Dear Low Wage Employer Advisory Board,

Thank you for hearing my testimony today. My name is I’m Eric Muñoz. I’m 19 years old. I’m a carpentry worker and a college student. I came today to tell you how it feels to work hard and be paid below the minimum wage. I start working on demolition in 2015 at first my boss paid me weekly and I used to work more than 50 hours per week without him paying me overtime I used to earn $500 per week. After the first month working with him, my boss no longer paid me and my coworkers weekly as he used to. He keep telling us that he will pay us but that never happen we work for the entire month of February and never got paid, we stop working until we knew that he would pay what he owed us . I felt bad, after that had to bills, rent, buy food and pay for transportation. Since then I have been fighting my case with ULA an organization that fights for the rights of the Latino community.

My life took a dramatic change after that I start working on McDonalds earning the minimum wage, then I moved to work as a carpenter were they paid me $11 an hour, I work 45 hours a week earning in salary of $495 per week. Every week that I get paid I save money for college because I want to go back to college but with the salary that I earn is not enough for me and for many things that I have to paid. I hope that minimum wage gets raised up to $15 an hour. If minimum wage gets raised up I could save a more money for college and have time to involve in other things with my community. I know I will not be the only who benefit from this many other students and hard workers will be.

Sincerely,

Eric Munoz
Members of the Low Wage Advisory Board,

My name is Kara O'Dwyer and I live in West Haven. I work as a Personal Care Attendant (PCA) providing home care for a woman who has cerebral palsy. She requires help with almost all of her self-care needs. She is like a family member to me, so I work for her with joy. It is so gratifying to know my work helps her live independently. But gratification doesn't pay the bills, and neither does the $13.53 an hour pay for home care workers like me.

Everyone tells you to go back to school to better your station in life. I followed that advice -- I now have my Associate's degree as well as a 2-year trade diploma. But because of the low wages, I am still stuck working 4 jobs, 7 days per week, to support myself and my son. Plus, I'm almost $40,000 in debt with student loans that are just accruing interest.

Working 4 jobs and 7 days per week is very draining, and after getting my education, and working as much as I possibly physically can, I'm lucky if I can pay all my bills. I live with my mom. Because of the low pay, I qualify for state HUSKY health insurance. Up until last month, I qualified for food stamps, too. It shouldn't be this hard. My only day off in 2016 was a Monday during a snowstorm, when I was forced to go without pay because I couldn't make it to work.

Everyone says the work I -- and thousands of other home care PCAs -- provide is so critical. We help people with physical or developmental
disabilities live independently at home. I assist my client in transferring in and out of her wheelchair safely, and she needs help with all of her self-care. I do meal prep, housekeeping, shopping or errands she needs done. Our work helps her remain a productive and healthy member of society, and we are the one who are there in their times of critical need. Just last week, the other PCA caregiver found her in a state of distress and took her to the hospital.

Our work is paid for by the State of Connecticut, but our pay is so low we have to ask the State of Connecticut for handouts. And each year without a raise, we just fall further and further behind.

Over the past 17 years in the workforce, every field and every job I've chosen is because I've wanted to help people on the front lines. But as rewarding as my work has been, I don't have much to show for it. That's not right. People who work as hard as me to care for others should be able to care for our own families, as well as our own mental and physical well-being.
Dear Low Wage Employer Advisory Board,

Thank you for hearing my testimony today. My name is I’m Eric Muñoz. I’m 19 years old. I’m a carpentry worker and a college student. I came today to tell you how it feels to work hard and be paid below the minimum wage. I start working on demolition in 2015 at first my boss paid me weekly and I used to work more than 50 hours per week without him paying me overtime I used to earn $500 per week. After the first month working with him, my boss no longer paid me and my coworkers weekly as he used to. He keep telling us that he will pay us but that never happen we work for the entire month of February and never got paid, we stop working until we knew that he would pay what he owed us. I felt bad, after that had to bills, rent, buy food and pay for transportation. Since then I have been fighting my case with ULA an organization that fights for the rights of the Latino community.

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Sincerely,

Eric Munoz
April 14, 2016

Dear Connecticut Low Wage Employer Advisory Board:

My name is Alison Martinez-Carrasco. I am an immigrant from Ecuador. When I was four years old I came to this country in 1998 with my parents in search for better opportunities needed to survive. I am a member of Connecticut Students for a Dream, a statewide organization that advocates for the rights of undocumented immigrant students. I grew up in Connecticut and I am accustomed to working multiple part-time jobs in order to help my parents out and pay for my college tuition. I have worked in retail, the hotel industry, and at non-profits with stipend positions. Currently, I am a student at the University of Connecticut, a part time administrative assistant there, and a paid intern for SEIU 32BJ. I am thankful to have found an internship such as 32BJ that strives for economic justice. Here, I get paid fifteen dollars per hour. This has been a huge help for me in comparison to other jobs that I’ve had which pay minimum wage.

Having to work multiple part time jobs affects my undergraduate career because it does not allow me to have enough time to focus on school. There have been times where I’ve had to choose between putting school on hold and solely working. But I have continued to do both even if that means just taking one or two classes each semester. As I am sure you know, tuition at my university keeps rising every year. It has been hard to keep up with these hikes. Therefore, ever since I started school in 2011 I have only been able to afford being a part time student instead of full-time at UConn. As a low income, first generation college student there is a lot of pressure for me to graduate soon and have a career. Should there be more jobs available in CT with an actual living wage it would help students who simultaneously work and provide for their families get on the right path towards graduating on time. I hope that you keep in mind my generation who has been getting hit hard with the cost of living in CT. I also come to you today as an immigrant, and we are extremely vulnerable to wage theft. It is time to put a stop to that. I hope that you remember that we also contribute to this economy and deserve a living wage of $15. I hope that we could count on your support.

Thank you,

Alison Martinez Carrasco
Connecticut Students for a Dream
Dear Low Wage Employer Advisory Board,

Thank you for hearing my testimony today. My name is Angelica Idrovo. I've been working in multiple jobs since I was 17 years old so I could save money to go to college; I have worked as a cashier, secretary and babysitter.

This past year I have faced the situation that I have to work two jobs at the time, so I could pay for college. Last semester I had to register as a part time student that way I could handle my two jobs. When I had to only go part-time so that I could work I wondered if I would be able to graduate and achieve my goals. It has been difficult for me as a college student to work full time, be in the school and be paid less than $10 an hour.

