Finance Committee Meeting
Thursday, January 22, 2015
6:00 pm, Room 209, City Hall

1. Minimum Wage Amendments Council Workshop (Materials To Be Uploaded 1/20/15)

   1.I. Materials For Minimum Wage Workshop

   Documents: MINIMUM WAGE MEMO AND MATERIALS FOR 1-22-15 FC WORKSHOP.PDF

   1.I.i. 1st Draft Redline With 12/5/2014 Draft Of Minimum Wage Ordinance

   Documents: FIRST DRAFT REDLINE WITH 12.5.2014 DRAFT OF MINIMUM WAGE ORDINANCE.PDF

CITY OF PORTLAND

MEMORANDUM

TO: Chair Mavodones and Members of the Finance Committee

FROM: Michael Brennan, Mayor

Date: 1/22/2015

Re: Minimum Wage

During the last two meetings of the Finance Committee, several questions have been raised regarding how to best construct a minimum wage policy for the City. The City's Corporate Counsel, in her memo to the Committee dated December, 4, 2014 offered several options for the Committee to consider. At the same time, each of you heard testimony from almost forty (40) persons during the public hearing held by the Committee on December 11, 20014. While there appeared to be a majority of persons who supported a minimum wage for the City, there were a number of different options that were presented. I would like to address several of the issues that were raised and offer my suggestions for how the Committee may work to resolve them and reach a consensus regarding how to move forward.

Legal Authority: I believe Corporate Counsel has provided clear guidance on the City's authority to establish a minimum wage. She did note, however, her concern about the lack of legal history on this issue in the state and her concerns about enforcement.

Proposed Minimum Wage: As I noted in a previous memo to the Committee, the recommended minimum wage contained in the proposed ordinance would be set at a rate of:

- Nine dollars and fifty cents ($9.50) as of January 1, 2015;
- Ten dollars and ten cents ($10.10) as of January 1, 2016;
- Ten dollars and sixty eight cents ($10.68) as of January 1, 2017; and then
- Adjusted annually by cost of living from January 1, 2018 forward.

The current national minimum wage is seven dollars and twenty five cents ($7.25) while the Maine minimum wage is seven dollars and fifty cent ($7.50). The above recommendations used these current wages as a starting point and were centered on establishing an appropriate minimum wage in Portland rather than a living wage.

Further, economists have recommend that a minimum wage be set at fifty percent (50%) to sixty percent (60%) of the median wage in a given area/municipality. The median wage in Portland is roughly seventeen ($17) dollars making the proposed wage increase consistent with this established benchmark. These recommendations are also in keeping with USM Professor Charles Colgan's comments that an initial increase should stay within the range of the existing market metrics so as to prevent the City from being an economic outlier in the region.

The first date for establishing a minimum wage has already passed. As a result, Corporate Counsel has recommended a start date of January 1, 2016. At this point, it is my recommendation that the Committee and Council determine how quickly the proposed ordinance could be enacted and then calculate what would be the best date for implementation.

Tipped Wage: Current Maine law allows employers to pay their tipped wage employees one-half of the minimum wage or $3.75 as long as the employee ultimately makes $7.50 an hour. If the employee does not make enough through tips to reach $7.50 an hour, the employer must make up the difference. Corporate Counsel has recommended that this same tipped wage calculation be used by the City in its proposed ordinance (so that the tipped wage credit would be $4.75 an hour or half of $9.50 an hour). While I understand the rationale offered by Corporate Counsel, given the lengthy discussions at the working group sessions, and my initial recommendation of allowing the exemption to remain at $3.75 an hour with the provision that an employee would ultimately be paid at a rate of $9.50 an hour, I would recommend that the Committee adopt the State's tipped wage exemption of $3.75 an hour.

Training Wage: My original proposal called for the minimum wage to apply to employees who were eighteen and older. During the public hearing, a number of people testified both in support and against this proposal. Alternatively, Corporation Counsel recommended that the proposed wage apply to all persons regardless of age. Another approach would be to have the minimum wage apply to all persons/ employees who do not need a permit from his/her school district to work. This approach could be coupled with a six (6) month training wage for those workers who are under eighteen (18).

Enforcement: City staff and Corporate Counsel have recommended that either a full or part-time staff person be hired to enforce the minimum wage ordinance or such enforcement be outsourced to an agency that could perform employer audits and/or compliance visits. My proposal suggested that the City Manager and Corporate Counsel would be responsible for addressing enforcement issues. Given that it is difficult to predict the volume of work that might be related to enforcement of the ordinance, I would suggest that the Committee recommend that enforcement of the ordinance (i.e. the need for the staff person) be reviewed six (6) months after the implementation of the proposed ordinance in order to better determine the staffing requirement.

Location and Exemptions: As I noted at the last Finance Committee meeting, the Advisory Committee discussed both the employee location and business exemption issues. The Committee agreed that the minimum wage should apply if the employee's primary work place is located in the city regardless of where the headquarters of the company might be located. The Committee further decided that due to fairness and enforcement issues, exemptions related to business size should not be included in the ordinance.

Along with you, I recognize passage of this ordinance is an important step for the City. I believe the resolution of these issues as I have described above will ensure that the ordinance is well crafted and transparent before enactment. Thank you for your time, effort and review of this matter.

Further information in response to your questions is attached*

CITY OF PORTLAND

MEMORANDUM

TO: Chair Mavodones and Members of the Finance Committee

FROM: Michael Brennan, Mayor

Date: 1/22/2015

Re: Minimum Wage

At the last meeting, members of the Finance Committee asked for more information on the economic impact of minimum wage.

Below are further findings from Professor Charles Colgan from the University of Southern Maine:

Minimum Wage Basic Issues

Professor Charles Colgan

1. How many people and businesses in Portland are currently affected by the minimum wage?

Current situation in Portland:

Short Answer: There is no data by which either the number of people receiving the minimum wage nor the number of businesses paying the minimum wage in Portland can be known.

There are two reasons for this. First, current employment data systems do measure the number of jobs and total wages paid, but do not measure hours worked so hourly wages are not available, particularly at the local level. At the state level, the Current Population Survey does measure hourly wages but the sample of the survey is only adequate to deal with the state level. There is simply not enough information below the state level to draw any other conclusions. I was pretty sure this is the case, but I verified it with Chris Boudreau at the Maine Department of Labor.

The other problem is that for many the "minimum wage" is a temporary pay rate. Employees may start at the minimum but are given a raise after a short period in which their suitability is assessed. So a job advertised at the minimum wage may be paid that for as little as a few weeks. Thus even if we had data that measured people receiving the minimum wage it would be continually out of date.

2. What is known about a city creating a minimum wage above the state or federal minimum wages?

Effects of raising the relative minimum wage

Short answer: The vast majority of studies trying to figure out what happens to employment levels or business profitability have found no significant effects.

This question has been studied repeatedly over the past 40+ years, and there has been no clear evidence that raising the minimum wage has widespread or long term negative effects on employment or businesses. These results have been obtained whether the studies examine a "before" and "after" condition of raising a state or federal minimum wage, whether minimum wages are raised in one county v. an adjacent county, or in a city.

The question is not without controversy. Some economic studies have found negative effects when other factors like overall growth or industry composition are controlled for. But the question has remained open because the data and statistical methods used to control for other influences are themselves matters of judgment and disagreements.

Other studies have shown benefits to businesses in the form of lower labor turnover costs and increased incomes.

The best conclusion I think can be drawn is that there are some circumstances in which there are at least temporary negative effects, but these are most likely when the overall economy is very weak. In a strong economy with rising employment and a tightening labor market, whatever the negative effects of raising the minimum wage are below detectable limits.

The one caveat I would put on this is that there were a number of cities that significantly raised the minimum wage in the last year. Los Angeles will raise it's minimum to $13.25 by next year, Washington to $11.50 and Seattle to $15.00 over seven years. These are significantly higher than current state or federal minimums and the effects of these have not been studies as most of the large increases are likely in the future. But these minimums are also significantly higher than the Portland proposal.

3. Is it possible to create a "training Wage"?

Is it possible to have a training wage?

Short answer: In fact, federal minimum wage law permits a wage of $4.50 an hour for workers under 20 for a period of up to 90 consecutive calendar days. This is the federal policy with respect to a "training wage". While the amount and timing of a Portland "training minimum" may be different than the federal policy, the federal policy does provide a suggested approach.

FACT SHEET

The Fair Minimum Wage Act of 2013:

Restoring the Lost Value of the Minimum Wage Would Boost the Economy and the Incomes of 30 Million Working Families

More than four years after the official end of the Great Recession, pay for America's workers remains stagnant while the cost of living continues to rise. Low-wage occupations have dominated job growth in the post-recession recovery, accelerating a decades-long shift in the U.S. economy toward lower-paying jobs. At the same time, the federal minimum wage of $7.25 per hour, which translates to just $15,080 per year for a full-time worker, remains decades out of date, and the federal minimum wage for tipped workers – $2.13 per hour – has not increased in over twenty years.

The Fair Minimum Wage Act of 2013 will help restore much of the lost value of the federal minimum wage, providing America's lowest-paid workers with an urgently needed raise while boosting the consumer spending that fuels our economy.

Background and Key Elements

Following President Obama's call to raise the minimum wage in his 2013 State of the Union address, Senator Tom Harkin (D-IA), Chair of the Senate Health, Education, Labor and Pensions Committee, and Representative George Miller (D-CA), the top Democrat on the House Workforce Committee, have introduced the **Fair Minimum Wage Act of 2013.** It would:

- **Raise the federal minimum wage to $10.10** by 2015, in three steps of 95 cents each.
- **Adjust the minimum wage each year to keep pace with the rising cost of living** starting in 2016 – a key policy reform known as "indexing," which ten states are already using to prevent the minimum wage from falling in value each year.
- **Raise the minimum wage for tipped workers** – which has been frozen at a meager $2.13 per hour for more than twenty years – to 70% of the minimum wage.

Restoring a Strong Minimum Wage for America's Workers

- The Fair Minimum Wage Act of 2013 would help restore the minimum wage to its historic level, making up for decades of erosion. **The federal minimum wage has lost more than 30% of its value and would be more than $10.55 per hour today** if it had kept pace with the cost of living over the past forty years.[1]

Helping 30 Million Americans Make Ends Meet

- **More than 30 million workers** would receive a raise from the Fair Minimum Wage Act of 2013.[2]
- **88% are adults** over the age of twenty, **56% are women, nearly half are workers of color**, and over **43% have some college education.**[3]
- More than **17 million children have a parent who would get a raise** under the Fair Minimum Wage Act of 2013.[4]
- The **average affected worker brought home approximately 49% of her household's income** in 2011.[5]
- **71% of tipped workers getting raises would be women** – a key step for women's pay equity.[6]

Higher Wages to Power Economic Recovery and Growth

- **Consumer spending accounts for 70 percent of U.S. economic activity** but remains tepid because consumers just don't have the money to spend. Wages and salaries now make up the lowest share of national income since 1966, while corporate profits are now the largest share of national income since 1950.[7]
- **Raising the minimum wage boosts consumer demand**, as low-income workers spend their higher wages at local businesses.
- The Fair Minimum Wage Act of 2013 would generate more than **$32 billion in new economic activity**, translating to **140,000 new full-time jobs** as higher sales lead businesses to hire more employees, according to estimates by the Economic Policy Institute.[8]

More Working Adults Than Ever Are Depending on Low-Wage Jobs

- Since the recession, **58% of new jobs have been in low-wage occupations** like cashiers and food preparation where the minimum wage sets pay scales.[9]
- **Six of the ten top growth occupations are low-wage**, according to the Bureau of Labor Statistics.[10]
- **48% of college graduates work in jobs requiring just a high school diploma**. Despite obtaining advanced education in record numbers, America's workers remain stuck in low-quality jobs that pay inadequate wages.[11]
- The **median age of a low-wage worker has risen to 34.9.**[12]
- **Waitresses and waiters are three times more likely to be paid below the poverty line** than the general workforce and nearly twice as likely to need food stamps.[13]
- **57% of the pay gap** between workers at the bottom of the wage scale and those in the middle is due to the **eroding purchasing power of the minimum wage** over the past thirty years, according to a recent study by the Economic Policy Institute.[14]

The Minimum Wage Chiefly Affects Large Chains, Not Small Businesses

- **Two-thirds of low-wage employees work for large companies** with over 100 employees, not the small businesses that many opponents claim.[15]
- **Most big low-wage employers – including retail and fast food chains like Walmart and McDonalds – are enjoying strong profits and can readily afford a higher minimum wage**. 78% have been profitable every year for the past three years, and 63% of these companies are earning higher profits now than before the recession.[16]

The Economic Evidence Shows a Higher Minimum Wage Does Not Cost Jobs

- The most rigorous studies of minimum wage increases over the past twenty years show **no discernible reduction in employment or slowing of job growth** when the minimum wage has increased. An overview of the research – including recent **"meta-studies" that show most credible research finds negligible impact on jobs** – can be found in "Why Does the Minimum Wage Have No Discernible Effect on Employment?" (Center for Economic and Policy Research 2013).[17]
- For example, one of the latest **state-of-the-art studies,** published in 2010 in the prestigious *Review of Economics and Statistics,* compared employment levels between 1990 and 2006 in over 250 pairs of neighboring U.S. counties with differing minimum wage levels and found

minimum wage increases had no effect on employment.[18] A similar study published in 2011 in the journal *Industrial Relations* found that even during times of high unemployment, minimum wage increases have not led to job loss.[19]

- The panel of roughly 40 economic experts that the University of Chicago's Booth School of Business surveys regularly on public policy issues agrees that the benefits of a higher minimum wage outweigh the costs. When weighted by the confidence with which the experts hold their opinions, **62 percent of the leading economists surveyed agree that the benefits of raising and indexing the minimum wage outweigh the costs, while only 16 percent disagree.**[20]

- **More of the business press than ever has endorsed raising the minimum wage**, including Bloomberg News,[21] Crain's New York Business,[22] and The Economist,[23] citing the evidence that a higher minimum wage does not cost jobs.

