*, 512 U.S. 186, 201 (1994); *Best & Co. v. Maxwell*, 311 U.S. 454, 455 (1940) ("The Commerce Clause forbids discrimination, whether forthright or ingenious."). "The crucial inquiry, therefore, must be directed to determining whether [the Ordinance] is basically a protectionist measure, or whether it can fairly be viewed as a law directed to legitimate local concerns[.]" *Philadelphia*, 437 U.S. at 624. The Ordinance thus is unconstitutional if "evidence in the record demonstrates that the law has a discriminatory purpose." *S.D. Farm Bureau, Inc. v. Hazeltine*, 340 F.3d 583, 593 (8th Cir. 2003); *Family Winemakers v. Jenkins*, 592 F.3d 1, 13 (1st Cir. 2010) (same).

As Plaintiffs have shown, there is overwhelming evidence that the City's disparate treatment of franchisees was motivated by a desire to insulate local businesses from having to compete with small businesses with out-of-state connections. Mot. at 4-11. The Ordinance's proponents sought to create a "city dominated by independent, locally owned" companies. *Id*. at 5 (quoting Ex. 2). The City wanted them exempt from competition from "franchises like Subway and McDonalds," which were viewed as "not very good for [the] local economy." *Id*. According to Seattle Mayor Ed Murray, the Ordinance targets franchisees for harsher treatment because of a belief that they are "part of a larger, national corporate monopoly [and] that is very, very different than individual business owners." Dan Springer, *Businesses Launch Legal Challenge to Seattle's $15 Minimum Wage*, FoxNews.com (June 18, 2014).[2] In short, the Ordinance's proponents

[2] http://www.foxnews.com/politics/2014/06/18/15-minimum-wage-facing-

wanted there to be "fewer franchises" in Seattle because they affiliate with "extractive national chains." Mot. at 5 (quoting Ex. 2). This is a paradigmatic example of the kind of economic protectionism the dormant Commerce Clause forbids.

B. The Ordinance Will Cause Plaintiffs Irreparable Harm.

Without a preliminary injunction, the Ordinance will impose irreversible and unquantifiable economic damage on franchisees. Mot. at 27-29. Beginning on April 1, 2015, franchisees' labor costs will be 10% higher than their competitors; and the wage-gap will quickly rise to a 36% differential by 2017. *See supra* at 3. The irreparable economic harm franchisees are likely to suffer as a result is two-fold.

First, franchisees will be forced to make significant changes to how they run their businesses to account for this sizable increase in labor costs. Mot. at 28. "All economists agree that businesses will make changes to adapt to the higher labor costs after a minimum wage increase. . . . The higher costs will be passed on to someone in the long run; the only question is who." Mark Wilson, *The Negative Effects of Minimum Wage Laws*, Policy Analysis (June 21, 2012).[3] There are no good options. Franchisees might contract their workforce, dividing jobs among fewer employers or replacing some through automation.[4] They instead might expand more slowly, hiring fewer workers over time. Alternatively, they might raise prices, slash employee benefits, or both.

None of this will surprise the City. In a recent survey of Seattle businesses, nearly 70% reported that the Ordinance would cause a "big increase" in their labor costs. *See*

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legal-challenge-in-seattle/.

[3] http://www.cato.org/sites/cato.org/files/pubs/pdf/PA701.pdf.

[4] Notably, the Ordinance will not only increase the *minimum* wage; it also will require employers to increase the pay for positions of greater responsibility in order to retain a wage structure that aligns with the employees' respective responsibilities within the business. It thus will have a cascading effect across the entire labor force.

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New Survey of Seattle Businesses: $15 Wage Hike Will Raise Prices, Reduce Job Opportunities, and Shut Doors, Employment Policies Institute (June 24, 2014).[5] In response to the wage increase, 44% of Seattle businesses were "very likely" to scale back employees' hours; 42% were "very likely" to reduce the number of employees per shift or the staffing levels at their business; 43% of respondents were "very likely" to limit future expansion in Seattle; and 14% were "very likely" to close one or more locations. *Id.* At a minimum, then, the Ordinance increases labor expenses, limits options for expanding, and impairs employers' ability to hire new workers. This type of economic harm—which will likely result in the loss of customers—qualifies as irreparable under governing precedent. Mot. at 27-28.