I know many students struggle the same situation like me, where we want to progress and become a professional but our wages don't help us to be stable to pay for school. If minimum wage is raised it will change my life in a way that I could focus and be a full time student at college. If I could be full time student I will be able to finish my degree sooner and actually work on my career. I hope that minimum wage gets raised up to $15 an hour. Thank you.

Sincerely,

Angelica Idrovo
April 14, 2016

Members of the Low Wage Advisory Board,

My name is Terrell Williams, and I'm from New Haven. For the past 10 years, I have worked on behalf of the State of Connecticut to provide home care for people with physical disabilities and traumatic brain injuries so they can live at home independently. I am also speaking for the many other home care Personal Care Attendants (PCAs) who are also here tonight because we deserve a $15 living wage.

I first became a home care PCA to care for my mother, who has a progressive lung disease. Caring for my mother molded the way I care for all of my clients. I help with everyday tasks: getting in and out of bed, bathing them, brushing their teeth, getting dressed, taking meds, dealing with wounds or bowel movements. It might also include running errands or taking them to the grocery store. I do all the mundane things that those of us without disabilities take for granted, but that my clients can't do for themselves. My overall goal is to almost cancel out their disability, or make them forget they're disabled, so that they feel whole again.

I do all this, yet I am paid only $13.50 per hour by the State. I have to work for 4 different consumers for a total of 60-70 hours per week in order to survive. At less than $15/per hour, I feel I have no choice but to work 7 days per week to both provide for my own family, including my beautiful new wife, Rameika, who couldn't be here because she is working. We'd really love to buy a house, but saving up a down payment on these wages is next to impossible.

Working this many hours takes a toll: sometimes, I find myself dozing off due to pure exhaustion when I'm sitting in a meeting or even driving. There is also a mental fatigue that sets in. When you spend 7 days per week worrying about another person's mental and physical health, it doesn't leave you much time to focus on your own.

But low pay doesn't just hurt me or my family. It also hurts the people with disabilities we care for. It is so important for our clients to
have reliable care. In order for our clients to receive the best possible care, we need a stable and well-trained workforce. But we can't achieve this when we make poverty level wages and are required to piece together multiple clients just to make ends meet.

I had a client -- I'll call him John -- who I cared for that I was very close with a few years ago. He was legally blind and on dialysis, so he relied on home care PCAs for everything. However, due to a state law that denies us the ability to work more than 26 hours per week per client, we would always reach a point in the week where he would have to rely on other workers for his care. One week, another worker didn't show up for their shift. Had John called me, I would have come even though I wouldn't have gotten paid. However, John didn't call. I assume he didn't want to impose on me.

John died later that evening, alone.

To this day, I wonder how things could have been different if I could have been his full-time caregiver, or if he had had reliable care across the board.

Being a homecare provider is driven by a love for people and a desire to see our clients do well. But who cares for the people who care for people? We need a minimum wage of $15/hour for homecare workers and all people who make the wheels of society turn.

Terrell Williams
West Haven, CT
April 14, 2016
Marva Patterson
54 Hollister Drive
East Hartford, CT
06118

Members of the Low Wage Employer Advisory Board,

My name is Marva Denise Patterson, and I am from East Hartford. I am 55 years old, and this Saturday I will be 56. I am here to share my story, not just as a caregiver, but also as a wife, an active member of my community, and a low wage worker. Thank you for giving me the opportunity to speak with you, on behalf of myself and my fellow coworkers.

I have worked in the healthcare field for over fifteen years. I have been a home care PCA, a nursing home CNA, and am currently a caregiver for adults with developmental disabilities. I work at HARC, located at 900 Asylum Avenue here in Hartford.

Despite all my years of experience, I am only paid $11.55 an hour, working at thirty hours per week.

When direct care workers get paid less than $15.00 an hour, we suffer. My coworkers are always desperate for help with the monthly electric bills, heat, rent, Christmas presents for their children, and turkeys for their families on Thanksgiving. I'm a pastor in a local church, and in the past I've often been able to help connect my coworkers with some assistance.

But my coworkers don't know what my family has been going through...

On October 21st, 2015, my husband and I, married for thirty years, were forced to short-sell our home for a fraction of its worth because we couldn't afford upkeep, taxes, or our mortgage. I am currently the only source of income in my family.

Now, my husband and I are homeless.

Everyone has a story. Those of us who make less than $15.00 per hour often hear “why don’t you get a better job,” or “why don’t you go back to school so you can have a better life.” Many people feel this way. What they don’t know is that I am a full-time student. I have been on the Dean’s list since I started. The problem is that caregiving work that I do, that women often do, is not valued. I have experience, I have an education, but we are not being paid fairly.

We work hard for our families and our participants who need our care and services. We should not have to rely on other resources to just try to make it. If we were paid $15.00 an hour, we would have a better chance of being able to take care of our families, our personal needs, and our participants. Have you ever gone hungry? Been
without lights, or heat? Had to sleep in your car? Please, try being in our shoes, and realize that what we have been doing isn’t working anymore. No one who works hard, and is trying to better themselves should be struggling this much.

Thank you again for this opportunity.
Good afternoon. My name is Destiny Rodriguez and I am a McDonald’s worker here in Hartford. I have been working in the fast food industry for the past four, almost five years.

I come from what you can call a McDonald’s family. My mother worked as a McDonald’s manager for ten years before becoming a home care worker. Still barely making enough to pay the rent and other basic needs, my mom earns [amount] per hour. And my 18 year old brother until recently worked at the McDonald’s on Weston Avenue making less than $15 an hour.

I am twenty years old, still living at home because making $10.50 an hour I cannot afford to move out and get a place of my own. Saving up to eventually get a place of my own is not even an option.

With me and my mother’s check combined still unable to pay all of the bills and put food on the table. Each week the majority of my paycheck goes to helping my mom pay the bills and take care of my brother in order to keep our family afloat.

Too many underpaid families, like mine, are left unable to survive without the help of publicly funded assistance. Some of Connecticut’s largest and highly profitable corporations continue to get richer while the taxpayers are left to foot the bill. This shouldn’t be.

Working families are fed up and this is why today more workers and supporters from 300 cities across the country, including here in Hartford, went on strike to demand $15 an hour and union rights.