For more information on the Fair Minimum Wage Act of 2013, visit raisetheminimumwage.org/pages/fair-minimum-wage-act-of-2013 or contact Jack Temple at jtemple@nelp.org.

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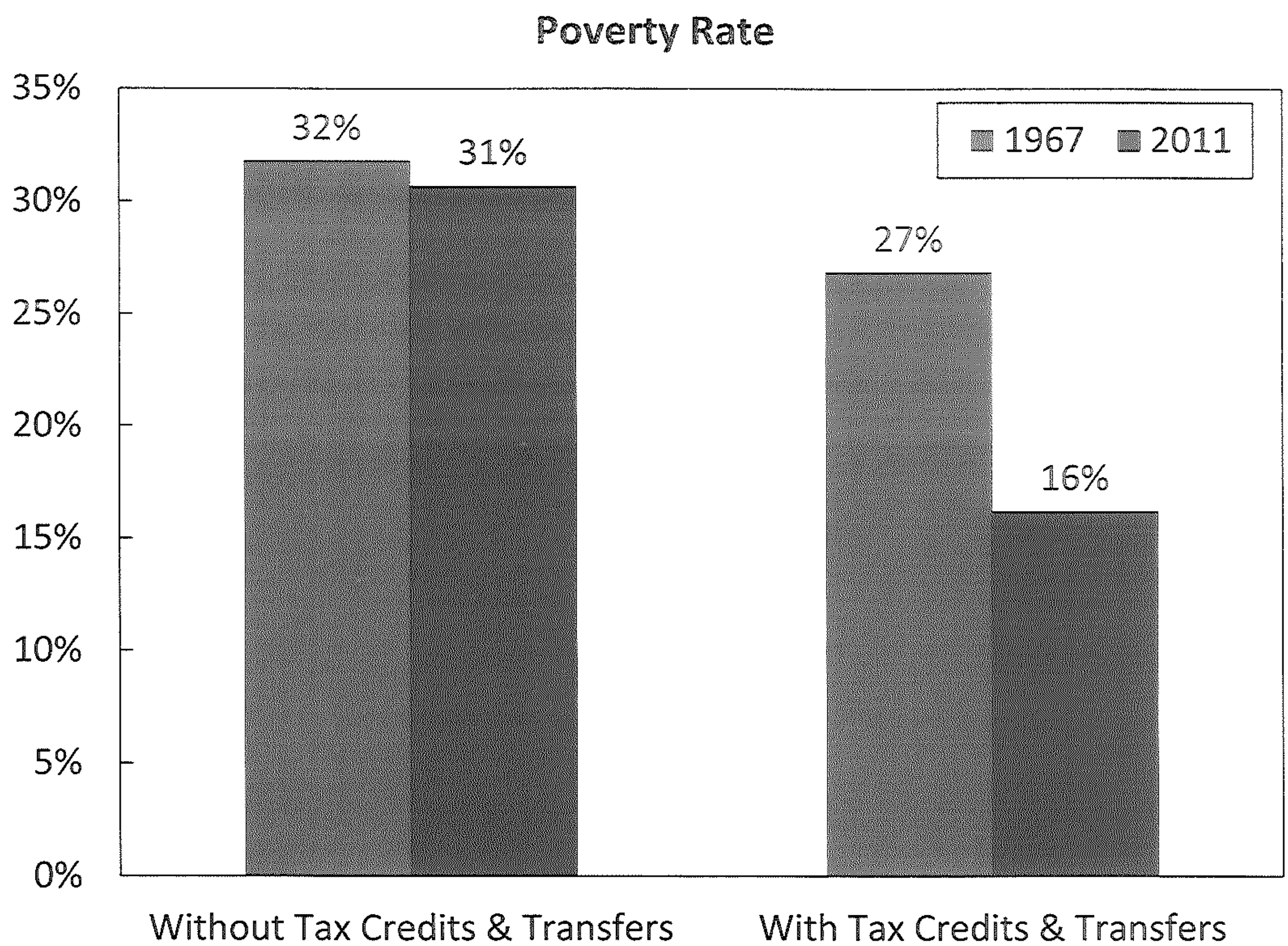
[1] See http://www.raisetheminimumwage.com/facts/entry/amount-with-inflation/ for calculation.
[2] Economic Policy Institute analysis of the Fair Minimum Wage Act of 2013.
[3] Ibid.
[4] Ibid.
[5] Ibid.
[6] Ibid.
[7] Nelson D. Schwartz, "Recovery in U.S. is Lifting Profits, But Not Adding Jobs," *New York Times*, March 3, 2013, available at: http://www.nytimes.com/2013/03/04/business/economy/corporate-profits-soar-as-worker-income-limps.html?hp&_r=0.
[8] Economic Policy Institute analysis of Fair Minimum Wage Act of 2013
[9] National Employment Law Project, "The Low-Wage Recovery and Growing Inequality", Data Brief, August 2012, *available at* http://raisetheminimumwage.org/pages/low-wage-job-growth
[10] U.S. Department of Labor, Bureau of Labor Statistics, "Occupational Employment Projections to 2018," published in the *November 2009 Monthly Labor Review, available at* http://www.bls.gov/emp/ep_table_104.htm
[11] Richard Vedder, Christopher Denhart and Jonathan Robe, "Why Are Recent College Graduates Under-employed?," Center for College Affordability and Productivity, Jan. 2013, available at: http://centerforcollegeaffordability.org/uploads/Underemployed%20Report%202.pdf
[12] John Schmitt and Janelle Jones, Low-wage Workers Are Older and Better Educated than Ever, Center for Economic and Policy Research, Apr. 2012, available at: http://www.cepr.net/documents/publications/min-wage3-2012-04.pdf
[13] Restaurant Opportunities Center United, "Tipped Over the Edge," February 2012.
[14] Lawrence Mishel, "Declining value of the federal minimum wage is a major factor driving inequality," Economic Policy Institute, February 21, 2013, available at: http://www.epi.org/publication/declining-federal-minimum-wage-inequality.
[15] Big Business, Corporate Profits, and the Minimum Wage, National Employment Law Project, July 2012, available at http://www.raisetheminimumwage.org/pages/corporate-profits
[16] Ibid.
[17] John Schmitt, "Why Does the Minimum Wage Have No Discernible Effect on Employment?," Center for Economic and Policy Research, 2013, available at: http://www.cepr.net/index.php/publications/reports/why-does-the-minimum-wage-have-no-discernible-effect-on-employment . See also Jared Bernstein, "Raising the Minimum Wage: the Debate Begins...Again," On the Economy Blog, February 14, 2013, available at: http://jaredbernsteinblog.com/raising-the-minimum-wage-the-debate-begins-again

Briefing on the Minimum Wage

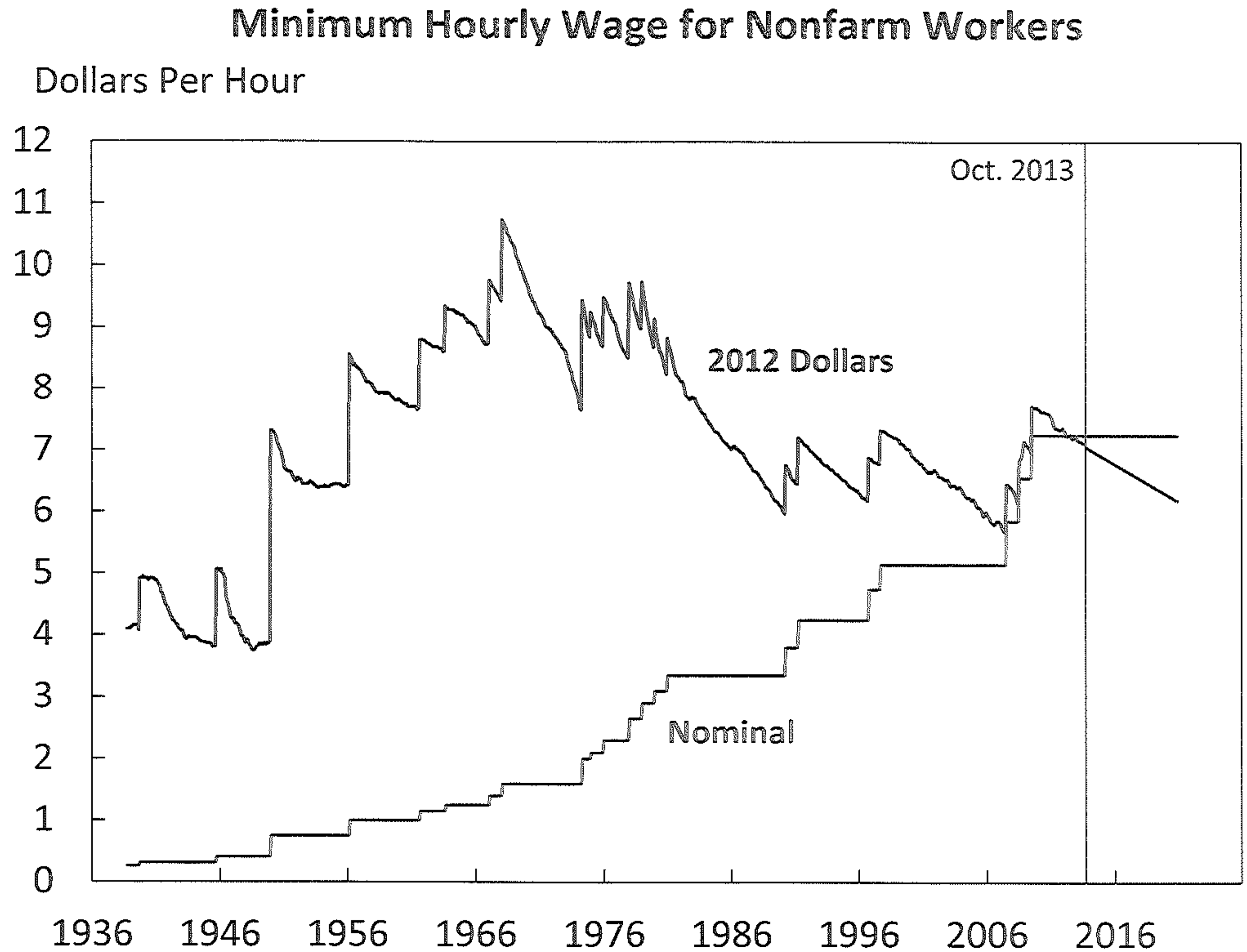
Council of Economic Advisers

November 7, 2013

The Poverty Rate Has Only Fallen Since 1967 Because of Policies Like the Earned Income Tax Credit and Nutrition Assistance

