



Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL

Legislation Text

File #: 24-1697, **Version:** 1

PROPOSED RESOLUTION

RESOLUTION IN SUPPORT OF ONE FAIR WAGE FOR WORKERS IN COOK COUNTY AND ACROSS ILLINOIS

WHEREAS, the subminimum wage impacts a Cook County workforce of almost 78,000 tipped workers, 60 percent of whom are women and 46 percent are people of color; and

WHEREAS, under the Cook County Minimum Wage Ordinance, the minimum hourly wage for adults over the age of 18 was raised to \$14 for non-tipped workers per hour and \$8.40 for tipped workers per hour on the 1st of January 2024; and

WHEREAS, the “two-tiered” subminimum wage system exposes tipped workers to disproportional levels of poverty, financial uncertainty, exploitation of workers under the age of 18, and sexual harassment; and

WHEREAS, according to the Bureau of Labor Statistics, an estimated 2 million people are working as restaurant servers in the United States, and roughly 70 percent of them are women; and

WHEREAS, almost 13 percent of tipped workers are in poverty, compared with approximately 6 percent of non-tipped employees, according to a 2014 joint report by the Economic Policy Institute and the Center on Wage and Employment Dynamics at the University of California, Berkeley; and

WHEREAS, income inequality due to tipped wages disproportionately impacts sole providers and their households, whom are often Black, brown, Indigenous, and women of color and single mothers; and

WHEREAS, in a study conducted by Michael Paarlberg and Teofilo Reyes, between the New York and Pennsylvania workforces along the state's border found that on aggregate, in the year following the tipped-minimum hike, those New York border counties saw workers take-home pay go up an average of 7.4 percent and employment go up 1.3 percent, compared with Pennsylvania border counties, which saw a pay increase of 2.2 percent and a decline in employment of 0.2 percent; and

WHEREAS, restaurant sales in states that have implemented One Fair Wage grew by 17 percent, according to 2017-2018 restaurant trade lobby estimates, compared to 15.6 percent in subminimum wage states; and

WHEREAS, according to restaurant trade lobby estimates, California, a state that has implemented One Fair Wage, had the highest restaurant sales in 2018 - topping over \$97 billion; and

WHEREAS, a Cornell University study titled "A National Study of Human Resource Practices, ~~Turnover~~ Turnover, and Customer Service in the Restaurant Industry" found in evaluating 1,100 restaurant employers, employers can cut employee turnover almost in half with higher wages and better benefits due to increased morale and worker productivity; and

WHEREAS, several local and state governments, including Alaska, California, Minnesota, Nevada, Oregon, Washington state, Washington, D.C, and Wisconsin, have passed legislation that mandates that tipped workers be paid at least the same minimum wage as non-tipped employees; and

WHEREAS, Chicago recently became the largest city in the United States to independently abolish the subminimum wage for tipped workers with the passage of the One Fair Wage ordinance on October 6, 2023; and

WHEREAS, Illinois State Representative Lisa Hernandez filed House Bill 5345, and Illinois State Senator Lakesia Collins filed Senate Bill 3776 to abolish the subminimum wage for all tipped workers in Illinois, including the subminimum wage for workers under the age of 18; and

WHEREAS, Cook County works to advance economic, racial, and social justice for all people; and

WHEREAS, Cook County believes all workers deserve a living wage.

NOW, THEREFORE, BE IT RESOLVED, that President Toni Preckwinkle and the Cook County Board of Commissioners celebrate the passage of the One Fair Wage ordinance in Chicago and call on the Illinois State Legislature and Governor Pritzker to work with all stakeholders to pass a One Fair Wage law and abolish the subminimum wage for tipped workers and ~~for~~ workers under the age of 18 in Illinois; and

BE IT FURTHER RESOLVED, that a suitable copy of this resolution be provided to Illinois Governor J.B. Pritzker, Speaker of the Illinois House of Representatives Emanuel Chris Welch, and Illinois Senate President Don Harmon..