Thank you.
Jessica Mitchell

Hi, my name is Jessica Mitchell and I am fighting for $15 and union rights. I’ve worked in the fast-food industry for the past year and I currently work at McDonald’s making minimum wage -- $9.60 an hour.

I graduated from the New England Institute of Art, expecting to have a job paying a good salary in my field but that unfortunately hasn’t been my reality. Even with a degree I have found that the economy is just not working for working people like me. Instead we see the rich continue to get rich while working people struggle day in and day out to keep a roof over our heads and food on the table.

The only jobs I received offers from were fast-food and although I had a degree and applied for managerial positions, I was hired as a crew member making minimum wage.

I live with my two sisters; 21 and 16 years old. My 21 year old sister and I split the household bills and equally take care of our younger sister who is currently in high school. My family depends on me financially despite making such low wages so much so that I recently picked up a second job in a flower shop.

Keeping our family afloat is not easy and this is why I won’t stop fighting until we win $15 an hour and union rights here in Connecticut.

Thank you.
April 14, 2016
Angela Lizasuain
371 Frost Road
Waterbury, CT
06705

Members of the Low Wage Advisory Board,

My name is Angela Lizasuain. Thank you for the opportunity to speak to you on behalf of myself and my fellow nursing home co-workers today.

I have worked as a dietary aide at the Rose Garden nursing home in Waterbury for the past 11 years. As a dietary aide, my job is to help serve meals to our sick and elderly residents. The residents have become like family to me. The work I do is important -- meal time is one of their daily pleasures.

But I am paid only $12.60 an hour.

I always try to maintain a smile and joyful attitude at work, no matter what I am going through in my life. But it is getting harder and harder to smile when wages are so low.

My husband was laid off over a year ago from his job as a carpenter, it has been extremely difficult for me to pay the mortgage and keep the lights on. I recently started receiving foreclosure notices.

I have a 12 year-old son. He is a straight-A student and is doing very well in public school. But it has been a struggle each month to pay for internet access so he can do his homework. I always hoped I would be able to send my son to a good college. Now I just worry about keeping a roof over his head.

I grew up very poor and that caused my family to move around a lot when I was a child. My hope for my son was to have some stability in his life. I have worked hard to try to provide this for him. But no matter how hard I work, it is impossible to have a stable life when you are paid such low pay.

I believe that if I was paid a livable wage, I could be much more independent and not have to depend on state assistance such as food stamps and HUSKY to get by.

Raising the minimum wage to $15 is one way Connecticut can greatly improve my life and my family’s life.

Thank you.
April 14, 2016
Micah McKenzie
112 Charles Street, Apt 321
Meriden, CT
06450

To the members of the Low Wage Employer Advisory Board:

My name is Michah McKenzie, I reside in the town of Meriden and I'm very thankful for the opportunity to share my story as a low-wage healthcare employee.

I've been working as a dietary assistant at a nursing facility in Meriden for eleven years and it's not only sad but also very disappointing to say that I barely make an hourly wage of fifteen dollars. I see not only myself but also many of my co-workers struggle financially because we are faced with the daunting challenges of making ends meet on such low wages. These low wages are hurting me and my family as it is very difficult for us to not only acquire but to also maintain our daily necessities such as food, clothing and shelter while at the same time paying our way through college or repaying huge student loan debts.

If these low wages were to be increased, it would be a life-changing event for not only myself but also for other hard working underpaid healthcare employees. We would be better able to provide for ourselves, our families and will have more financial flexibility. All in all, if we were each given an increase in our hourly wage it would result in a positive change in Connecticut's economy as low wage workers will regain their lost purchasing power, they will be better able to keep up with the cost of living and also with the rising cost of basic necessities.

Let's all make a step for a better Connecticut.

Thanks for listening!
Talking Points, Matt Anderson  
Fight for $15 Rally  
Hartford Legislative Office Building  
Thursday, April 14, 2016

My name is Matt Anderson and for close to 6 years I’ve been working as a security guard at OPM complex, 450 Capitol Avenue.

The money I and my coworkers make is under $14 an hour, and we only have that thanks to our union contract. I got involved with the union because I wanted to see change, and I wanted it as much for my coworkers as for myself.

We’re now here to say all workers deserve the chance to form or join a union, and we all need a pay raise.

For the past three years, our wages haven’t gone up while the cost of living continues to rise. For many of my coworkers, it’s almost impossible to keep up.

We’re also here for another important reason: we’re fighting now to pass changes to the Standard Wage Law-HB 5378. These are simple technical fixes that make sure that we continue to be covered by the law that protects many workers in Connecticut. We need to make sure the interpretation is clear that security officers like myself are covered, and no future administration would change that.

We also need to reclassify housekeeping aides at places like UConn Health Center, who do the same work as all cleaners, so that they’re covered by the law that protects other cleaners.

But mostly we are here today to show support with workers who are in the same boat, who need $15 an hour and a union so that we can stabilize our lives.

It was done in New York. It was done in California. Our cost of living in Connecticut is comparable. We should also pass a $15 minimum wage here. The sooner we do it, the better for our families, our communities, our economy, and our state. Thank you.
Large corporations need to pay their fair share - Pass SB 391!

An Act Concerning the Recoupment of State Costs Attributable to Low Wage Employers creates a "Low Wage Employer Fee," requiring Connecticut's largest low-wage employers to contribute to the state's costs for services provided to low-wage workers and their families.

Why Does Connecticut Need a Low Wage Employer Fee?

Connecticut's largest and most highly profitable corporations are, too often, paying wages so low that employees cannot meet their families' basic living needs. Workers who earn less than $15 per hour in Connecticut simply do not earn enough for their families to live on. For these workers, the Low Wage Employer Fee would help support health care, child care, and other critically important services.

Currently, Connecticut's middle class families are subsidizing the huge profits of corporations, and workers making under $15 an hour are struggling to get by.

The Low Wage Employer Fee ensures that Connecticut's largest corporations are paying their share by either paying fair wages or contributing toward the cost of services that their workers rely on to provide for their families.

What Does the Low Wage Employer Fee Bill Do?

- Requires that Connecticut's largest corporations - those with 500 or more employees in the state - pay a small fee for each hour worked by an employee who earns less than $15 per hour.

- Sets the fee to increase gradually from $.10 per hour for corporations just over 500 employees to $1.00 per hour for corporations with 750 or more employees.