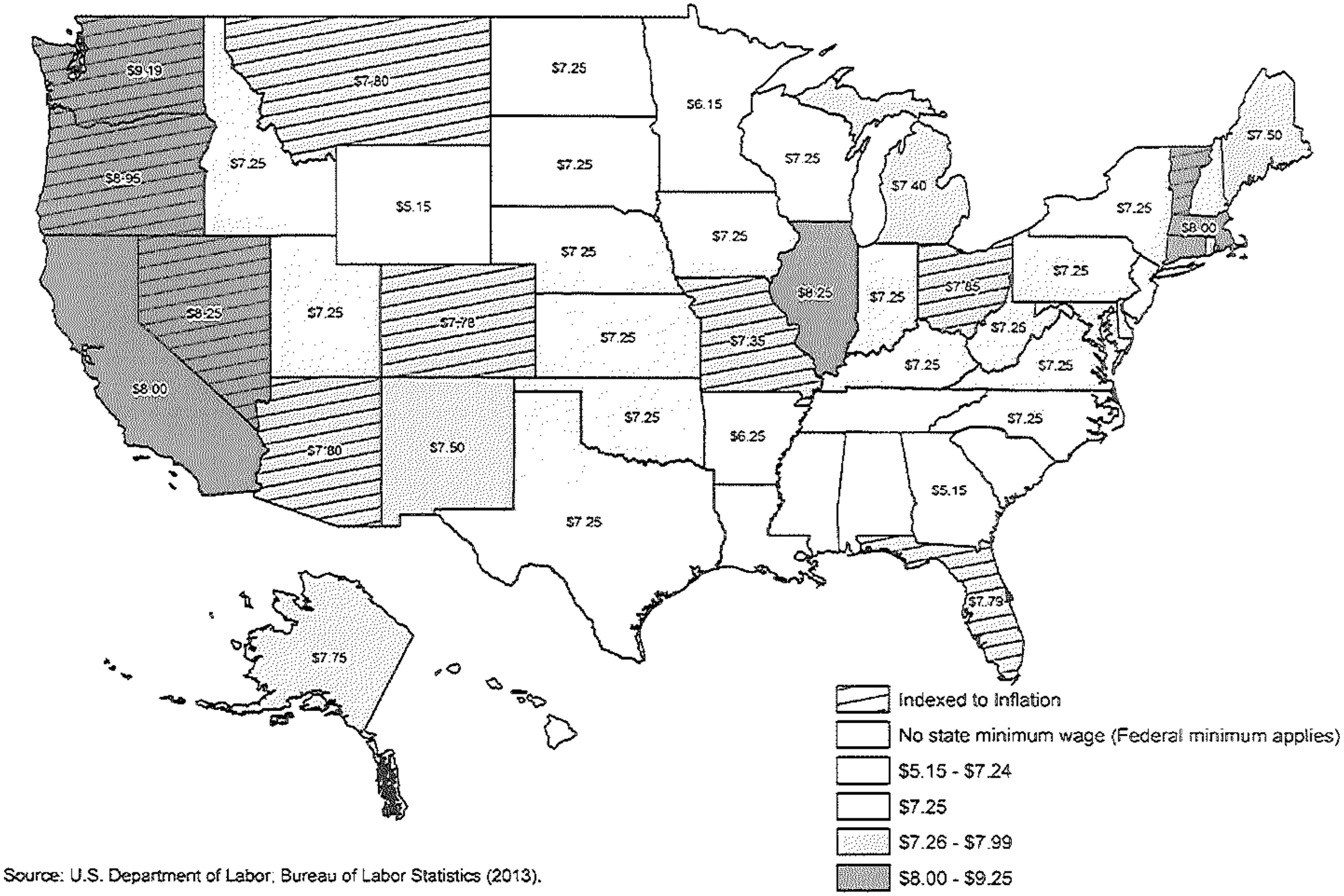


The Minimum Wage Is Currently At the Same Inflation-Adjusted Value as It Was in 1950



As of January 2013, 19 States + DC Have Higher Minimum Wages than the Federal and 10 States Index to Inflation

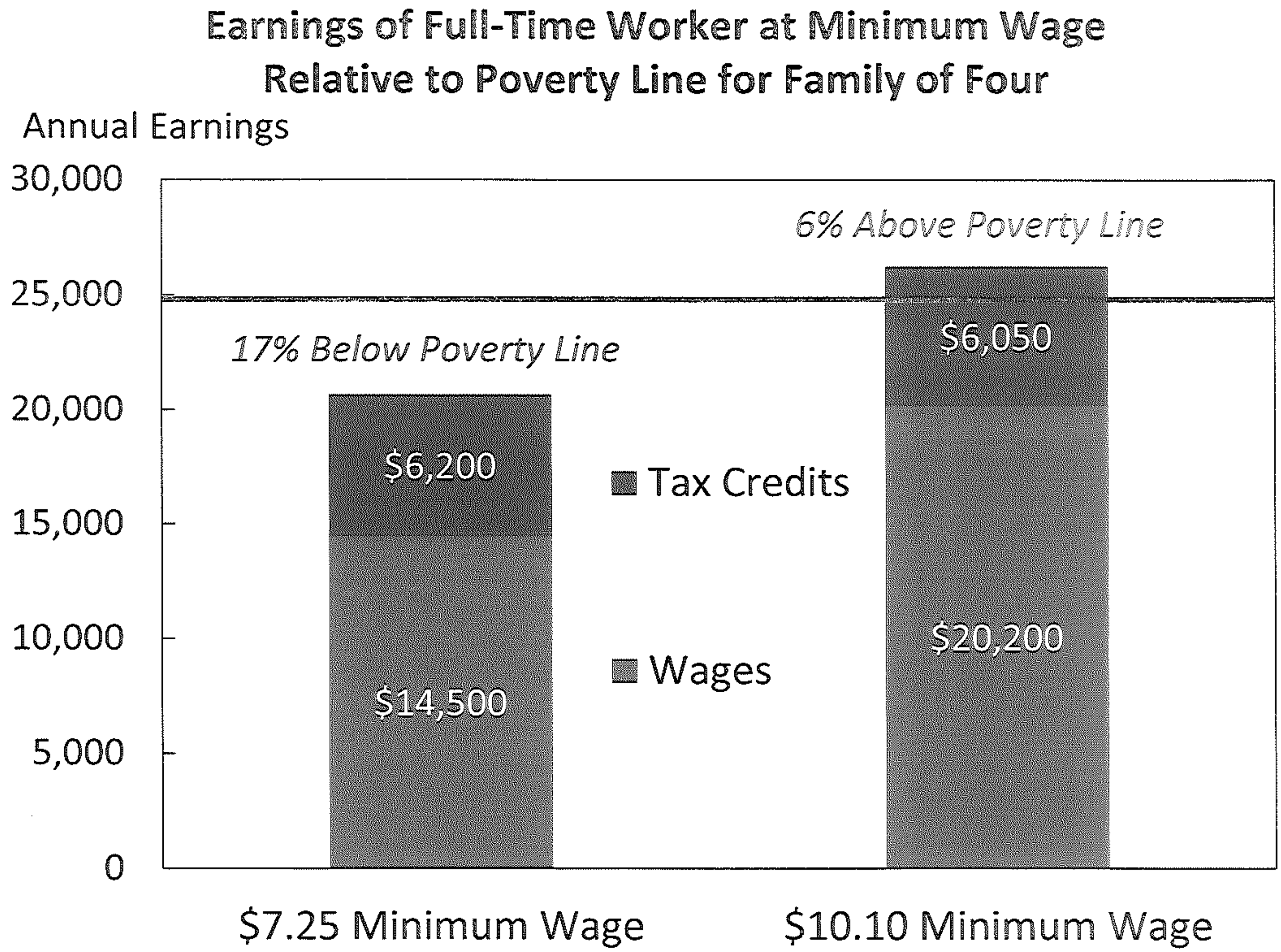
Minimum Wage Law by State as of January 1, 2013



Source: U.S. Department of Labor; Bureau of Labor Statistics (2013).

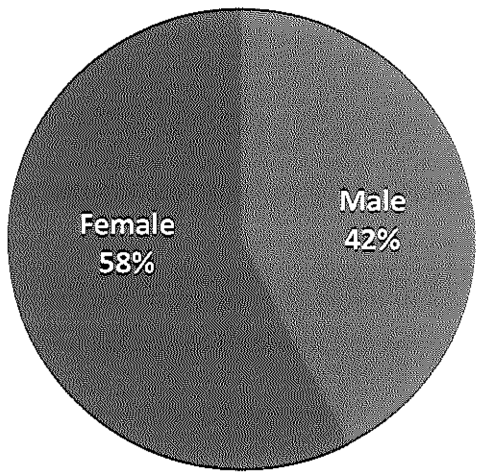
Since Jan. 1, CA, CT, NJ, NY, RI all passed minimum wage increases, and NJ became the 11th state to index to inflation.

Harkin-Miller Proposal Would Raise a Family of Four With One Full-Time Worker Above the Poverty Line Counting Their Tax Credits

