

Initiative Measure 1 offers proven policies to fix Burien's flawed minimum wage

Burien's minimum wage ordinance leaves an estimated 47% of people working in the city under a lower wage standard, and is weaker than such laws in other Washington localities:

- Excludes people working in small businesses (71% of local establishments) and creates a reduced minimum wage for those working in medium businesses (12% of local establishments).
- Allows larger businesses to pay lower wages (meant for medium or small businesses) by counting:
 - Only employment in King County (just 1% of U.S. total),
 - \circ $\;$ Full-time equivalent employees instead of total (reducing count by 10%-26%), and
 - Employment at connected franchises (like Wendy's or McDonald's) as separate businesses.
- Provides only a partial cost-of-living adjustment that won't keep up with inflation.
- Allows tips and the value of medical benefits to be counted toward paying minimum wage.
- Slows people's access to private legal action if their employer refuses to pay the minimum wage.

Initiative Measure 1 covers everyone working in Burien with a strong minimum wage using practical, effective policies proven by experience in other Washington localities:

- Covers everyone by using a 3- or 6-year phase-in for medium or small businesses, respectively.
- Accurately classifies business size for wage thresholds by counting:
 - o Total employment (all full- and part-time employees at all locations), and
 - Employment at connected franchises (like Wendy's or McDonald's) as one business.
- Provides a full cost-of-living adjustment that keeps up with inflation.
- Requires tips (and voluntary employer medical benefits) to be paid in addition to minimum wage.
- Preserves people's access to private legal action if their employer refuses to pay minimum wage.
- Requires large/medium businesses to offer hours to current part-time staff before hiring new ones.

Initiative Measure 1 will provide a higher minimum wage for more Burien workers over time:

	"Large" business	"Medium" business	"Small" business
Initiative Meas. 1	500+ employees total: \$21.10/hr. plus tips/benefits	15 to 499 employees total: \$19.10/hr. plus tips/benefits	Less than 15 employees total: \$18.10/hr. plus tips/benefits
Current Law	~600+ employees in King County (500+ FTEs): \$21.16/hr. minus tips/benefits	~25-599 employees in King County (21 to 499 FTEs): \$20.16/hr. minus tips/benefits	Less than ~25 employees in King County (20 or less FTEs): \$16.66/hr. minus tips/benefits

Table 1: Burien's minimum wage in 2025

Table 2: Burien's minimum wage in 2031*

	"Large" business	"Medium" business	"Small" business	
Initiative Meas. 1	All business sizes (after 3- or 6-year phase-in for medium or small businesses, respectively): \$24.47/hr. plus tips/benefits			
Current Law	~600+ employees in King County (500+ FTEs): \$23.82/hr. minus tips/benefits	~23-599 employees in King County (21 to 499 FTEs): \$22.82/hr. minus tips/benefits	Less than ~25 employees in King County (20 or less FTEs): \$19.32/hr. minus tips/benefits	

*Assumes 2.5% annual cost-of-living adjustment for inflation.

Comparison: Current minimum wage law versus Initiative Measure 1

	Current law	Initiative Measure 1
Summary	Fewer people covered by a lower wage over time. Weaker standards overall than found in King County, Bellingham, Everett, Renton, SeaTac, Seattle, and Tukwila minimum wage laws.	Every person covered by a higher wage over time. Strong standards overall, similar to King County, Bellingham, Everett, Renton, SeaTac, Seattle, and Tukwila minimum wage laws.
Coverage	Excludes small businesses (71% of establishments) and reduces the minimum wage for medium-size businesses (12% of establishments) – leaving an estimated 47% of people working in Burien under a lower standard.	Covers all people working in Burien with the same minimum wage standard by 2031, using a 3- or 6-year phase-in for medium or small businesses, respectively.
Business Size for Wage Standards	Counts only full-time equivalent employees (FTEs) in King County (1% of the U.S. total) to determine business size. For example: a large business with 5,000 total employees, of which 500 work in King County, would typically have about 410 FTEs and so would pay the lower "medium business" minimum wage. Allows employment at financially connected franchises (like Wendy's or McDonald's) to be counted separately, classifying more of them as medium or small businesses with a lower wage.	Counts total employment (all full- and part-time employees at all locations) to determine business size. For example: a large business with 5,000 total employees would pay the higher "large business" minimum wage to people working in Burien, no matter how many of those employees work in King County. Ensures employment at financially connected franchises (like Wendy's or McDonald's) is counted together to accurately determine business size with appropriate minimum wage.
Tips, Benefits and Inflation Adjustments	Tips (and the value of medical benefits) can be counted by an employer toward minimum wage. Minimum wage is a flat additional increment – with no yearly inflation/cost- of-living adjustment – added to Washington's minimum wage.	Tips (and voluntary employer medical benefits) must be paid in addition to minimum wage. Minimum wage is independently calculated for Burien and receives a full yearly inflation/cost-of-living adjustment.
Worker Rights	If an employer refuses to pay minimum wage, requires employee to give written notice to employer, wait 45 days, and exhaust all state administrative remedies before taking private legal action.	If an employer refuses to pay minimum wage, does not restrict employee's decisions/timing on private legal action. Large and medium businesses must offer available hours to current part-time employees before hiring new ones.

Information current as of January 13, 2025. Based on the Economic Opportunity Institute's analysis of City of Burien Ordinance 855, City of Burien Initiative Measure 1, 2022 Economic Census (<u>US Census</u>), 2021 Statistics of U.S. Businesses Annual Data Tables by Establishment Industry (<u>US Census</u>), 2023 Employees by Industry and Full-Time Equivalent Employees by Industry (<u>US Bureau of Economic Analysis</u>), and 2022 Covered Employment (QCEW) (<u>WA</u> <u>Employment Security Department</u>).