- Allows the appropriate legislative committees to make recommendations on how the state can best use the fee to expand or improve child care and healthcare.

- Allows the existing Connecticut Low Wage Employer Advisory Board - whose members include worker, employer, and government representatives - also to make recommendations on how to use the fee to expand or improve child care and healthcare.

For more information contact Paul Filson at pf.ctseiu@snet.net
An Act Concerning the Recoupment of State Costs Attributable to Low Wage Employers
SB 391, “Low Wage Employer Fee”

Bill Summary

An Act Concerning the Recoupment of State Costs Attributable to Low Wage Employers creates a “Low Wage Employer Fee,” requiring Connecticut’s largest low-wage employers to contribute to the state’s costs for services provided to low-wage workers and their families.

The Bill’s key provisions are the following:

Section 1:

Defines a “covered employer” as an employer with 500 or more employees in the state of Connecticut, or as a franchisor where the franchisor and its franchisees together have 500 or more employees in the state of Connecticut.

Private non-profit employers, the state, and subdivisions of the state are exempted.

Defines “employee” to exclude those who work in a seasonal park, camp, or resort.

Sets the fee to be paid by a covered employer as starting at $.10 per employee hour worked (for covered employers with 500-525 employees) and rising incrementally to $1.00 per employee hour worked (for covered employers with 750 or more employees). Requires covered employers to pay the fee only for hours worked by employees earning less than $15 per hour on average during the most recently completed calendar quarter.

Indexes the $15 per hour wage level to inflation as of January 1, 2023.

Requires the revenue from the fee to be deposited in the General Fund and reported to the legislative committees of cognizance over state programs related to certain health care and child care programs. Allows the committees of cognizance to issue a report and/or submit legislation recommending the best ways to spend the revenue from the fee to expand or improve services under such programs. Requires the committees of cognizance to consider recommendations made by the Connecticut Low Wage Employer Advisory Board on use of revenue from the fee.

Allows the Labor Commissioner to use revenue from the fee for its administration and enforcement.

Requires the Labor Commissioner to adopt regulations for the determination of and collection of the fee.

Section 2:

Adds to the existing responsibilities of the Connecticut Low Wage Employer Advisory Board to allow the Board to make recommendations on use of revenue from the fee.
Section 3:

Allows a covered employer to make a complaint to the Labor Commissioner about the determination of the fee. Requires the Labor Commissioner to investigate the complaint, with the option for conducting a hearing.

Allows the Labor Commissioner to request that the Attorney General investigate a violation of the fee requirement. Allows the Attorney General to bring a civil action against a covered employer for violation of the fee requirement.

Provides an exemption from the fee requirement for an employee whose pay was established by a collective bargaining agreement, but only where the agreement was executed prior to the effective date of the Low Wage Employer Fee law.

Section 4:

Requires that any employer that submits wage information to the Labor Commissioner must inform the Commissioner if the employer is a franchisee and, if so, to provide franchisor's contact information and any other information requested by the Labor Commissioner.
AN ACT CONCERNING THE RECOUPMENT OF STATE COSTS ATTRIBUTABLE TO LOW WAGE EMPLOYERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (Effective from passage) (a) As used in this section, section 31-76n of the general statutes and sections 3 and 4 of this act:

(1) "Person" has the same meaning as provided in section 42-133e of the general statutes, except "person" shall not include the state or any department, agency or political subdivision thereof;

(2) "Franchise" has the same meaning as provided in section 42-133e of the general statutes;

(3) "Franchisor" has the same meaning as provided in section 42-133e of the general statutes;

(4) "Franchisee" has the same meaning as provided in section 42-133e of the general statutes;

(5) "Employee" means any individual employed or permitted to
work by an employer, but does not include any individual employed
in any park, camp or resort that is open not more than six months of
the year;

(6) "Covered employer" means:

(A) Any person, firm, business or educational institution that
employs five hundred or more employees in the state in any one
quarter for quarters commencing on and after January 1, 2016, based
upon the wage information submitted to the Labor Commissioner
pursuant to subsection (j) of section 31-225a of the general statutes; or

(B) Any franchisor where the franchisor and its franchisees employ,
in the aggregate, five hundred or more employees in the state in any
one quarter for quarters commencing on and after January 1, 2016,
based upon the information submitted to the Labor Commissioner
pursuant to section 4 of this act;

(C) "Covered employer" does not include any private nonprofit
entity, the state, or any department, agency or political subdivision
thereof;

(7) "Low wage employer fee" means any fee assessed pursuant to
subsection (b) of this section and paid to the state in accordance with
this section; and

(8) "Wage" means compensation due to an employee by reason of
his or her employment.

(b) Any covered employer that employs, or whose franchisee
employs, any employee (1) who was listed on such covered employer's
or such franchisee's payroll for at least ninety calendar days prior to
the completion of the most recent calendar quarter, beginning with the
first calendar quarter of 2017, and (2) whose wages paid by the covered
employer, or the covered employer's franchisee, during the quarter
were on average less than fifteen dollars per hour, shall pay a fee to the
Labor Commissioner. The Labor Commissioner shall calculate the fee by multiplying the fee rate by number of hours during the quarter that such employee worked. The fee rate shall be equal to 0.004 dollars, or four-tenths of one cent, multiplied by the number of employees in excess of five hundred employed in the state by the covered employer directly or in the aggregate with its franchisees; provided in no event shall the fee rate be less than ten cents or greater than one dollar. The fee shall be assessed quarterly based on employee hours worked during the first calendar quarter of 2017 and thereafter.

(c) On January 1, 2023, and annually thereafter, "fifteen dollars" in subsection (b) of this section shall be adjusted by an amount corresponding to the prior year's increase, if any, in the Consumer Price Index for All Urban Consumers (CPI-U), as released by the Bureau of Labor Statistics of the United States Department of Labor, or its successor.

(d) The Labor Commissioner shall deposit moneys collected pursuant to subsection (b) of this section with the State Treasurer, who shall deposit such moneys in the General Fund, and shall report the amount of such deposits to the joint standing committees of the General Assembly having cognizance of matters relating to education, human services and appropriations and the budgets of state agencies. Each legislative session, said committees may issue recommendations concerning spending the moneys received to expand or improve services under state programs supporting the quality of and access to state-supported, consumer-directed services for elderly and disabled persons, school readiness programs, the child care subsidy program authorized pursuant to section 17b-749 of the general statutes, child development centers, Head Start, Early Head Start, or other programs to provide child care and early learning opportunities for the children of low wage employees. In making their recommendations, the committees shall consider any recommendations made by the Connecticut Low Wage Employer Advisory Board established pursuant to section 31-76n of the general statutes, as amended by this
act. For the purposes of improving quality of and access to services pursuant to this subsection, moneys received may be appropriated for use by state programs to recruit, retain and offer professional development to a qualified workforce.