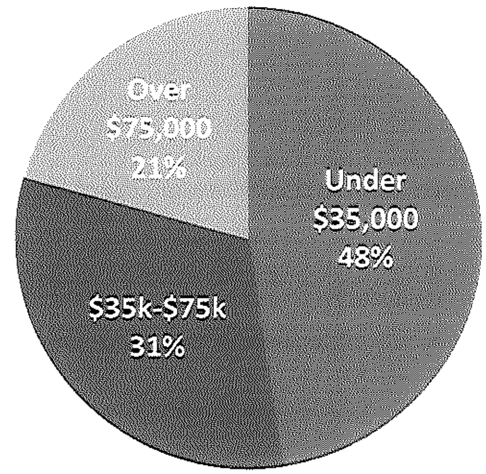


Workers From All Types of Households Would Benefit from Raising the Minimum Wage

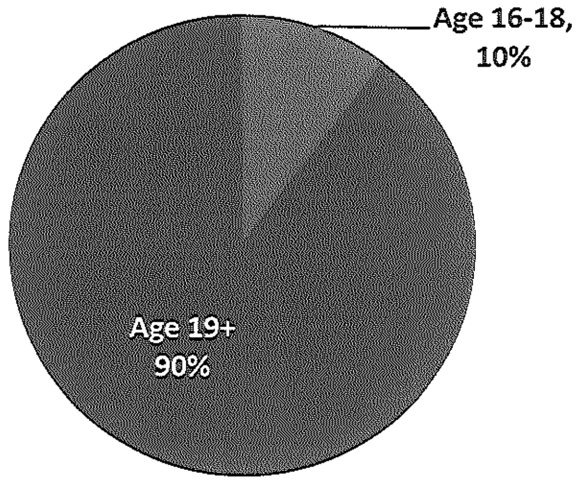
Gender



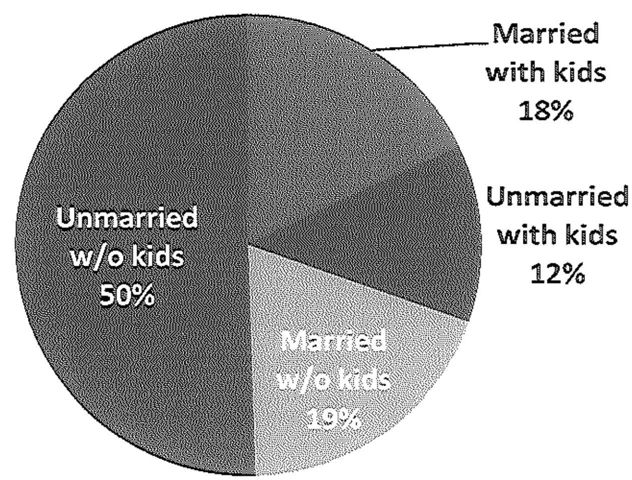
Household Income



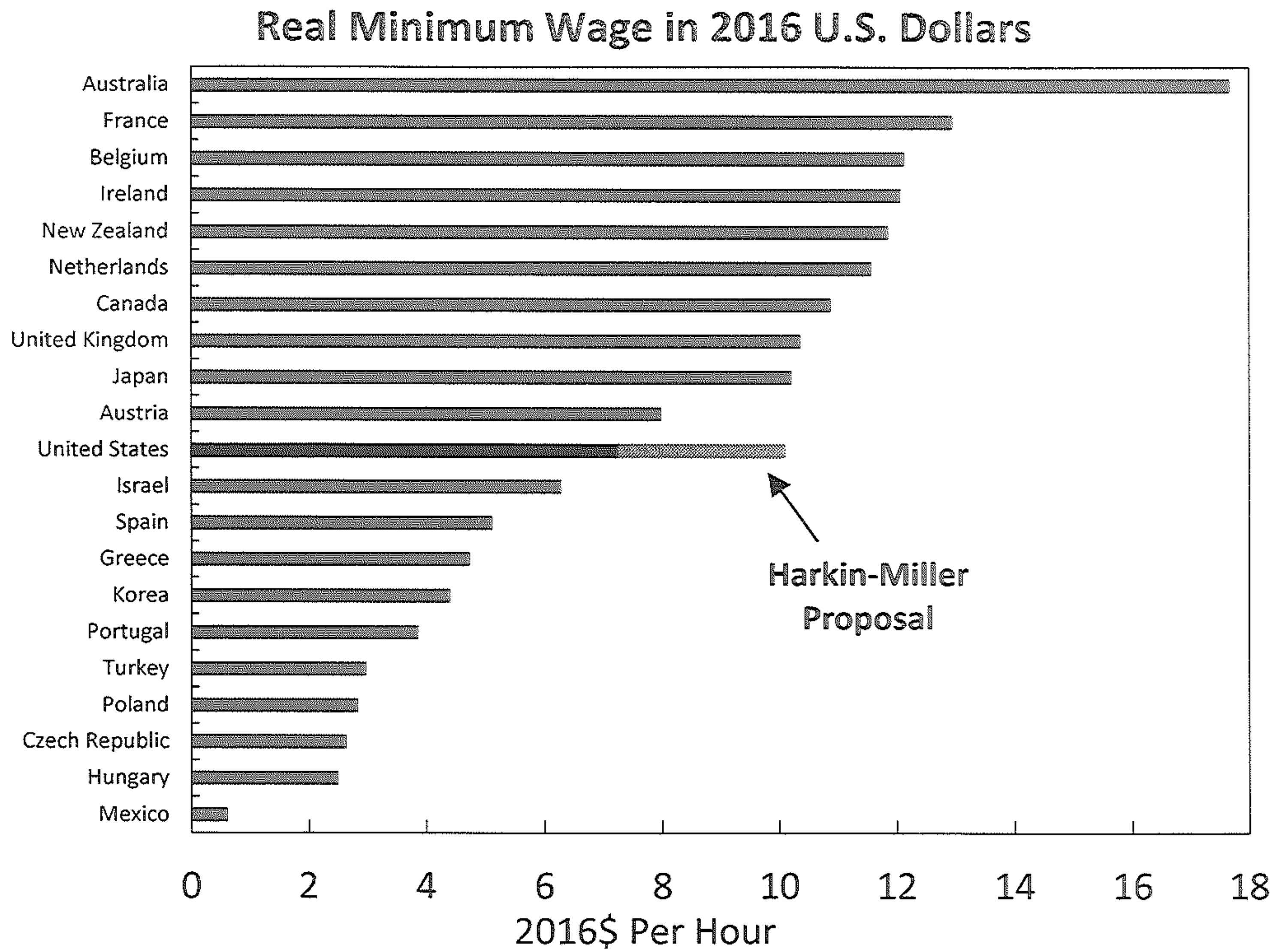
Age



Family Structure

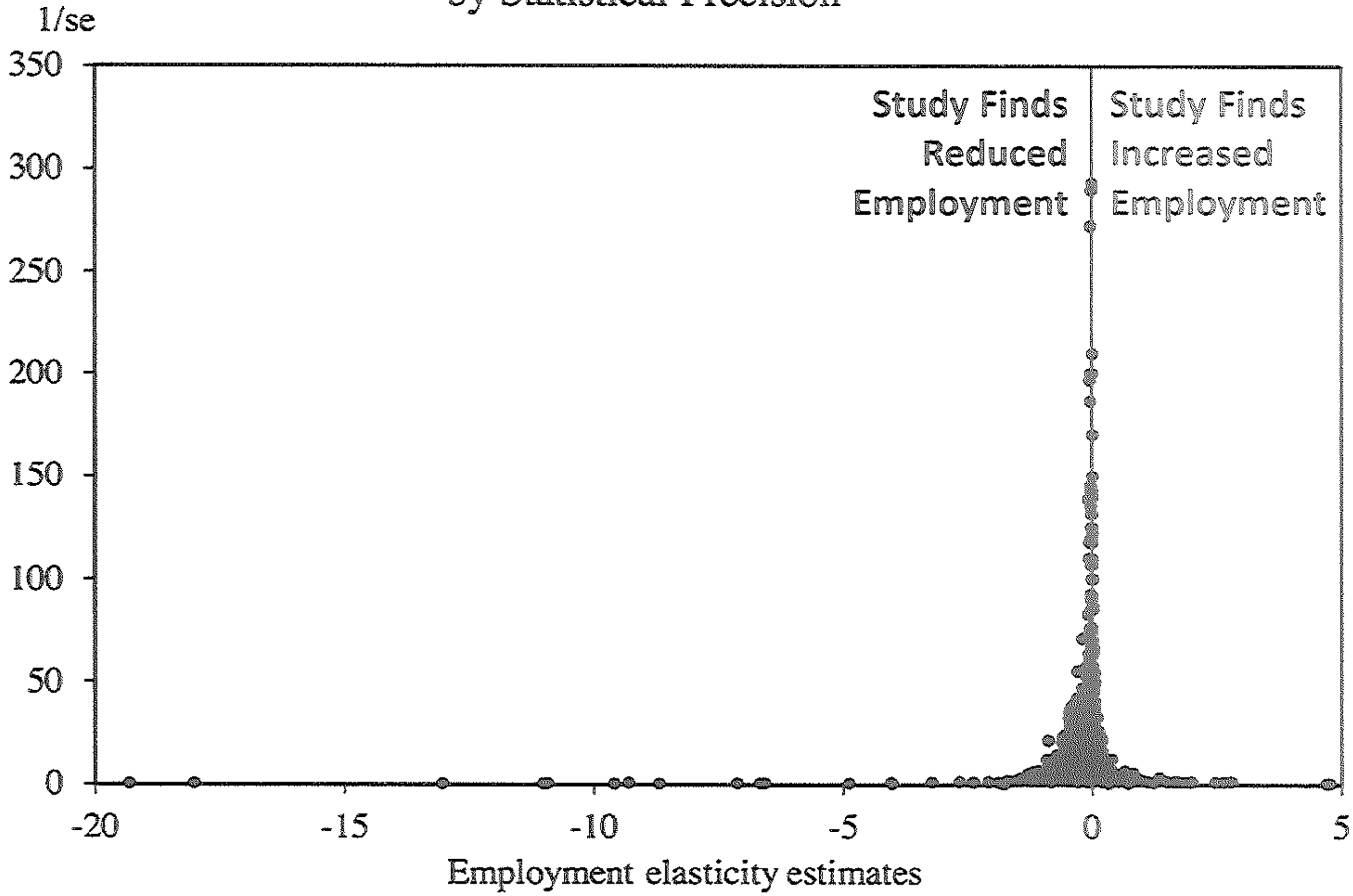


The U.S. Remains Slightly Lower Than Other High-Income Countries Even if Harkin-Miller Becomes Law



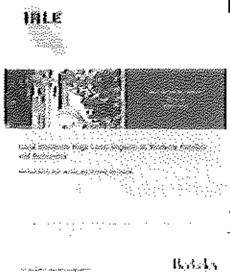
Based on 64 Studies of Minimum Wage Increases, Researchers Find "No Evidence of a Meaningful Adverse Employment Effect"

Estimates of the Effect of Minimum Wage on Employment
by Statistical Precision



Note: "SE" refers to the standard error.
Source: Doucouliagos and Stanley (2009); data provided by John Schmitt.

LOCAL MINIMUM WAGE LAWS: IMPACTS ON WORKERS, FAMILIES AND BUSINESSES



March 2014, by Michael Reich, Ken Jacobs, and Annette Bernhardt

Executive Summary

As cities and counties across the country increasingly debate whether to establish their own minimum wage laws, policymakers are understandably asking a host of questions. How are existing laws designed? What do we know about the impacts of local wage mandates on workers and their families? What does research tell us about the effect of local wage mandates on employment, and, in particular, do businesses move outside city or county borders in response? In this report, we address these and related questions.

Existing local minimum wage laws

- Nine localities in the United States currently have enacted minimum wage laws: Albuquerque, NM; Bernalillo County, NM; Montgomery County, MD; Prince George's County, MD; San Francisco, CA; San Jose, CA; Santa Fe, NM; Santa Fe County, NM; and Washington DC. (Richmond, CA, just voted to raise its minimum wage to $12.30 an hour by 2017, and a final vote is pending to pass the law.)
- Current mandated wage levels range from $8.50 in Bernalillo County to $10.74 an hour in San Francisco. (New wage mandates in Washington DC and Santa Fe, Montgomery, and Prince George's Counties go into effect later this year.)
- On average, the existing local minimum wage laws have mandated total wage increases of 41.4 percent, many of them in multiple steps and the majority indexed to inflation thereafter. Localities with larger increases have been more likely to implement them in several steps. Across the localities, the average per-step minimum wage increase is 16.7 percent.
- The nine laws are similar in covering the large majority of work that is performed within the boundaries of their cities or counties. San Francisco delayed coverage of nonprofits and small businesses (less than 10 employees) for one year. Santa Fe initially exempted small businesses but later amended its law to cover all establishments.
- Two of the nine laws (San Francisco and San Jose) follow their state's law in treating tipped workers the same as non-tipped workers, maintaining a uniform minimum wage for both groups. The other seven laws follow their states' laws in maintaining a lower minimum wage for tipped workers (even as some increased the base wage for tipped workers). Several of the laws make similar provisions for commissioned workers.

B19001

HOUSEHOLD INCOME IN THE PAST 12 MONTHS (IN 2013 INFLATION-ADJUSTED DOLLARS)
Universe: Households
2013 American Community Survey 1-Year Estimates

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

1 - 17 of 17

	Portland city, Maine	
	Estimate	Margin of Error
Total:	28,026	+/-1,581
Less than $10,000	3,924	+/-978
$10,000 to $14,999	3,042	+/-758
$15,000 to $19,999	1,053	+/-422
$20,000 to $24,999	1,585	+/-689
$25,000 to $29,999	1,341	+/-505
$30,000 to $34,999	1,330	+/-451
$35,000 to $39,999	1,382	+/-594
$40,000 to $44,999	1,673	+/-623
$45,000 to $49,999	1,019	+/-451
$50,000 to $59,999	1,718	+/-473
$60,000 to $74,999	1,993	+/-589
$75,000 to $99,999	3,344	+/-775
$100,000 to $124,999	1,828	+/-597
$125,000 to $149,999	1,130	+/-457
$150,000 to $199,999	875	+/-317
$200,000 or more	789	+/-300

Source: U.S. Census Bureau, 2013 American Community Survey

Explanation of Symbols:
An '**' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.
An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
An '***' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
An '(X)' means that the estimate is not applicable or not available.

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent

B23001

SEX BY AGE BY EMPLOYMENT STATUS FOR THE POPULATION 16 YEARS AND OVER
Universe: Population 16 years and over
2013 American Community Survey 1-Year Estimates

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	Portland city, Maine	
	Estimate	Margin of Error
Total:	55,425	+/-1,656
Male:	27,308	+/-1,665
16 to 19 years:	1,108	+/-520
In labor force:	299	+/-333
In Armed Forces	0	+/-165
Civilian:	299	+/-333
Employed	169	+/-191
Unemployed	130	+/-156
Not in labor force	809	+/-368
20 and 21 years:	1,367	+/-653
In labor force:	1,194	+/-645
In Armed Forces	0	+/-165
Civilian:	1,194	+/-645
Employed	1,018	+/-651
Unemployed	176	+/-176
Not in labor force	173	+/-214
22 to 24 years:	2,946	+/-783
In labor force:	2,552	+/-787
In Armed Forces	0	+/-165
Civilian:	2,552	+/-787
Employed	2,397	+/-798
Unemployed	155	+/-122
Not in labor force	394	+/-259
25 to 29 years:	3,650	+/-828
In labor force:	3,176	+/-772
In Armed Forces	0	+/-165
Civilian:	3,176	+/-772
Employed	2,798	+/-733
Unemployed	378	+/-339
Not in labor force	474	+/-299
30 to 34 years:	2,663	+/-824
In labor force:	2,119	+/-650
In Armed Forces	0	+/-165
Civilian:	2,119	+/-650
Employed	1,927	+/-638
Unemployed	192	+/-193

	Portland city, Maine	
	Estimate	Margin of Error
Not in labor force	544	+/-440
35 to 44 years:	3,713	+/-851
In labor force:	2,981	+/-810
In Armed Forces	195	+/-308
Civilian:	2,786	+/-734
Employed	2,693	+/-700
Unemployed	93	+/-117
Not in labor force	732	+/-471
45 to 54 years:	4,847	+/-827
In labor force:	3,631	+/-842
In Armed Forces	0	+/-165
Civilian:	3,631	+/-842
Employed	3,236	+/-726
Unemployed	395	+/-425
Not in labor force	1,216	+/-471
55 to 59 years:	1,894	+/-588
In labor force:	1,598	+/-542
In Armed Forces	0	+/-165
Civilian:	1,598	+/-542
Employed	1,525	+/-504
Unemployed	73	+/-125
Not in labor force	296	+/-199
60 and 61 years:	520	+/-252
In labor force:	362	+/-198
In Armed Forces	0	+/-165
Civilian:	362	+/-198
Employed	266	+/-143
Unemployed	96	+/-116
Not in labor force	158	+/-158
62 to 64 years:	846	+/-439
In labor force:	501	+/-334
In Armed Forces	0	+/-165
Civilian:	501	+/-334
Employed	474	+/-318
Unemployed	27	+/-45
Not in labor force	345	+/-303
65 to 69 years:	1,255	+/-454
In labor force:	337	+/-232
Employed	304	+/-227
Unemployed	33	+/-52
Not in labor force	918	+/-381
70 to 74 years:	1,009	+/-341
In labor force:	125	+/-105
Employed	125	+/-105
Unemployed	0	+/-165
Not in labor force	884	+/-331
75 years and over:	1,490	+/-530
In labor force:	30	+/-48
Employed	30	+/-48
Unemployed	0	+/-165
Not in labor force	1,460	+/-539
Female:	28,117	+/-1,714
16 to 19 years:	1,349	+/-476

	Portland city, Maine	
	Estimate	Margin of Error
Unemployed	0	+/-165
Not in labor force	238	+/-152
60 and 61 years:	1,079	+/-509
In labor force:	658	+/-388
In Armed Forces	0	+/-165
Civilian:	658	+/-388
Employed	658	+/-388
Unemployed	0	+/-165
Not in labor force	421	+/-303
62 to 64 years:	605	+/-312
In labor force:	364	+/-227
In Armed Forces	0	+/-165
Civilian:	364	+/-227
Employed	364	+/-227
Unemployed	0	+/-165
Not in labor force	241	+/-190
65 to 69 years:	833	+/-323
In labor force:	297	+/-173
Employed	238	+/-159
Unemployed	59	+/-97
Not in labor force	536	+/-260
70 to 74 years:	604	+/-257
In labor force:	234	+/-182
Employed	198	+/-175
Unemployed	36	+/-61
Not in labor force	370	+/-184
75 years and over:	3,037	+/-780
In labor force:	99	+/-123
Employed	99	+/-123
Unemployed	0	+/-165
Not in labor force	2,938	+/-764

Source: U.S. Census Bureau, 2013 American Community Survey

Explanation of Symbols:
An '**' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.
An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
An '***' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
An '(X)' means that the estimate is not applicable or not available.