Second, the fact that franchisees will endure these labor costs for years before their competitors do compounds the economic injury the offending aspects of the Ordinance impose on them. Thus, two small, independent and locally owned Seattle businesses, both with 40 employees, will operate under very different wage scales merely because one has chosen to affiliate with an out-of-state franchisor. This is the economic equivalent of "licens[ing] one side of a debate to fight freestyle, while requiring the other to follow Marquis of Queensberry rules." *R.A.V. v. City of St. Paul, Minn.*, 505 U.S. 379, 392 (1992). Facing the potential destruction of their businesses, franchisees' harms will be irreparable. *See Am. Passage Media Corp. v. Cass Commc'ns, Inc.*, 750 F.2d 1470, 1474 (9th Cir. 1985) ("The threat of being driven out of business is sufficient to establish irreparable harm."); Mot. at 29.

[5] http://www.epionline.org/release/new-survey-of-seattle-businesses-15-wage-hike-will-raise-prices-reduce-job-opportunities-and-shut-doors/.

But even those franchisees that manage to survive are likely to hobble along as the economic advantage afforded to their non-franchise competitors grinds them down. Both the competitive injury and the substantial economic loss the Ordinance thus causes independently qualify as irreparable harm. Mot. 27-28. The resulting loss of goodwill is likewise irreparable harm. *Id*. at 28.

C. The Balance Of Hardships And The Public Interest Strongly Support Granting A Preliminary Injunction.

Finally, the balance of hardships and the public interest strongly support granting a preliminary injunction. The City faces no hardship comparable to the irreparable harm franchisees confront. As an initial matter, the preliminary injunction merely would ensure that franchisees are classified according to the Ordinance's default definitional provisions. Thus, as noted above, a small, independently owned franchisee employing 40 people would be subject to the same implementation period as every other small, independently owned Seattle business employing 40 people. The City cannot plausibly contend that it would suffer a hardship by allowing franchisees to increase their minimum wage on the same timeline as all other small businesses in Seattle. Where a preliminary injunction would simply maintain the status quo, it weighs in Plaintiffs' favor. *See Rodde v. Bonta*, 357 F.3d 988, 999 n.14 (9th Cir. 2004) ("That plaintiffs sought to preserve, rather than alter, the status quo while they litigate the merits of this action also strengthens their position."). Plaintiffs' motion asks for even less as it allows the Ordinance to alter the status quo, just not in a discriminatory fashion. Mot. at 29-30.

In addition, a preliminary injunction will *advance* the public interest. First, it likely will prevent a spike in unemployment given the impact the accelerated minimum-wage increase will have on Seattle franchisees. "The main finding of economic theory and empirical research over the past 70 years is that minimum wage increases tend to

reduce employment. The higher the minimum wage relative to competitive-market wage levels, the greater the employment loss that occurs." Wilson, *supra*, at 6. Here, with labor costs set to jump by 60% for franchisees, increased unemployment is likely to follow. In 2007, economists David Neumark and William Wascher published a notable review of more than 100 minimum wage studies conducted since 1990. They found that "the preponderance of the evidence points to disemployment effects." David Neumark & William Wascher, *Minimum Wages and Employment*, Foundations and Trends in Microeconomics 164 (2007). Evidence of disemployment was "especially strong" for the "least-skilled groups most likely to be adversely affected by minimum wages." *Id*.

In contrast, they found "few—if any—cases where a study provides convincing evidence of positive employment effects of minimum wages." *Id*. Indeed, studies show that an ever-increasing minimum wage is not a marker of economic progress for workers. Just the opposite. As Johns Hopkins professor Steven Hanke has explained, seven European Union countries (Austria, Cyprus, Denmark, Finland, Germany, Italy, and Sweden) have no minimum wage. *See* Steven H. Hanke, *Let the Data Speak: The Truth Behind Minimum Wage Laws*, Globe Asia (Apr. 2014).[6] In those countries, the average unemployment rate is 7.9%. *Id*. In the 21 countries with a minimum wage, the average unemployment rate is 11.8%—almost 50% higher. *Id.*

These findings comport with common sense. The typical retail business has countless jobs it can hire someone to do—e.g., assist customers, clean and maintain the workplace, or work a register. But once the labor cost exceeds the value of the job in question to the business's success, the employer will have to make a staffing adjustment.

[6] http://mobile.sternstewartinstitute.com/files/ssco_periodical_x_artikel_hanke.pdf.

More often than not, that means consolidation of job functions in fewer employees. As Scott Wolla of the Federal Reserve Bank of St. Louis has explained:

> Labor markets, like other markets, have a supply side (workers supply labor) and a demand side (employers demand labor), and their interactions result in an equilibrium price—in this case, the price paid per unit of labor is an equilibrium wage. The minimum wage acts as a price floor for low-skilled labor. When the government (federal or state) increases the legal minimum wage above the equilibrium wage that the market would determine, predictable outcomes occur: The higher wage increases the quantity of workers willing to work at the higher wage, but the higher wage also decreases the quantity of workers that firms wish to employ. The result is a surplus of workers, where more workers seek employment than there are jobs available at the mandated minimum wage—and the workers who fail to find employment are unemployed.