(e) Moneys received by the Labor Commissioner, pursuant to subsection (b) of this section, may be used for the purpose of administering and enforcing the provisions of subsection (b) of this section.

(f) Not later than October 1, 2016, the Labor Commissioner shall adopt regulations in accordance with the provisions of chapter 54 of the general statutes for the determination and collection of fees pursuant to subsection (b) of this section. Such regulations shall include the establishment of reasonable penalties or other remedies for failure to file timely reports and for delinquent or unpaid fees assessed pursuant to this section.

Sec. 2. Subsections (a) and (b) of section 31-76n of the 2016 supplement to the general statutes are repealed and the following is substituted in lieu thereof (Effective from passage):

(a) There is established the Connecticut Low Wage Employer Advisory Board. Such board shall advise the Labor Commissioner, the Departments of Social Services and Developmental Services and the Office of Early Childhood on matters related to: (1) The causes and effects of businesses paying low wages to residents of the state, (2) public assistance usage among working residents of the state, (3) minimum wage rates necessary to ensure working residents of the state [may] can achieve an economically stable standard of living, (4) improvement of the quality of public assistance programs affecting such residents, (5) wages and working conditions for the workforce delivering services to low-wage working families, [and] (6) reliance of businesses on state-funded public assistance programs, and (7) recommendations for using the moneys received from the low wage
employer fee.

(b) In advising the Labor Commissioner, the Departments of Social Services and Developmental Services and the Office of Early Childhood on the matters described in subdivisions (1) to [(6)] (7), inclusive, of subsection (a) of this section, the board shall:

(1) Study and monitor (A) the causes and effects of businesses paying low wages to residents of the state, including the impact of such labor practices on workers' need for public assistance, (B) the minimum wage rates necessary to enable working residents of the state to meet basic needs, such as food, housing, health care and child care without assistance from state-funded public assistance programs, and (C) the benefits received by employers from the provision of public assistance to the state workforce and solutions to associated problems;

(2) Consider, suggest and review legislative and agency proposals and actions regarding the matters described in subdivisions (1) to [(6)] (7), inclusive, of subsection (a) of this section;

(3) Foster communication between working residents of the state who provide or receive public assistance and employers and state agencies for the purpose of improving the quality of state public assistance programs serving lower-income residents; and

(4) Advise the Labor Commissioner, and other interested state agencies or officials, on policies and procedures related to the board's areas of study, including, but not limited to, public assistance usage among lower-income working residents, the impact of public assistance programs on workforce quality and stability, and the wages and benefits necessary to maintain a stable and qualified workforce to administer and provide services in connection with public assistance programs.

Sec. 3. (NEW) (Effective from passage) (a) Any covered employer
aggrieved by the Labor Commissioner's determination of fees, pursuant to subsection (b) of section 1 of this act, may file a complaint with the commissioner. Upon receipt of the complaint, the commissioner shall investigate such complaint and may conduct a hearing in accordance with the provisions of chapter 54 of the general statutes.

(b) The Labor Commissioner may request the Attorney General to investigate any violation of subsection (b) of section 1 of this act. Any information obtained pursuant to such investigation shall be exempt from disclosure under section 1-210 of the general statutes. If the Attorney General finds that a covered employer has violated or is violating any provision of section 1 or 4 of this act, the Attorney General may bring a civil action in the superior court for the judicial district of Hartford in the name of the state against such covered employer.

(c) Nothing in this section shall be construed to require a fee based on the hourly pay of any employee whose pay was established by a collective bargaining agreement executed prior to the effective date of this section for the term of such agreement.

Sec. 4. (NEW) (Effective from passage) Not later than January 31, 2017, and annually thereafter, each employer that submits wage information to the Labor Commissioner pursuant to subsection (j) of section 31-225a of the general statutes shall inform the commissioner if such employer is a franchisee. If such employer is a franchisee, such employer shall provide to the commissioner the name and address of the franchisor that granted the franchise to such employer and any other information the commissioner may require.

This act shall take effect as follows and shall amend the following sections:

<table>
<thead>
<tr>
<th>Section 1</th>
<th>from passage</th>
<th>New section</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sec. 2</td>
<td>from passage</td>
<td>31-76n(a) and (b)</td>
</tr>
<tr>
<td>Sec. 3</td>
<td>from passage</td>
<td>New section</td>
</tr>
<tr>
<td>--------</td>
<td>--------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Sec. 4</td>
<td>from passage</td>
<td>New section</td>
</tr>
</tbody>
</table>

**Statement of Purpose:**
To recoup state costs relating to services provided to workers who earn a low wage.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]
SB-391

AN ACT CONCERNING THE RECOUPMENT OF STATE COSTS ATTRIBUTABLE TO LOW WAGE EMPLOYERS.

OFA Fiscal Note

State Impact:

<table>
<thead>
<tr>
<th>Agency Affected</th>
<th>Fund-Effect</th>
<th>FY 17 $</th>
<th>FY 18 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor Dept.</td>
<td>GF - Revenue Gain</td>
<td>Up to 150.3 million</td>
<td>Up to 300.6 million</td>
</tr>
<tr>
<td>Labor Dept.</td>
<td>GF - Cost</td>
<td>11 million</td>
<td>14.6 million</td>
</tr>
<tr>
<td>State Comptroller - Fringe Benefits¹</td>
<td>GF - Cost</td>
<td>3.4 million</td>
<td>4.5 million</td>
</tr>
</tbody>
</table>

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill establishes a quarterly fee on certain employers at a rate of up to $1.00 per work hour for each hour worked by an employee paid on average less than $15 per hour. This results in a General Fund revenue gain of up to $150.3 million in FY 17 and up to $300.6 million annually thereafter. This also results in a cost of approximately $14.4 million in FY 17 and approximately $19.2 million annually thereafter to the Department of Labor (DOL).