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling

Occupations where at least 25% of workers earn less than $9.50 per hour
Portland-South Portland-Biddeford NECTA

Occupation	Total Employment	Median Wage
Retail Salespersons	6,510	$10.41
Personal Care Aides	3,420	$9.75
Stock Clerks and Order Fillers	2,620	$11.40
Food Preparation Workers	1,740	$10.67
Maids and Housekeeping Cleaners	1,460	$9.83
Packers and Packagers, Hand	1,030	$9.85
Packaging and Filling Machine Operators and Tenders	770	$11.80
Counter and Rental Clerks	540	$11.12
Hairdressers, Hairstylists, and Cosmetologists	420	$11.89
Crossing Guards	300	$9.69
Nonfarm Animal Caretakers	270	$10.28
Bakers	260	$11.97
Meat, Poultry, and Fish Cutters and Trimmers	250	$9.99
Laundry and Dry-Cleaning Workers	250	$10.01
Manicurists and Pedicurists	160	$10.18
Lifeguards, Ski Patrol, and Other Recreational Protective Service Workers	140	$9.96
Information and Record Clerks, All Other	140	$13.46
Community and Social Service Specialists, All Other	80	$12.28
Photographers	60	$17.18
Farmworkers and Laborers, Crop, Nursery, and Greenhouse	50	$10.59
Furniture Finishers	**	$12.41
Motor Vehicle Operators, All Other	**	$13.02
Cooks, Fast Food	**	10.96
Septic Tank Servicers and Sewer Pipe Cleaners	**	10.67
Sales and Related Workers, All Other	**	10.49
Pressers, Textile, Garment, and Related Materials	**	10.72
Home Appliance Repairers	**	17.65

Source: Bureau of Labor Statistics, 2013 Occupational Employment Statistics

Prepared by the Maine Center for Economic Policy

Occupations where at least 25% of workers earn less than $9.50 per hour
Portland-South Portland-Biddeford NECTA

Occupation	Total Employment	Median Wage
Office Clerks, General	3,720	14.46
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	2,810	12.23
Cooks, Restaurant	2,200	11.92
Security Guards	950	11.40
Childcare Workers	760	11.04
Driver/Sales Workers	600	18.01
Construction Managers	560	33.30
Self-Enrichment Education Teachers	560	17.60
Recreation Workers	540	11.67
Substitute Teachers	530	11.30
Hotel, Motel, and Resort Desk Clerks	520	10.79
Preschool Teachers, Except Special Education	500	13.06
Machinists	410	17.72
Interviewers, Except Eligibility and Loan	330	13.61
Helpers--Production Workers	310	11.61
Butchers and Meat Cutters	230	13.31
Weighers, Measurers, Checkers, and Samplers, Recordkeeping	220	12.75
Editors	200	17.67
Food Batchmakers	130	11.80
Protective Service Workers, All Other	100	13.61
Community Health Workers	90	16.37
Library Assistants, Clerical	80	11.77
Helpers--Installation, Maintenance, and Repair	80	10.85
Farmworkers, Farm, Ranch, and Aquaculture	60	13.41
Broadcast Technicians	60	21.97
Photographic Process Workers and Processing Machine Operators	50	13.11
Education, Training, and Library Wrkrs, All Other	50	16.40
Floral Designers	50	11.99
Funeral Attendants	40	10.77
Skincare Specialists	40	15.63
Insulation Workers, Floor, Ceiling, and Wall	**	14.08
Telemarketers	**	12.80
Painting, Coating, and Decorating Workers	**	11.51
Parking Lot Attendants	**	15.37
Office Machine Operators, Except Computer	**	12.83
Cleaners of Vehicles and Equipment	**	11.55

Source: Bureau of Labor Statistics, 2013 Occupational Employment Statistics

Prepared by the Maine Center for Economic Policy

The New York Times | http://nyti.ms/1esiodi

THE OPINION PAGES | EDITORIAL

Business and the Minimum Wage

By THE EDITORIAL BOARD FEB. 27, 2014

Much of the discussion about the Democratic proposal to raise the minimum wage to $10.10 an hour by 2016 has rightly focused on the workers who will clearly benefit from the move. But what about businesses? How would higher wages affect them?

The answer — contrary to a great deal of reflexive hand-wringing by some conservative think tanks and politicians — is surprisingly positive. Scholarly studies and the experience of businesses themselves show that what companies lose when they pay more is often offset by lower turnover and increased productivity. Businesses are also able to deal with higher costs by modestly increasing prices and by giving smaller increases to higher-paid employees.

The Senate majority leader, Harry Reid, says he expects to bring a minimum-wage increase proposal to the floor of the Senate for a vote in late March or early April. When he does, politicians from both parties need to put aside old canards and instead focus on research that suggests that a higher minimum wage has a powerful upside.

One 2013 study by three economists — Arindrajit Dube, T. William Lester and Michael Reich — compared the experiences of businesses in neighboring counties in different states and found less turnover in states that had raised the minimum wage. Workers were less likely to leave on their own, and managers were more likely to keep the workers they had on staff to avoid the cost of recruiting and training replacements.

Other studies on the effect of local minimum wage increases in places like San Francisco and Los Angeles have found similar results, according to a recent overview published by the Center for Economic and Policy Research in Washington.

These clear benefits might help explain why Gap, the apparel chain, said last week that it would raise the minimum pay of its hourly employees to $9 an hour in 2014 and to $10 next year, which will benefit 65,000 of its 90,000 workers. The company's chairman and chief executive, Glenn Murphy, said the move would "directly support our business, and is one that we expect to deliver a return many times over."

Some retailers pay their workers even more. Costco, one of the most successful retailers in the country, has a starting wage of $11.50 per hour for most entry-level jobs, and its average wage for hourly workers is $21 an hour. Patrick Callans, a senior vice president for the company, said that Costco's higher pay and benefits "allows us to attract and retain great employees." A 2006 management case study argues that the higher pay has also helped the company keep "shrinkage," or theft, fraud and errors, low by industry standards. For national chains, paying more than the current $7.25 federal minimum is not such a shock. Twenty-one states and the District of Columbia already have minimum wages higher than the federal level.

There is another way in which a higher minimum wage helps businesses: by increasing consumer spending. When poor families earn more, they spend more. A group of more than 600 economists, including seven Nobel laureates, recently told President Obama and congressional leaders that an increase in the minimum wage would stimulate today's weak economy. Even Walmart, the country's largest retailer, has previously called on policy makers to increase the federal minimum wage. A spokesman for the company recently told Bloomberg News that it was "looking at" supporting the current Democratic proposal.

The argument that a higher minimum wage would hurt business is old and tired. There is clear and compelling evidence that the economy and companies enjoy real benefits when workers are paid more.

Meet The New York Times's Editorial Board »

The academic, scientific and economic research on the minimum wage

Some of the major questions that research attempts to answer;

- Does the minimum wage (and raising the minimum wage) help the working poor ? (families, individuals, teenagers) ?
- Does raising the minimum wage have a negative effect on employment ? (i.e. decreasing jobs)
- Does raising the minimum wage hurt profits?
- Does raising the minimum wage hurt small business or the local economy?

In 1977 Congress created the Minimum Wage Study Commission, and after four years of reviewing research and $17 million spent on the project, a 250 page summary report was issued with an additional six volumes of related research papers.

In the 1990s, a large number of researchers started to take a renewed look at the minimum wage. For the past two decades, the minimum wage debate has had two polls; on the one side researchers who come to the conclusion that "the weight of evidence suggests that the minimum wage (and an increase to the minimum wage) does not have a large, negative impact on employment." On the other side, critics of the minimum wage cite researchers who assert that "the preponderance of the evidence points to disemployment affects and that the minimum wage reduces the employment of low wage workers."

The last decade has seen a continued outpouring of research from both camps, and the emergence of what economist have called a "fourth generation" of research on the minimum wage that tries to make sense of the sometimes contradictory evidence.

Meta-studies

Meta-studies are "studies of studies" that use a set of well-defined statistical techniques to pool the results of a large number of separate analyses. Meta-study techniques effectively increase the amount of data available for analysis and can provide a much sharper picture of statistical relationships than is possible in any individual study. Meta-studies are widely used in medicine, where the results of many small clinical trials can be combined to produce much more accurate estimates of the effectiveness of different kinds of treatments.

Question 1; Does MW help the working poor?

At the current Maine minimum wage of $7.50, a parent who works full time, year round, does not earn enough to be above the federal poverty line.

On Feb 18, 2014 the Congressional Budget Office released a report on the effects of raising the minimum wage nationally:

The CBO found that raising the minimum wage to $10.10 per hour would directly benefit 16.5 million workers. According to CBO's report, 16.5 million people making less than $10.10 per hour would get a raise if the minimum wage is increased. This figure does not include CBO's estimate of as many as 8.0 million workers who currently earn just above $10.10 an hour but could also potentially see a raise due to the "ripple effect" of a shifting wage structure. **CBO also found that raising the minimum wage would lift 900,000 people out of poverty,** finding that increases in the minimum wage reduce poverty.

The top three occupations in industries that experienced job growth in 2010 were retail sales persons, cashiers, and food preparation workers – all occupations with median wages below $10 per hour. Seven of the top ten growth occupations as projected by the Bureau of Labor Statistics for the next decade are low-wage jobs, including home health aides, customer service representatives, food preparation and serving workers, personal and home care aides, retail salespersons, and office clerks. And nearly 76% of the workers earning at or near the current very low minimum wage of $7.25 are adults 20 or over. Nationally, if the minimum wage were raised to around $10.00, the workforce affected would be even more overwhelmingly adult.

Age	Percentage of workers affected by Min. Wage Increase
6-19	16.6%
20-24	15.7%
25-34	24.1%
35-44	17.2%
45-54	16.0%
55-64	10.4%

<u>Question 2 ; Does raising the MW negatively effect employment?</u>

Probably the most controversial of the research areas related to raising the minimum wage.

<u>Negatively effects</u>: There has been a considerable response from economists more critical of the minimum wage. David Neumark and William Wascher's book *Minimum Wages* brings together much of this critique, with an emphasis on their own work. In Neumark and Wascher's assessment, the most reliable recent research on the minimum wage has built on the earlier time-series analysis and applies modern econometric techniques to state-level data on teenagers (and sometimes less-educated workers). Neumark and Wascher's conclusion is that "...the preponderance of evidence supports the view that minimum wages reduce the employment of low-wage workers." By their calculations, of the 33 studies "providing the most credible evidence; 28 (85 percent) ... point to negative employment effects."

<u>No negative effects on employment:</u> Researchers who are critical of the conclusions reached by Neumark and Wascher . Other researchers note that the Neumark and Wascher review is more subjective and arguably less relevant to the United States than other meta-studies. Only 52 of the 102 studies reviewed by Neumark and Wascher analyzed U.S. data. Of these, Neumark and Wascher designated 19 as "most credible," five of which were their own studies. The Neumark and Wascher (2006) review also excludes several important papers that were not published until after the review was completed, including the important contributions of Arindrajit Dube, William Lester, and Michael Reich (2010) and Sylvia Allegretto, Dube, and Reich (2011).

Other Meta-study results that show <u>No negative effects on employment</u> :

Hristos Doucouliagos and T. D. Stanley (2009) conducted a meta-study of 64 minimum-wage studies published between 1972 and 2007 measuring the impact of minimum wages on employment in the United States. When they graphed every employment estimate contained in these studies (over 1,000 in total), weighting each estimate by its statistical precision, they found that the most precise estimates were heavily clustered at or near zero employment effects. Doucouliagos and Stanley concluded that their results "...corroborate overall finding of an insignificant employment effect (both practically and statistically) from minimum-wage raises

- "Two scenarios are consistent with this empirical research record. First, minimum wages may simply have no effect on employment... Second, minimum-wage effects might exist, but they may be too difficult to detect and/or are very small."

key recent studies

Dube, Lester, and Reich (2010) Probably the most important and influential paper written on the minimum wage in the last decade was Dube, Lester, and Reich (2010)'s study which offered a comprehensive reappraisal of both the new minimum wage research and its critics. The study was built around a key methodological innovation, which essentially was nationally representative, and identified a significant weakness in much of the earlier minimum-wage research based on the analysis of state employment patterns, which had failed to control for regional differences in employment growth that were unrelated to the minimum wage.
In recognition of this problem, Dube, Lester and Reich compared employment differences across contiguous U.S. counties with different levels of the minimum wage. The three economists carefully constructed a data set of restaurant employment in every quarter between 1990 and 2006 in the 1,381 counties in the United States for which data were available continuously over the full period. They also matched these employment data with the level of the federal or state minimum wage (whichever was higher) in the county in each quarter of each year in the sample. They then compared restaurant employment outcomes across a subset of 318 pairs of bordering counties where the prevailing minimum wage could differ, depending on the level of the federal and state minimum wage. Dube, Lester, and Reich "...find strong earnings effects and no employment effects of minimum wage increases."