Scott A. Wolla, *Would Increasing the Minimum Wage Reduce Poverty?*, Economic Education Group of the Federal Reserve Bank of St. Louis (Mar. 2014).[7]

By rapidly increasing the minimum wage franchisees pay to $15.00, the Ordinance thus creates an artificial price floor on labor far beyond what employers can bear.[8] The inevitable result (especially given the competitive pressure imposed on franchisees) is higher unemployment. In a recent survey of 2,000 Seattle businesses, 60% said they would likely make multiple employment changes, such as reducing or eliminating new jobs and raising standards for entry level jobs. *Results from Chamber Member Survey on Minimum Wage Further Reveal Complexity of Issue*, The Seattle Chamber of Commerce

[7] http://research.stlouisfed.org/pageone-economics/uploads/newsletter/2014/PageOneCRE_0314_Minimum_Wage.pdf.

[8] The City has pointed to the work of French economist Thomas Piketty as justifying the increase. *See* Ordinance, Preamble ("WHEREAS, the noted economist Thomas Piketty wrote in his landmark book Capital in the 21st Century, 'the need to act on income inequality is profound[.]'"). Yet it is doubtful that even Mr. Piketty would approve of this massive wage increase. He too understood that "raising the minimum wage cannot continue indefinitely: as the minimum wage increases, the negative effects on the level of employment eventually win out. If the minimum wage were doubled or tripled, it would be surprising if the negative impact were not dominant." *Thomas Piketty, Capital in the Twenty-First Century* 313 (2013).

(Apr. 11, 2014).[9] Another poll found that 41% of downtown Seattle businesses anticipate reducing or eliminating new positions because of the Ordinance. *Survey Says . . . DSA Members Weigh in on Minimum Wage* (2014).[10]

Second, in addition to increasing unemployment generally, the Ordinance will be especially harmful to low-skilled and younger workers—so many of whom obtain their first job from franchisees. In a recent study of New York State's 2004 minimum wage increase from $5.15 to $6.75 per hour, economists Joseph Sabis, Richard Burkhauser, and Benjamin Hansen concluded that the law led to "a 20.2% to 21.8% reduction in the employment of less-skilled, less-educated workers, with the largest effects on those aged 16 to 24." Joseph J. Sabia, Richard V. Burkhauser, Benjamin Hansen, *Are the Effects of Minimum Wage Increases Always Small? New Evidence from a Case Study of New York State*, Cornell ILR Review (June 2012). Similarly, in the 21 European Union countries with minimum wage laws, 27.7% of the youth demographic (more than one in four young adults) was unemployed in 2012, whereas the youth unemployment rate in the seven European Union countries with no minimum wage laws was significantly lower at 19.5%. Hanke, *supra*, at 2.

Again, these findings comport with basic economic logic. A higher minimum wage leads to fewer jobs and hence more demand by workers for those positions that have not been eliminated. The combination of higher wages and fewer jobs leads employers to fill entry-level positions with over-qualified applicants. Few businesses will choose to hire an inexperienced or low-skilled worker when they can hire a highly skilled or more

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[9] http://www.seattlechamber.com/News/Article/14-04-11/Results_from_Chamber_member_survey_on_minimum_wage_further_reveal_complexity_of_issue.asp.

[10] http://www.downtownseattle.com/2014/04/results-dsa-member-survey-minimum-wage-2/.

senior worker for the same wage. As Harvard economist Greg Mankiw has explained, the minimum wage therefore "has its greatest impact on the market for teenage labor. The equilibrium wages of teenagers are low because teenagers are among the least skilled and least experienced members of the labor force. In addition, teenagers are often willing to accept a lower wage in exchange for on-the-job training. . . . As a result, the minimum wage is more often binding for teenagers than for other members of the labor force." N. Gregory Mankiw, *Principles of Macroeconomics* 118-19 (6th ed. 2008).