COST IMPACT

The bill requires the Labor Commissioner to adopt guidelines for determining and collecting fees by October 1, 2016, and to begin collecting fees during the first calendar quarter of 2017. Administration of this program is estimated to result in a cost of approximately $19.2 million annually, including collections, data management, audit
and all associated fringe benefit costs. The estimate is based on the current cost of agency management services under the unemployment insurance system.

The bill allows covered employers to file a complaint with the Labor Commissioner, who must investigate and hold a hearing. This is anticipated to result in a cost of approximately $445,328 in FY 17 and $593,771 annually thereafter for salary ($106,076) and fringes ($42,367) associated with the hiring of four Staff Attorneys.

There is no fiscal impact to the Judicial Department from allowing the Attorney General to file suit in Hartford Superior Court. The number of suits is not anticipated to be great enough to need additional resources. The court system disposes of over 500,000 cases annually.

**REVENUE IMPACT**

The revenue estimate assumes approximately 148,472 of the 752,255 employees who work for firms with at least 500 employees would be covered under the bill. Additionally, the estimate assumes that the average annual hours worked per covered employee is approximately 2,080, based on hourly and annual wage data by job category and percentile compiled by DOL. Under the bill, it is uncertain how certain types of income (overtime, bonus, etc.) would be treated. Consequently, no adjustments are made to account for how this income would be treated. Additionally, the estimate assumes no behavior change on the part of employers or employees.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation. The revenue gain described above would continue into the future subject to wage inflation and fluctuation in the number of jobs paying above and below the wage threshold triggering the fee.\(^1\)

*Sources: Labor Department Labor Market Information*  
*United States Census Bureau*

\(^1\) The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 39.94% of payroll in FY 17 and FY 18.

\(^2\) The bill includes a provision increasing the wage threshold at which the fee becomes payable beginning on January 1, 2023.
OLR Bill Analysis

SB 391

AN ACT CONCERNING THE RECOUPMENT OF STATE COSTS ATTRIBUTABLE TO LOW WAGE EMPLOYERS.

SUMMARY:

This bill requires certain employers with over 500 employees in the state, and franchisors who, combined with their franchisees, collectively employ at least 500 employees in the state, to pay a quarterly fee (i.e., a “low wage employer fee”) to the labor commissioner, based on the number of hours worked by employees who were (1) on the employer's or franchisee's payroll for at least 90 days before the end of the most recent calendar quarter and (2) paid on average less than $15 per hour during the quarter. Under the bill, the labor commissioner must assess the fee quarterly beginning with the first calendar quarter of 2017. Beginning January 1, 2023, the bill requires the average pay per hour threshold of $15 to be adjusted annually by an amount corresponding to the prior year's increase in the Consumer Price Index for All Urban Consumers, a measure of inflation published by the U.S. Department of Labor's Bureau of Labor Statistics.

The bill allows the labor commissioner to ask the attorney general to investigate any violation of the requirement to pay the fee. Under the bill, information obtained during such an investigation is exempt from disclosure under the state's Freedom of Information Act. If the attorney general finds that a covered employer has violated the bill's provisions, he may sue the employer in Hartford Superior Court.

The bill also establishes a complaint process for employers and franchisors affected by the bill's provisions (i.e., “covered employers”).

Under the bill, the labor commissioner must deposit in the General Fund any funds collected through the fee and report the deposited amounts to the Appropriations, Education, and Human Services committees, which may make recommendations each legislative session on how to spend the money to expand or improve state services. The bill expands the duties of the Connecticut Low Wage Employer Advisory Board to include advising certain state agencies on recommendations for using funds received from the low wage employer fee and requires the legislative committees to consider the board's recommendations when making their own recommendations.

EFFECTIVE DATE: Upon passage

COVERED EMPLOYERS
Employers

An employer subject to the bill’s provisions is any person, firm, business, or educational institution that employs at least 500 employees in the state in any one quarter, beginning with the quarter that started January 1, 2016, based on the quarterly wage information employers submit to the labor commissioner for unemployment tax purposes. It does not include any private nonprofit entity, the state, or the state's departments, agencies, or political subdivisions.

Franchisors

The bill subjects franchisors to the bill’s provisions if the franchisor and their franchisees employ, in the aggregate, at least 500 employees in the state in any one quarter, beginning with the quarter that started January 1, 2016. A franchisor is an entity that grants a franchise to another entity, including the authority to use a trademark, trade name, service mark, or other identifying symbol or name under a franchise. A franchisee is the entity to which a franchise is granted by the franchisor.

Beginning January 31, 2017, the bill requires employers submitting their quarterly wage reports for unemployment tax purposes to inform the labor commissioner whether they are a franchisee, and if so, provide their franchisor’s contact information and any other information the commissioner requests. (Though the bill’s requirements apply earlier to franchisors these reporting requirements appear to give the commissioner time to impose a fee if necessary.)

In general, franchisors are not considered employers of the employees who work in a franchise. Instead, because the franchisee who owns the franchise controls the hiring, firing, wage, and scheduling decisions for these workers, the franchisee is typically considered their employer under wage, unemployment, workers' compensation, and other labor-related laws. Thus, it is unclear whether a franchisor could be held financially liable for wage and hour decisions over which it does not have control.

LOW WAGE EMPLOYER FEE

Calculation

The bill requires the labor commissioner to calculate the low wage employer fee for each covered employer. He must do so by first calculating the number of hours worked by employees (1) who were listed on a covered employer or franchisee’s payroll for at least 90 days before the end of the most recent calendar quarter and (2) whose wages during the quarter were on average less than $15 per hour. He then must multiply that number of hours by the fee rate. Under the bill, the fee rate varies depending on the total number of employees in the state (regardless of their wages) employed by the covered employer and, if applicable, its franchisees in aggregate as shown in Table 1.
Table 1: Fee Rate

<table>
<thead>
<tr>
<th>Number of Employees</th>
<th>Fee Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>500 to 525</td>
<td>$0.10</td>
</tr>
<tr>
<td>526 to 749</td>
<td>(Number of employees - 500) X 0.004</td>
</tr>
<tr>
<td>750 or greater</td>
<td>$1.00</td>
</tr>
</tbody>
</table>

**Implementation**

The bill requires the labor commissioner to assess the low wage employer fee quarterly beginning with the first calendar quarter of 2017. By October 1, 2016, the labor commissioner must adopt regulations on how to determine and collect the fees, including penalties or other remedies for (1) failure to file timely reports and (2) delinquent or unpaid fees.