Hirsch, Kaufman, and Zelenska (2011)
Barry Hirsch, Bruce Kaufman, and Tatyana Zelenska (2011) studied the impact of the 2007-2009 increases in the federal minimum wage on a sample of 81 fast-food restaurants in Georgia and Alabama.
Hirsch, Kaufman, and Zelenska gathered two kinds of data. The first were electronic payroll data obtained from the three owners of the 81 establishments and they also collected data through separate interviews with managers and employees, using a survey designed to investigate channels of adjustment to the minimum wage – other than changes in employment or hours.32 The other channels they considered included: price increases; changes to the internal wage structure (including slower pay increases for higher-wage workers); reductions in turnover; "operational and human resource efficiencies;" reductions in non-labor costs; reductions in customer service; and lower profits. After analyzing the establishment data on wages, employment, and hours, Hirsch, Kaufman, and Zelenska concluded that while wages did rise after the federal minimum-wage increase, any employment and hours changes were not statistically distinguishable from zero. The employment effects they find lie at the consensus estimate in the most recent meta-studies: little or no negative employment outcomes. The key contribution of this paper, however, is its focus on the wide range of ways that employers respond to minimum-wage increases other than adjusting employment or hours.

Question 3 ; Does raising the MW hurt profits?

Some of the strongest evidence suggests that many employers may experience declines in costly turnover. And workers may respond to the higher wage by working harder. Any of these channels might be sufficient to eliminate the need for employment cuts or reduce the size of employment cuts to a level below where they can be reliably measured. According to economists at the University of California, Berkeley, who have studied San Francisco, eight other cities that raised their minimum wages in the past decade, businesses absorbed the costs through lower turnover, small price increases at restaurants, which have a high concentration of low-wage workers, and higher worker productivity.

Question 4 ; Does raising the MW hurt small business or the local economy?

Sara Lemos has conducted a comprehensive review of the 30 or so academic papers on the price effects of the minimum wage. She concludes: "Despite the different methodologies, data periods and data sources, most studies reviewed above found that a 10% US minimum wage increase raises food prices by no more than 4% and overall prices by no more than 0.4%"; and "[t]he main policy recommendation deriving from such findings is that policy makers can use the minimum wage to increase the wages of the poor, without destroying too many jobs or causing too much inflation." Neumark and Wascher agree with Lemos's assessment about the likely price effects (while disagreeing with her conclusions about the overall usefulness of the minimum wage): "Both because of the relatively small share of production costs accounted for by minimum wage labor and because of the limited spillovers from a minimum wage increase to wages of other workers, the effect of a minimum wage increase on the overall price level is likely to be small." Other recent research by Daniel Aaronson, Eric French, and James MacDonald on restaurant pricing, a sector with a high share of low-wage workers suggests that the price effects are likely to be lower than the upper bounds suggested by Lemos. Aaronson, French, and MacDonald "find that a 10 percent increase in the minimum wage increases prices by roughly 0.7 percent."

Recent research from the Federal Reserve Bank of Chicago finds that raising the federal minimum wage to $10 could increase U.S. GDP by up to 0.3 percentage points in the near term (Aaronson and French 2013). Economists generally agree that low-wage workers are more likely than any other income group to spend any additional earnings they receive, largely because they must in order to meet their basic needs.

Studies look at what happened when cities raised minimum wage

Raising the minimum wage doesn't have a drastic, negative impact on employment, according to university researchers who have studied pay hikes in other cities.

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By Lynn Thompson
Seattle Times staff reporter

Ten years ago, San Francisco raised its minimum wage from $6.75 to $8.50 an hour, a 26 percent increase. Since then, it has gone up at regular intervals to its current $10.74 an hour, the highest big-city starting wage in the country.

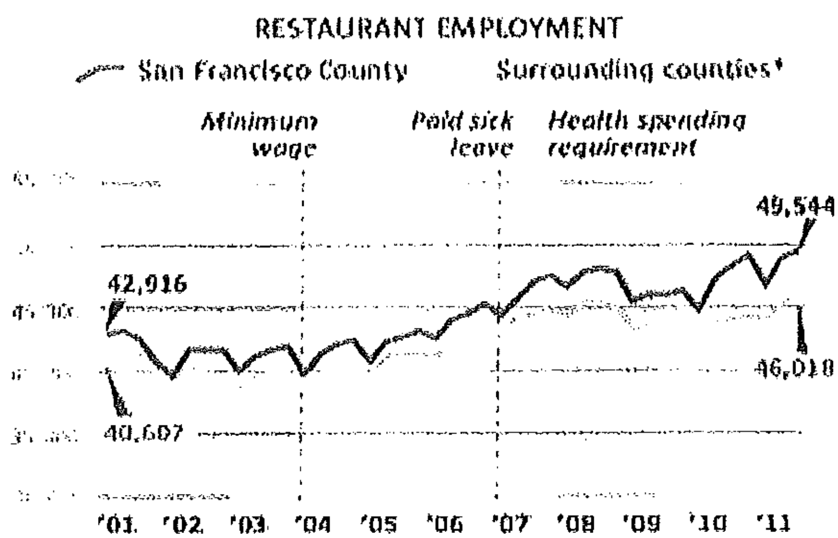
The city has slapped other mandates on businesses, including paid sick leave and a requirement to provide health-care coverage or pay into a pool for uninsured residents.

What have the effects been on employment?

Almost none, according to economists at the University of California, Berkeley, who have studied San Francisco, eight other cities that raised their minimum wages in the past decade, and 21 states with higher base pay than the federal minimum.

Impact on restaurants

San Francisco raised its minimum wage in 2004. It's also added a paid sick-leave requirement and a health-care-spending requirement on businesses. The minimum wage there now is $10.74 an hour.



NOTE: Surrounding counties' data are a weighted average
Source: U.C. Berkeley Institute for Research on Labor and Employment
KELLY SHEA / THE SEATTLE TIMES

Businesses absorbed the costs through lower turnover, small price increases at restaurants, which have a high concentration of low-wage workers, and higher worker productivity, the researchers found.

The average increase among cities raising the minimum wage was 40 percent. The average step increase for a phased-in pay hike was 17 percent.

"Our data show that an increase up to $13 an hour has no measurable effect on employment," said Michael Reich, a Berkeley economics professor with the Institute for Research on Labor and Employment.

Still, Reich, whose work has been cited by President Obama in pressing for a higher federal minimum, stopped short of saying there would be no significant impact if Seattle leaders were to raise the minimum wage here to a proposed $15 an hour, a 61 percent jump.

"We have not studied what would happen at $15," Reich said.

In San Francisco, nonprofits and businesses with fewer than 10 employees were given two years to implement the higher pay.

Santa Fe allowed the phase-in of its 65 percent minimum-wage increase for businesses with fewer than 25 employees. For larger businesses, the minimum jumped from $5.15 to $8.50 an hour in 2004. (It now sits at $10.66.)

A study two years later by the University of New Mexico Bureau of Business and Economic Research found "no discernible impact on employment per firm." Employment in the city actually went up slightly, and did better when compared with Albuquerque, which didn't raise its minimum wage.

The study was done by Nicholas Potter, now a researcher at Washington State University. He said some businesses in Santa Fe did close and some said it hurt their competitiveness. But workers were overwhelmingly positive about the pay hike. And the fear of massive restaurant closures didn't happen, he said, though the cost of eating out did go up some.

"It seemed to have helped workers and not hurt business too much," he said.

Cost of eating out

Potential price increases at restaurants was the biggest negative impact identified by the Berkeley researchers. The cost of eating out went up 2 to 3 percent when the minimum wage rose 25 percent. That means dining out in Seattle could go up as much as 7 percent if the city goes to $15 an hour.

But another Berkeley researcher said there isn't an overwhelmingly negative impact on any type of business where the minimum wage has been raised.

"There is considerable churn among small businesses. Firms are going out of business and new businesses are rising all of the time. What is important from the research is that you do not see a net decline in employment as a result of the minimum-wage ordinances," said Ken Jacobs, chairman of the Berkeley Center for Labor Research and Education.

Other economists say there are more negative effects, particularly for the youngest and least-skilled workers who might lose hours and see the number of entry-level positions reduced in favor of more skilled workers.

Joseph Sabia, an economics professor at San Diego State University, said his research on the effects of the proposed jump in the federal minimum wage found that fewer than 15 percent of minimum-wage workers live in poverty.

"In contrast to the myth that a common minimum- wage worker is a poor single mother head-of-household struggling to make ends meet, the typical minimum-wage worker is actually a second- or third-earner in their 20s from a nonpoor household," Sabia said.

A study by the Congressional Budget Office last month found that raising the federal minimum to $10.10 would boost the earnings of 16.5 million workers, but an estimated half million would lose their jobs.

And with Seattle contemplating a 61 percent jump, low-skilled employment could drop as much as 18 percent, Sabia said.

One critic of the minimum-wage hike said it could lead to increased automation at fast-food restaurants, such as touch-screen displays instead of cashiers taking orders, or robots capable of making 360 burgers in an hour.

"When talking about a $15 minimum wage, you're going to a level that's somewhat unprecedented," said Michael Saltsman, research director for the Employment Policies Institute, which is partially funded by the restaurant industry.

"A 60 percent increase in labor costs doesn't just wipe out profits at a typical restaurant, it wipes them out four times over," he said.

Business, labor

Seattle Mayor Ed Murray in January convened a 23-member committee of business, labor and civic leaders to consider raising the minimum wage in Seattle to $15 an hour from the current state minimum of $9.32 an hour, the highest state rate in the country.

The committee is supposed to deliver a proposal to Murray by the end of April. The City Council also is examining the issue and is expected to consider the mayor's proposal and make a recommendation. Advocates have vowed to place a measure on the November ballot to set a $15 minimum in the city starting Jan. 1, 2015, if they don't approve of the city's proposal.

Murray has asked researchers at Berkeley and the University of Washington Evans School of Public Policy to examine the economic impact of raising the base pay to $15 an hour.

The UW researchers are trying to identify who in the city currently earns the minimum wage, who makes between minimum wage and $15 an hour, where they work and where they live.

"We said all along that this was going to be a conversation informed by data. The Berkeley research will give us a look at the experience of other cities with the minimum wage, and these results will factor into the Advisory Committee's negotiations. We're also studying Seattle's own profile of low-wage workers, and those results will be a key consideration for the Advisory Committee as well, " Murray said in an emailed statement.

Research Indicates That City Minimum Wages Boost Earnings Without Reducing Employment

With growing numbers of U.S. cities adopting higher local minimum wages, economists have had the opportunity to study the impact of these measures on local economies. The most rigorous analysis of the higher city minimum wages that have been enacted in U.S. cities to date indicates that they have boosted earnings without evidence of slowed job growth or business relocations. These findings are consistent with the bulk of modern research on higher state minimum wages, which has generally found no statistically significant evidence of job losses resulting from minimum wage increases passed over the last twenty years.

In part this is because the bulk of the low-wage positions affected are in fields such as restaurants, retail, building services, home health care and child care – jobs that serve city-based customers such as residents, office workers and tourists at city locations. As a result, most cannot practically be moved by their employers to locations outside of the city while still retaining their customer bases.

Summary of Recent Research on the Economic Impact of Higher Local Minimum Wages

Study	Year Published	Cities Studied	Summary of Findings
"The Wage and Employment Impact of Minimum-Wage Laws In Three Cities" Center for Economic and Policy Research	2011	San Francisco, CA Santa Fe, NM Washington, DC	"The results for fast food, food services, retail, and low-wage establishments ... support the view that citywide minimum wages can raise the earnings of low-wage workers, without a discernible impact on their employment..."
"When Mandates Work: Raising Labor Standards at the Local Level" University of California-Berkeley	2014	San Francisco, CA	This book-length study of San Francisco's minimum wage, living wage, health care and paid sick leave laws, which collectively raised the compensation of low-wage workers 80 percent higher than the federal minimum wage, found that these laws raised pay without costing jobs. Researchers found that from 2004 to 2011, private sector employment grew by 5.6 percent in San Francisco, but fell by 4.4 percent in other Bay Area, California counties that did not have a higher local wage. Among food-service workers, who are more likely to be affected by minimum-wage laws, employment grew 17.7 percent in San Francisco, faster than in the other Bay Area counties. San Francisco employers absorbed the higher wage costs through reduced employee turnover and improved customer service and productivity.