The injury that inexperienced and low-skilled job applicants frozen out of the labor force suffer proliferates over time as they are prevented from obtaining the skills needed to advance. Entry-level workers tend to earn low wages initially, but often not for long. "Among workers earning the minimum wage in a given year, approximately two-thirds are earning more than the minimum wage one year later. Thus, for the majority of workers, minimum wage employment is a short-lived phenomenon." William Even & David Macpherson, *Rising Above the Minimum Wage* at 13, Employment Policies Institute (Jan. 2000).[11] Entry-level jobs thus are "vitally important for young and low-skill workers because they allow people to establish a track record, to learn skills, and to advance over time to a better-paying job." Wilson, *supra*, at 11. For example, a July 2014 report from the National Bureau of Economic Research shows that while Wal-Mart's lowest-paid workers start near the minimum wage, those who are eventually promoted to store managers do quite well, averaging approximately $92,462 per year. *See* Brianna Cardiff-Hicks, Francine Lafontaine, Kathryn Shaw, *Do Large Modern Retailers Pay Premium Wages?*, NBER Working Paper No. 20131 (July 2014).[12]

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[11] http://www.epionline.org/studies/even_01-2000.pdf.

[12] http://www.nber.org/papers/w20313.

Numerous Seattle business owners warned that the Ordinance likely would have these effects on the City's low-skilled and young workers:

- "Over 10 percent of low-wage workers in Seattle do not speak English well. Right now, we hire many recent immigrants who would not likely be able to find other work in such a competitive market. At $15/hour, we would have to reduce our staff and only hire skilled, experienced workers who speak English fluently." Statement of the Ethnic Community Coalition, which is comprised of The Greater Seattle Vietnamese Chamber of Commerce, The Greater Seattle Chinese Chamber of Commerce, The King County Hispanic Chamber of Commerce, and The Korean American Chamber of Commerce.[13]

- "As an owner and manager, if you're going to pay $15 an hour, you're going to get your $15-an-hour's worth. You could probably get a 22-year-old to do the job of two 16-year-olds." Jack Miller, owner of the Husky Deli in West Seattle.[14]

- "I just think unskilled workers are going to have a harder time finding jobs. You're going to have people from as far away as Bellevue or Tacoma wanting these jobs, and they're going to come with skills and experience. For $15 an hour, they'll go that extra distance." Perry Wall, general manager of Clarion Hotel.[15]

Third, for those franchisee employees who keep their jobs, the Ordinance likely will cause many of them to lose their benefits or go to part-time, as businesses cut costs in an attempt to avoid raising prices. In a recent survey of Downtown Seattle businesses, for example, 45% responded that a $15.00 per hour minimum wage would cause them to reduce employee hours, while 39% said they would reduce or eliminate employee

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[13] The Ethnic Community Coalition, *Ethnic Business Community Says "No" to $15 Minimum Wage Hike Proposal*, Northwest Asian Weekly (Apr. 26, 2014), http://www.nwasianweekly.com/2014/04/commentary-ethnic-business-community-says-15-minimum-wage-hike-proposal/.

[14] Amy Martinez, *Teen-Employment Rate Sharply Down in Seattle Area, Study Says*, The Seattle Times (Mar. 14, 2014), http://www.seattletimes.com/html/businesstechnology/2023125265_teenunemploymentxml.html.

[15] Amy Martinez, *$15 Wage Floor Slowly Takes Hold in SeaTac*, The Seattle Times (July 27, 2014), http://www.seattletimes.com/html/localnews/2022905775_seatacprop1xml.html.

benefits. Of the employees currently making less than $15.00 per hour, 76% receive medical benefits, 59% receive transportation reimbursements, 55% receive retirement funds, 31% receive bonuses, 30% receive employee discounts, and 23% receive education reimbursements. DSA Survey, *supra*. A similar poll found that 43% of employers who would make a change following an increase to $15/hour would reduce or eliminate employee benefits. Seattle Chamber of Commerce Survey, *supra*.

SeaTac's $15.00 per hour minimum wage (the only city other than Seattle with a minimum wage this high) is a case study in what employees can expect once the Ordinance takes effect. A hotel worker who is now paid $15.00 per hour succinctly explained: "It sounds good, but it's not good. . . . I lost my 401k, health insurance, paid holiday, and vacation. No more free food. . . . I [also] have to pay for parking." Assunta Ng, *What SeaTac Tells Us About $15 Minimum Wage*, Northwest Asian Weekly (May 22, 2014).[16] Similarly, a part-time waitress commented, "yes, I've got $15 an hour, but all my tips are now much less" and she no longer receives free food and parking. *Id*. In sum, given the harms franchisees likely will suffer and the benefits to the public of delaying the implementation of the Ordinance's offending provisions while this litigation proceeds, this final factor strongly supports issuance of a preliminary injunction.

IV. CONCLUSION

For the foregoing reasons, this Court should grant Plaintiffs' motion.

[16] www.nwasianweekly.com/2014/05/blog-seatac-tells-us-15-minimum-wage/.

Dated: August 12, 2014

Respectfully submitted,

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