**EXEMPTIONS**

Under the bill, the low wage employer fee does not apply to any employee whose pay was established through a collective bargaining agreement executed before the bill's effective date. The bill's requirements also do not apply to employees of parks, camps, or resorts that are open six months per year or less.

**USE OF FUNDS**

**Expansion or Improvement of Services**

Under the bill, the labor commissioner must (1) deposit funds collected through the low wage employer fee with the state treasurer, who must deposit the funds in the General Fund and (2) report the amount to the Appropriations, Education, and Human Services committees. The committees may make recommendations each legislative session on how to spend the money on expansion or improvement of services under the following programs or types of programs:

1. state programs supporting the quality of and access to state-supported consumer-directed services for elderly people or individuals with disabilities,

2. Care 4 Kids,

3. child development centers,

4. Head Start,

5. Early Head Start, or
6. other programs to provide child care and early learning opportunities for low wage employees' children

To improve the quality of and access to these services, the bill allows the funds to be used for recruiting, retaining, and offering professional development to a qualified workforce.

**Other Uses**

Under the bill, the labor commissioner may also use the funds to administer and support the collection, assessment, and calculation of the fee.

The bill requires the committees to also consider any recommendations made by the Connecticut Low Wage Employer Advisory Board. Under the bill, the advisory board must make recommendations on how to use funds generated through the low wage employer fee to the labor commissioner, the Department of Social Services, the Department of Developmental Services, and the Office of Early Childhood.

**COMPLAINT PROCESS**

The bill allows any aggrieved covered employer to file a complaint with the labor commissioner about his determination of the fees. When he receives a complaint, the bill requires him to investigate it and allows him to conduct a hearing, in accordance with the Uniform Administrative Procedure Act.

**COMMITTEE ACTION**

Human Services Committee

Joint Favorable

Yea 10  Nay 8  (03/15/2016)
Testimony of Sarah Leberstein
National Employment Law Project

S.B. 391: An Act Concerning the Recoupment of State Costs Attributable to Low Wage Employers

Hearing before the Human Services Committee
March 8, 2016

Sarah Leberstein
Senior Staff Attorney

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sieberstein@nelp.org
Good afternoon Senator Moore, Representative Abercrombie, and Members of the Human Services Committee. Thank you for the opportunity to testify today.

The National Employment Law Project is a non-profit, non-partisan research and advocacy organization specializing in employment policy. We are based in New York with offices across the country, and we partner with federal, state, and local lawmakers on a wide range of workforce issues.

Across the country, our staff is recognized as policy experts in areas such as unemployment insurance, wage and hour standards and enforcement, and, as is relevant for today’s hearing, the economic impact of low-wage jobs. We have worked with dozens of state legislatures across the country and with the U.S. Congress on measures to boost pay for low-wage workers.

NELP testifies today in support of S.B. 391, which would require certain large employers to pay a quarterly fee for each employee earning $15 per hour or less. Revenues from the fee would fund the critical state services that most working families rely on to care for both their children and their aging relatives. The legislation allows the appropriate legislative committees – those having cognizance of matters relating to education, human services and appropriations and the budgets of state agencies – to make recommendations on how the state can best direct revenues generated by the fee to expand and improve consumer-directed services for the elderly and disabled and childcare and early learning programs for the children of low-wage workers. The Connecticut Low Wage Employer Advisory Board would also make recommendations on how the state can best use the fee to strengthen child care and healthcare services. S.B. 391 would thus help ensure Connecticut’s role as a leader in providing quality care for children, seniors and peoples with disabilities, while easing the enormous burden borne by middle-class families who have been forced to subsidize big corporations through tax expenditures for public services. If large corporations want to avoid the fee they can simply begin paying their employees a decent wage that better allows them to provide for their families.

This reform is desperately needed now. While the unemployment rate has declined in many states across the country, new job growth remains disproportionately concentrated in low-wage industries like retail and food services. In these industries, many of the largest companies – including profitable corporations like Walmart and McDonalds – have adopted a business model of low wages, limited hours, and nonexistent benefits that force a significant share of their workforce to rely on public assistance in order to afford the basics. As a result, the low-wage business model practiced by many of the largest and most profitable employers in the country not only leaves many working families unable to afford the basics, but also imposes significant costs on the public as a whole. On the other hand, the experiences of several leading large employers demonstrate that companies can remain highly profitable while paying fair wages while also improving job recruitment and retention and the quality of services.
Large Corporations Pay Low Wages in Connecticut Even as Profits at Many of These Corporations Have Grown Significantly in the Post-Recession Recovery

- According to a recent estimate, over half of Connecticut’s lowest-paid workers are employed in just two industries, retail (32 percent) and leisure and hospitality (20 percent). Job growth in Connecticut since the end of the Recession has been concentrated in these and other low-paying industries, reducing income tax revenue and straining state revenue streams.¹

- Among retail employers, it is the large national chains that pay their employees the least: in Connecticut, large retailers – those with 500 employees or more – employ more than 57 percent of retail employees, and on average, these businesses pay their employees 34 percent less than do small and mid-sized retail firms. Data from the 2007 Economic Census (the most recent available source for data) indicate that the average employee at a big retail establishment took home over $11,000 less each year than her counterpart at a smaller store.

- At the same time, the largest low-wage employers in Connecticut and the U.S. have largely recovered from the recession and remain in strong financial condition today. A 2012 analysis from the National Employment Law Project found that 78 percent of the 50 largest low-wage employers have been profitable every year for the past three years, and 73 percent have higher profits now than before the recession.²

Low Wages Force Connecticut’s Workers to Rely on Public Assistance in Order to Afford Basic Necessities

- Connecticut remains one of the highest-cost states in the country, making it nearly impossible for the lowest-paid workers in the state to support a family. For example, according to estimates from the Economic Policy Institute, an adult with one child living in the Hartford area would need to earn at least $30.00 per hour, working full-time and year-round, just to afford food, housing, childcare, transportation, and other basic necessities.³

- Despite the high cost of living in the state, a substantial share of Connecticut’s workforce earns wages that are far too low to support a family or even maintain basic economic security. According to data from the U.S. Census Bureau, approximately 25 percent of the state’s workforce earns $12.89 or less per hour.⁴

- When workers and their families do not earn enough to afford the basics, they often have no choice but to rely on public assistance in order to make ends meet. Nationally, nearly three quarters (73 percent) of enrollments in America’s major
public benefits programs are from working families. With wages that leave their earnings below subsistence levels, these workers must rely on additional support from programs like the Supplement Nutritional Assistance Program, Medicaid, Children's Health Insurance Programs, and the Earned Income Tax Credit in order to afford basics like food, housing, child care and health care.