"The Economic Effects of a Citywide Minimum Wage" University of California-Berkeley	2007	San Francisco, CA	"We find that the San Francisco wage floor policy increased pay significantly at affected restaurants... We do not detect any increased rate of business closure or employment loss among treated restaurants; this finding is robust across a variety of alternative specifications and control subsamples."
"Measuring the Employment Impacts of the Living Wage Ordinance in Santa Fe, New Mexico" University of New Mexico Bureau of Business and Economic Research	2006	Santa Fe, NM	"Overall, this analysis found that the living wage had no discernible impact on employment per firm, and that Santa Fe actually did better than Albuquerque in terms of employment changes."
"Minimum Wage Effects Across State Borders: Estimates Using Contiguous Counties" University of California-Berkeley, University of Massachusetts-Amherst, and University of North Carolina-Chapel Hill	2010	288 pairs of neighboring U.S. counties with differing minimum wage rates at any point between 1990 and 2006	This study, widely regarded as the "state of the art" in minimum wage research, compared employment levels among 288 pairs of neighboring U.S. counties that had differing minimum wage rates at any point between 1990 and 2006. It found that such minimum wage variations between neighboring counties did not reduce employment or lead to slower job growth in the higher wage counties.

Cities Take on Minimum Wage Battle

January 14, 2014 | Economic Development, Finance Comments Off

What Happened?
In major cities across the country, residents are protesting for increases in the minimum wage to help middle class families and possibly boost economic activity. Many officials are discussing the notion of a local minimum wage that would vary across the country to be more consistent with differences in housing and living costs between cities and metropolitan areas.

The Goal
The federal government has proposed a nationwide increase of the minimum wage to $10.10 per hour. A University of Massachusetts Amherst economist pointed out that this increase will provide limited relief to struggling middle class workers, as the earnings would account for just 37 percent of the median full-time wage reported nationwide. This means the purchasing power of the middle class will be significantly lower than in the past, making it difficult for that increase to make an impact on economic activity.

As a result, many major cities are witnessing a push for local minimum wages to be set based on the prices of goods, services and housing in the area. The minimum wages of San Francisco and New York City, for example, should be arguably higher than those of smaller cities based on the costs of living. Many state and local governments are already working on passing minimum wage levels above the federal level. How to approach the setting of a local minimum wage, however, is still up for debate, The Atlantic Cities reported.

Some economic experts believe the minimum wage should be set to 50 or 60 percent of the median wage, which would closely mirror the purchasing power enjoyed by the middle class in the 1960s and 1970s. Under the federal government's proposal of a $10.10 minimum wage, only 20 major metropolitan areas would have half of their median wage under that level, while no cities would surpass 60 percent of the median full-time wage. Thus, to enjoy the economic perks of an adequate minimum wage, cities must determine their levels independently.

What's The Point?

A 2010 study from the Institute for Research on Labor and Employment outlined some of the effects local minimum wages could have on the economy when they are aligned with median full-time wages in the area. When minimum wages are raised to coincide with local costs of living, poverty is likely to drop without damaging employment levels in industries paying workers minimum wages.

Despite the federal government's efforts to address the minimum wage problem at the national level with the National Employment Law Project, several organizations have rallied around a high-wage strategy that focuses on enriching the middle class without damaging major industries or employment levels.

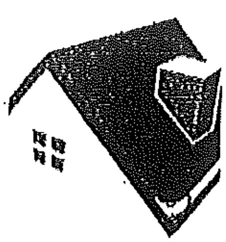
The Center for Economic and Policy Research supports this notion in a report, illustrating a significant increase in the minimum wage would not hurt job growth or increase unemployment. Rather, the data suggests boosts to economic activity as well as small price increases to benefit businesses.

What Works Best

EfficientGov has followed several trends focused on worker rights and economic activity including four-day work weeks and local grants to boost job growth.

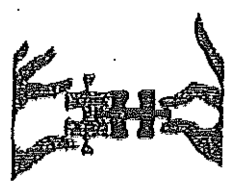
In Case You Missed It!

How Olympics P3 Transformed Vancouver Public Transit



New Market Tax Credits Revitalize North St. Louis

Saving $1.3M with Consolidated Maintenance



Task Force Supports Public Safety, DPW and Court Consolidation

State Increases Effective 1/1/2014				
Region	Previous Wage	New Wage	% Increase	Cost of Living or Legislation?
Arizona	$7.80	$7.90	1%	Cost of Living
Colorado	$7.78	$8.00	3%	Cost of Living
Connecticut*	$8.25	$8.70	5%	Legislation
Florida	$7.79	$7.93	2%	Cost of Living
Missouri	$7.35	$7.50	2%	Cost of Living
Montana	$7.80	$7.90	1%	Cost of Living
New Jersey	$7.25	$8.25	14%	Legislation
New York*	$7.25	$8.00	10%	Legislation
Ohio	$7.85	$7.95	1%	Cost of Living
Oregon	$8.95	$9.10	2%	Cost of Living
Rhode Island*	$7.75	$8.00	3%	Cost of Living
Vermont*	$8.60	$8.73	2%	Cost of Living
Washington	$9.19	$9.32	1%	Cost of Living

Upcoming State Increases				
Region	Current Wage	Date of change	Future Wage	% Increase
California	$9.00	1/1/2016	$10.00	11%
Connecticut*	$8.70	1/1/2015	$9.15	5%
Delaware	$7.75	6/1/2015	$8.25	6%
Hawaii*	$7.25	1/1/2015	$7.75	7%
Maryland*	$7.25	1/1/2015	$8.00	10%
Massachusetts*	$8.00	1/1/2015	$9.00	13%
Michigan	$7.40	9/1/2014	$8.15	10%
Minnesota*	$8.00	8/1/2015	$9.00	13%
New York*	$8.00	12/31/2015	$8.75	9%
Rhode Island*	$8.00	1/1/2015	$9.00	13%
Vermont*	$8.73	1/1/2015	$9.15	5%
West Virginia*	$7.25	12/31/2014	$8.00	10%

Municipal Minimum Wages					
Region	Original Wage	Date of Initial Increase	First Increase	% Increase	Current wage
Albuquerque*	$5.15	1/1/2008	$6.75	31%	$8.60
San Francisco*	$6.75	2/24/2004	$8.50	26%	$10.74
San Jose*	$8.00	3/11/2013	$10.00	25%	$10.15
Santa Fe*	$5.15	6/25/2004	$8.50	65%	$10.66
Washington DC	$6.15	4/8/2005	$6.60	7%	$9.50
Seattle**	$9.32	1/1/2015**	$11.00	18%	$8.50

Potential Municipal Wages				
Region	Current Wage	Potential Date	First Increase	% Increase
Chicago	$8.25	1/1/2018	$13.00	58%
Los Angeles	$9.00	3/1/2015	$15.00	67%
Oakland	$9.00	3/1/2015	$12.25	36%
Portland, ME*	$7.50	1/1/2015	$9.50	27%
San Diego	$9.00	1/1/2015	$9.75	8%

*Single asterisk indicates that the initial increase in the minimum wage is part of a phase in plan that will ultimately put the ending minimum wage in the $10 to $12 range, typically followed by inflation adjustments

**Seattle's passed an ordinance that will slowly raise the minimum wage to $15 an hour over 7 years in a triaged fashion that will start with large business going to $11 in 2015, and ending with small business paying $15 an hour in 2021.

Our View: Minimum wage is not just gas money for teens

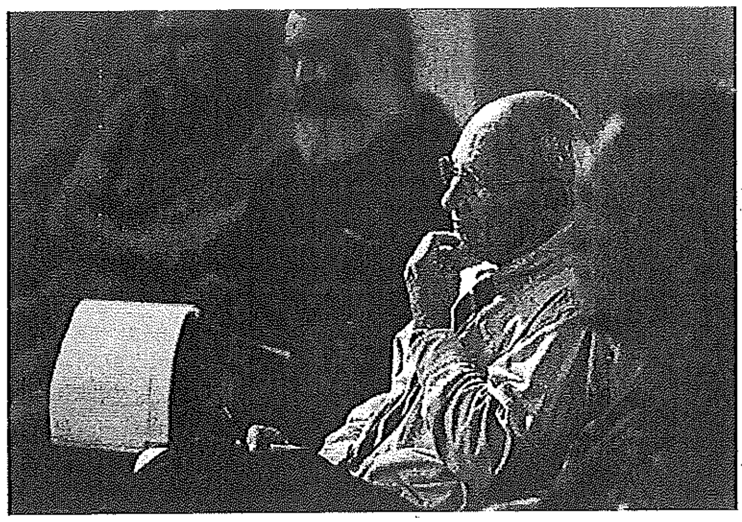
pressherald.com/2014/08/22/our-view-minimum-wage-is-not-just-gas-money-for-teens/

By The Editorial Board

Opposition to increasing the minimum wage is often based on a false idea of who gets it. It's seen as an entry-level pay scale for teenagers who soon make more as they acquire skills. It's just pocket money for gas and hamburgers, the argument goes, and it needs to stay low so youngsters can get an opportunity to learn about working.

While that may have been true in the past, it's not now. Minimum wage earners are older than before, more likely to be supporting children and the average minimum wage worker brings home half or more of her family's income.

Additional Images



Mayor Michael Brennan listens as restaurant owner David Turin voices his support for an increase in the minimum wage, but not to rescind the current tip credit, at the Portland Public Library on Wednesday.

An increase in the national minimum wage is long overdue, but dysfunction in Washington has pushed the issue onto the states. Maine has not given its lowest paid workers a cost of living increase since 2007, and whether it will do so next year will depend on the outcome of the elections for the Legislature and governor.

The city of Portland is right not to wait. Housing costs in Maine's largest city are among the highest in the state, and it makes sense for workers here to get relief first. If Congress and the Legislature won't act, the city should.

This week, Portland Mayor Michael Brennan held a forum on his plan to increase the minimum wage in the city from \$7.50 to \$9.50 next year. The plan calls for subsequent increases to \$10.10 and \$10.68 in the next two years; and indexing it to inflation after that. Workers who receive tips would be paid at an hourly rate that's half the new minimum wage.

The idea has been criticized by some business interests, who, among other things, argue that this would primarily benefit teenagers who don't need the money.

But this is not true, according to research done by the Economic Policy Institute and the Congressional Budget Office.

Of workers earning minimum wage nationally, 88 percent are at least 20 years old; half are older than 30; and about a third are 40-plus.

More than half (54 percent) of minimum wage earners work full time, and another 32 percent work at least half time, showing that these are not just after-school jobs. More than a quarter of minimum wage earners are parents, and 19 percent of all children would benefit from an increase in the national minimum wage.

Women, who make up 48 percent of the workforce, have 55 percent of the minimum wage jobs, making the current minimum wage a not-so-hidden form of sex discrimination.

This debate comes as wage growth is stagnant, despite a recovery now in its seventh year. Prices go up, rents go up and utility costs go up, but many low-wage workers have had their pay frozen.

There are small businesses that do hire teenagers, and teach them what is expected of them on the job. That is a very important role, and it's reasonable to ask the state government to help them continue to do that service. But holding down wages for low-income families on the edge of poverty is the wrong way of accomplishing that goal.

Raising the minimum wage is a pro-family policy that rewards hard work and circulates money in the local economy. It's also the right thing to do. Portland should not wait for Congress to figure that out, and should take this long overdue step.

Read or Post Comments

Were you interviewed for this story? If so, please fill out our accuracy form.

Send questions/comments to the editors.

~~Wage and Payment~~

~~AN~~

DRAFT 12/5/2014

Chapter 33 MINIMUM WAGE ORDINANCE ~~relating to wages~~

ARTICLE I

Sec. 33.1. Purpose.