- In Connecticut, too, a majority of enrollments in key public assistance programs – the Medicaid/Children's Health Insurance Program (CHIP) and Temporary Aid to Needy Families – were from working families. In fact, Connecticut spends $486 million a year to provide CHIP and TANF to working families, essentially subsidizing some of the state's largest and most profitable employers. With a current state budget deficit of $220 million, however, these vital services are at risk and working families may face even greater hurdles to receiving the supports they need to go to work each day and care for their families.

**Low Wages Paid By Large Profitable Employers Present a Significant Cost to the Public**

- Data available for some of the largest employers in the retail and fast-food industries indicate that the low wages paid by profitable companies like Walmart and McDonalds entail substantial costs for the public as a whole.

- A 2013 report from the Democratic Staff of the U.S. House Committee on Education and the Workforce estimates that low wages paid at a single Walmart supercenter cost taxpayers between $900,000 and $1.7 million on average per year.\(^8\)

- Similarly, a 2013 study from the University of California-Berkeley found that the low-wages paid by companies in the fast-food industry cost taxpayers an average of $7 billion per year.\(^9\) A companion study from the National Employment Law Project found that the bulk of these costs stem from the 10 largest fast-food chains, which account for an estimated $3.9 billion per year in public costs.\(^10\)

**The Low Wage Employer Fee Would Provide a Much-Needed Source of Funding for Child Care and Healthcare Services to Better Meet the Needs of Connecticut’s Working Families.**

- The Low Wage Employer Fee would help fill a growing gap in funding for childcare and healthcare services, allowing Connecticut to better meet the needs of the overwhelming majority of low-wage workers who are adults with families to support, and especially those who are the sole source of income for their households.

- Quality child care is unaffordable for low-income families and even for many middle-income families in Connecticut and the need for subsidized care is on the rise.\(^11\) The proportion of young children in poverty in Connecticut grew 25% over the last five years (from 11% to 17%). Many of these children are not receiving the services they need: over 80% of infants and toddlers and at least 25% of
preschoolers living in financially struggling families (those earning under 75% of the state median income) are not served by any form of state or federal early care and education subsidy. Yet the state’s spending on early care and education has decreased in recent years.

- Affordability of long-term care services is also a huge obstacle in Connecticut. The cost of nursing home care, for example, is far beyond what an average family can afford. According to a 2014 “State Scorecard,” the median annual private pay cost for a nursing home as a percentage of median household income for Connecticut residents age 65 and older is 359 percent.¹²

- The Low Wage Employer Fee would thus help ensure the state’s role as a leader in providing quality care for children, seniors and peoples with disabilities, while easing the enormous burden borne by middle-class families who have been forced to subsidize big corporations by paying for public services.

The Experiences of Several Leading Large Employers Demonstrate that Higher Wages Are Consistent with a Profitable Business Model.

- Many leading companies such as Costco and Trader Joe’s have chosen to invest in higher wages for their front-line employees as part of a highly competitive business strategy. These companies’ experiences show that paying higher wages results in significant savings – including reduced employee turnover and increased productivity¹³ – that help offset the cost of raising wages.

- For example, a Harvard Business Review study by MIT Professor Zeynep Ton shows that the starting wage for full-time employees at Trader Joe’s ranges between $40,000 and $60,000 per year, more than twice what many of its competitors offer, and yet the sales revenue per square foot at Trader Joe’s are three times higher than the average U.S. supermarket.¹⁴

- Costco CEO Craig Jelinek recently affirmed the significant business savings and efficiencies gained through higher wages, stating, “We pay a starting hourly wage of $11.50 in all states where we do business, and we are still able to keep our overhead costs low. An important reason for the success of Costco’s business model is the attraction and retention of great employees. Instead of minimizing wages, we know it’s a lot more profitable in the long term to minimize employee turnover and maximize employee productivity, commitment and loyalty.”¹⁵

Thank you so much for the opportunity to testify today. I am happy to answer questions.

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For more information, please contact NELP Senior Staff Attorney at sleberstein@nelp.org or NELP Deputy Program Director Haeyoung Yoon at hyoon@nelp.org. For more about NELP, visit www.nelp.org.
1 http://www.ctvoices.org/sites/default/files/econ12raiseminwage.pdf; Nicholas Defiesta, “10 Charts That Explain Connecticut’s Economic Recovery,” January 13, 2016, Connecticut Voices for Children, available at http://www.ctvoices.org/blog/20160113/10-charts-explain-connecticut%E2%80%99s-economic-recovery (“Of the state’s eight largest industries, only three had the same number of jobs, or more, than they had when the recession began – professional services, health care & social assistance, and accommodation & food services.”)


6 http://www.bls.gov/emp/ep_table_104.htm

7 http://laborcenter.berkeley.edu/publiccosts/fast_food_poverty_wages.pdf


9 http://laborcenter.berkeley.edu/publiccosts/fast_food_poverty_wages.pdf.


13 A 2003 study by economists at the University of California-Berkeley examined the effects of a wage increase for workers at the San Francisco Airport, finding that annual turnover among security screeners plunged from 95 percent to 19 percent when their hourly wage rose from $6.45 to $10 per hour. After wages increased at the airport under a living wage policy, 35 percent of employers reported improvements in work performance, 47 percent reported better employee morale, 44 percent reported fewer disciplinary issues, and 45 percent reported that customer service had improved. Michael Reich, Peter Hall, Ken Jacobs, “Living Wages and Economic Performance,” Institute of Industrial Relations, March 2003, available at http://www.irlc.berkeley.edu/research/livingwage/sfo_mar03.pdf. Costco recently announced an increase in starting wages for its hourly employees nation-wide. See Shannon Pettypiece, “Costco Will Raise Minimum Wage As Competition for Workers Grows,” Bloomberg Business, March 3, 2016, available at http://www.bloomberg.com/news/articles/2016-03-03/costco-raising-minimum-wage-as-competition-for-workers-grows.