WHEREAS, ~~employment in~~ the ~~city~~City of Portland~~; adding~~ is a ~~new chapter, 33, to Portland's municipal code~~home-rule unit of government under the Maine Constitution and ~~establishing new minimum wage rules in the city applicable to all~~ 30-A M.R.S. §3001 and, as such, may exercise any power and perform any function in order to protect health, safety and welfare of the citizens of the City; and

WHEREAS, promoting the welfare of the City's citizens, its most important asset, and those ~~employed~~who work within the ~~Portland.~~City's borders is an endeavor that plainly meets this criterion; and

WHEREAS, ~~income and wealth inequality has reached levels not seen since~~after years of inaction by the ~~Great Depression~~United States Congress, it is time for municipalities and states to lift families out of poverty and stimulate
~~**WHEREAS,**~~ the ~~federal government is in a political gridlock that makes federal action on~~economy by raising the minimum wage~~impossible.~~; and
~~**WHEREAS,** the real value of the minimum wage has fallen to levels not seen in over fifty years.~~

WHEREAS, Mayor Michael Brennan created a working group, which included community, labor and business leaders, and tasked them with reviewing the minimum wage issue within the City of Portland; and

WHEREAS, the cost of living in Portland has increased ~~to be on par with~~ making life here cost, as a percentage of income, as much as is paid by residents of Chicago, Illinois, Sacramento, California and other major ~~U.S.~~ United States cities where the minimum wage is much higher~~.~~; and

WHEREAS, an estimated 20,000 workers in the State of Maine work for minimum wage, and a substantial number of them are among the City of Portland's more than 65,000 wage and salary earners; and

WHEREAS, ~~**WHEREAS**, M.I.T.~~ The Massachusetts Institute of Technology has calculated that, for a single adult to support ~~themselves~~ him- or herself in Portland at the current minimum wage, he or she would need to work over 50 hours a week; and

WHEREAS, more than 50 percent of Portland public school students are eligible for free lunch, meaning their families have incomes at between 100 percent and 185 percent of the Federal poverty level, which is higher than what a single parent with one child in school would earn with a full-time minimum wage job; and

WHEREAS, rising housing costs, including an increase in the median home price from $125,200 in 2000 to $238,400 in 2012, are pushing low wage workers out of the ~~city~~ City; and

WHEREAS, the ~~majority of empirical economic research has shown that increases in the minimum wage do not increase unemployment or consumer prices~~ Fair Market Rent

~~**WHEREAS**, other cities in the United States have passed local minimum wage laws which have proven immensely successful, increasing wages for many while not affecting unemployment.~~

~~WHEREAS, the proposed minimum wage is within the range of feasibility demonstrated by Santa Fe and San Francisco.~~

~~WHEREAS, the Mayor's Minimum Wage Advisory has met several times with business, non- profit, labor, and community leaders and has determined the proposed plan of action best represents the wants and needs of all stakeholders~~ in the Portland ~~community.~~Area for

~~WHEREAS, Portland is the economic center of Maine.~~

~~NOW, THEREFORE~~

~~LET IT BE ORDAINED BY THE CITY OF PORTLAND~~

~~The city of Portland adds~~ a ~~new chapter,33, titled Minimum Wage Ordinance~~ two-bedroom apartment is $1,012, and a full-time worker job would have to ~~the City of Portland, Maine Code of Ordinances.~~earn at least $19.46 per hour to afford that rent;

WHEREAS, phasing in the wage increase over time will allow businesses to adjust and result in reasonable annual increases in expenses;

WHEREAS, based on the work of the working group (the materials and report of which are incorporated herein by reference) and the aforementioned facts, Mayor Brennan proposed that the minimum wage be increased within the City of Portland;

NOW~~Chapter~~ THEREFORE, to promote the health, safety and welfare of its citizen, the City Council of the City of Portland, Maine hereby establishes the following minimum wage ordinance applicable to all Employers and Employees within the City of Portland:

ARTICLE II

Sec. 33~~sections:~~

~~33.1: Authority~~

~~33~~.2~~:~~. Definitions.

~~33.3: The Wage~~

~~33.4 Treatment of Tipped Workers~~

~~33.1~~

~~**Authority:** The city of Portland has the authority to enforce a local minimum wage under Article VIII, Part Second, Section One of the Maine State Constitution.~~

~~**33.2**~~

~~**Definitions:**~~

~~**A: Regular Employee:** Employee is any person who performs any labor who can not be defined as a contractor or agent under federal law, and who does not collect more than $30 per month in tips.~~
~~**B: Tipped Employee:** A tipped employee is any person who performs any labor who can not be defined as a contractor or agent under federal law, and who does collect more than $30 per month in tips.~~
~~**C:**~~
Unless the context otherwise indicates, the following words shall have the following meanings.

City: City of Portland.

City limits: the physical boundaries of the City.

Employer: ~~An employer is any person, persons~~ Any individual, group of individuals, partnership, association, corporation, business~~, non-profit, franchise, legal~~ trust, or any other entity~~, and/~~ or group of persons or ~~institution located within the city of Portland who directly,~~entities who employs or ~~indirectly through other persons including temporary employment agencies, exercise~~exercises control over the ~~–~~wages, hours, ~~working conditions, and/~~or working ~~location~~conditions of ~~an individual who performs labor who is defined as an employee under federal law.~~ any Employee. "Employer" shall include but not be limited to the City of Portland.
~~**D: Regular**~~
Employee: Any person who performs work for an Employer for monetary compensation within the municipal limits of the City. Employee shall include persons who perform work for an employer on a full-time, part-time, seasonal or temporary basis. Employee shall not include any person who is exempted from the definition of Employee under 26 M.R.S. §663(3) of Chapter 7, Employment Practices.

Minimum~~**Wage:**~~ *wage:* The ~~regular~~ minimum ~~wage is the lowest dollar value~~ hourly rate of monetary compensation that an ~~employer~~Employer may legally pay an Employee, including, but not limited to, Tipped Employees, for work within the City.

Service Employee: Any Employee engaged in an occupation in which he or she customarily and regularly receives more than $30.00 a month or more in tips.

Tip: A sum presented by a customer as a gift or gratuity in recognition of some service performed by the Employee.

Tipped Employee: Any Service Employee engaged in an occupation in which he or she customarily and regularly receives tips from customers.

Sec. 33.5 – 33-6 Reserved.

Article III.

Section 33.7. Minimum Wage.

(a) *Minimum wage payment required:* Except as provided herein, Employers shall pay all Employees including, but not limited to, Tipped Employees no less than the Minimum Wage established by this ordinance for each hour worked within the City Limits.

(b) *Tipped*~~a regular employee on an hourly basis; the regular employee is always entitled to~~ *Employees:*

(i) As provided in 26 M.R.S. §664(2), an Employer may consider tips as part of the wages of a Tipped Employee toward satisfaction of the Minimum Wage established by this ordinance, but such a tip credit may not exceed 50% of the minimum hourly wage established by this ordinance.

(ii) An Employer who elects to use the tip credit described in subsection (b)(i) above must inform the affected Tipped Employee in advance, and must be ~~paid~~able to show that the Tipped Employee receives at ~~the very~~ least the ~~regular minimum wage.~~ minimum hourly wage established by this ordinance when his or her direct wages and the tip credit are combined.

~~**E: Tipped-Minimum-Wage:** The tipped-minimum-wage is the lowest dollar value that an employer may legally pay a tipped-employee~~

(iii) Upon a satisfactory showing by the Tipped Employee or Tipped Employee's representative that the actual tips received were less than the tip credit described in subsection (b)(i), the Employer shall increase the direct wages of the Tipped Employee by the difference.

(c) *Minimum Wage rate:*

(i) Beginning on July 1, 2015, the Minimum Wage for all Employees, including, but not limited to, Tipped Employees, shall be established as $9.50 per hour;

Beginning on ~~an hourly basis; the tipped-employee is always entitled to be paid at the very least the tipped-minimum-wage.~~

~~**F: City Limits:** City limits is defined as the physical boundaries of the municipality of Portland~~

~~**G: Direct Employer:** The entity to which an employee is most immediately employed by. For example, the direct employer of an individual who works for a franchised corporation would be the local franchise establishment that the employee performs labor for.~~

~~**33.3**~~

~~**The Wage:**~~

~~The regular-minimum-wage discussed in this section 33.3 shall apply to all hours worked in Portland by regular-employees within City limits, and to all hours worked by an employee whose direct employer's location is within City limits.~~

~~*On~~ January ~~1st 2015, the regular-minimum-wage for regular-employees shall be established as $9.50 per hour for all regular employees.~~

(ii) ~~*On January 1st~~1, 2016, the regular ~~minimum-wage for regular-employees~~ Minimum Wage for all Employees, including, but not limited to, Tipped

Employees, shall be raised to ~~—~~$10.10 per hour ~~for all regular employees.~~;

~~*On~~

(iii) Beginning on January ~~1st~~1, 2017, the regular ~~minimum wage for regular employees~~ Minimum Wage for all Employees, including, but not limited to, Tipped Employees, shall be raised to ~~—~~$10.68 per hour ~~for all regular employees.~~; and

~~*On~~

(iv) Beginning on every first day of January following January ~~1st following~~ 1, 2017, and every first day of January ~~1st 2017~~thereafter, the ~~regular minimum wage~~Minimum Wage for ~~regular employees~~all Employees, including, but not limited to, Tipped Employees, shall increase at the percentage set by the Consumer Price Index for All Urban Consumers (CPI-U) of the previous most up-to-date twelve (12) months as reported by the Bureau of Labor Statistics. The sum of the most recent ~~12~~twelve months for which there is a calculated CPI-U reported by the ~~BLS~~Bureau of Labor Statistics will be the ~~rates~~rate by which to ~~define~~set the increase in the ~~regular minimum wage.~~Minimum Wage. For example, if the ~~BLS~~Bureau of Labor Statistics reports that every month from January, 2017, to December, 2017, experienced a 0.1~~%~~ percent price increase, then the increase in the ~~regular minimum wage~~Minimum Wage would be 1.2~~%~~ percent. If the CPI-U increases by less than 0.005 percent or if it decreases, the Minimum Wage for all Employees, including, but not limited to, Tipped Employees, will not change.

~~33.4~~

(d) Overtime.

(i) The Minimum Wage set out in this ordinance are subject to the overtime compensation provisions in 26 M.R.S. §664(3).

(e) Collective Bargaining Agreements.

(i) Nothing in this ordinance shall be deemed to interfere with, impede, or in any way diminish the right of all Employees including, but not limited to, Tipped Employees to bargain collectively with their Employers in order to establish wages or other conditions of work in excess of the applicable minimum standards of this ordinance.

(f) Retaliation Prohibited.

(i) It shall be unlawful for any Employer to discriminate in any manner or take any adverse action against any Employee including, but not limited to a Tipped Employee in retaliation for exercising any right under this ordinance.

ARTICLE IV.

Sec. 33.8. Notice, Posting and Records.

(a) Notice to Employees. Every employer shall post in a conspicuous place at any workplace or job site where any Employee works, a notice to be provided by the City informing Employees of the City's current Minimum Wage rates, as well as a copy of this ordinance.

(b) Records. Employers shall maintain payroll records showing hours worked daily by and the wages paid to all Employees, including, but not limited to, Tipped Employees. Employers shall retain such payroll records pertaining to all Employees for a period of at least three (3) years after an Employee has left employment.

(c) Access. The City shall have access to any and all Employer payroll records subject to this ordinance during business hours to investigate whether or not an Employer has violated any of the provisions of this chapter.

(d) Paycheck Notice. Every Employer shall provide with the first paycheck issued to an Employee, including a Tipped Employee, a notice advising the Employee of the current Minimum Wage under this ordinance and of the Employee's rights under this ordinance.

ARTICLE V.

Sec. 33.9. Enforcement and Violations.

(a) Enforcement.

(i) The City Manager or his/her designee shall enforce the provisions of this ordinance.

(ii) City Manager is authorized to adopt rules and regulations for the proper administration and enforcement of this ordinance.

(b) Complaint Process.

(i) Any Employee, including, but not limited to, a Tipped Employee, receiving less than the Minimum Wage he or she is required to receive under this ordinance may file a written complaint with the City Manager's office.

(ii) The City Manager or his or her designee may investigate and issue a response to the complaint within fifteen (15) work days following the receipt of a complaint. The City Manager's or his or her designee's response to the complaint shall be final.

(iii) If the City Manager finds that a violation of this chapter has occurred, he or she may order any and all appropriate relief including, but not limited to, the payment of any back wages withheld and/or the payment of not less than $100.00 or more as a penalty for each day that a violation of this chapter has occurred. A violation of this Ordinance may also be considered a civil violation subject to the general penalty provisions of section 1-15 of this Code.

(c) Private Cause of Action.

(i) Any Employee, including, but not limited to, a Tipped Employee, the City or any person aggrieved by a violation of this ordinance may bring an action in a Court of competent jurisdiction against the Employer for any and all violations of this ordinance, including, but not limited to, wages owed under this ordinance.

ARTICLE VI.

Sec. 33.10. Relationship To Other Requirements.

This ordinance provides for payment of Minimum Wage rates within the City and shall not be construed to preempt or otherwise limit or affect the applicability of any other law, regulation, requirement or policy, including any that provides for payment of higher wages and/or benefits. Nothing contained in this ordinance prohibits an employer from paying more than the Minimum Wage rates established herein.

ARTICLE VII.

Sec. 33.11. Severability Clause.

If any section, paragraph, sentence, word or phrase of this ordinance is for any reason held to be invalid or unenforceable by any court, such decision shall not affect the validity of the remaining provisions of this ordinance.

ARTICLE VIII.

Sec. 33.12. Effective Date.

This ordinance shall take effect on July 1, 2015.

~~*Tipped* **employees:**~~

~~The tipped minimum wage discussed in this section 33.3 shall apply to all hours worked in Portland by tipped employees within City limits, and to all hours worked by an employee whose direct employer's location is within City limits.~~

~~*****For tipped employees the wage shall always be at least consistent with state law. Additionally, in a given pay period if the tipped employee does not receive tips that sum to an amount high enough where she/he is effectively being paid at least the regular minimum wage, then the tipped employee's employer must pay her/him the difference so that the tipped employee receives at least the regular minimum wage.~~