

One Fair Wage Statement on Michigan Raising Wages for 494,000 Workers and Becoming First State in 40+ Years to End Subminimum Wage for Tipped Workers

Minimum Wage for 494,000 Michigan Workers to Increase to \$12/hr; Worker-led Victory Marks New Milestone in Nationwide Campaign to Raise Wages and End Subminimum Wages Amid Rising Cost of Living, Top Concern Among Priority Voters

Lansing, MI – Saru Jayaraman, President of One Fair Wage, issued the following statement today on Michigan Supreme Court's landmark ruling that the Legislature's adopt-and-amend tactics on a 2018 ballot initiative to raise the state minimum wage and end subminimum wages for tipped workers, workers with disabilities and youth, were unconstitutional. This ruling establishes the 2018 ballot initiative as law, raising wages for 494,000 workers, including tipped workers, whose wages will increase from \$3.84/hr to \$12/hr. This historic wage increase also eliminates the subminimum wage for tipped workers, a direct legacy of slavery. The ruling follows One Fair Wage's recent wins in Chicago and Washington D.C., where subminimum wages for tipped workers will be phased out over the next five years. All of these wins are part of a nationwide campaign One Fair Wage has launched to raise wages and end subminimum wages in response to priority 2024 voter groups –including <u>youth</u>, <u>Black</u> and <u>Latine voters</u> citing the rising cost of living and need for jobs with living wages as top electoral issues.

"This is a great day for the more than 494,000 workers in Michigan who are getting a raise. We have finally prevailed over the corporate interests who tried everything they could to prevent all workers, including restaurant workers, from being paid a full, fair wage with tips on top.

"Back in 2018, we gathered more than 400,000 signatures to support raising wages for all workers in Michigan, including tipped workers, and effectively end the subminimum wage – a direct legacy of slavery. Republicans who controlled the legislature at that time recognized the popularity of raising the minimum wage and its power to mobilize hundreds of thousands of new, unlikely voters. In an attempt to undermine the democratic process, they adopted the measure to remove it from the ballot, and then planned to reverse the wage increase after the election. Thankfully, the court saw through this undemocratic maneuvering and blocked their efforts to suppress the will of the people.

"Today's court decision not only ensures that all workers in Michigan receive a raise; it also makes Michigan the eighth state to end the subminimum wage for tipped workers, the first state East of the Mississippi to end the subminimum wage for tipped workers, and the first state anywhere in over 40 years to do so. It's clear tipped workers don't just need a tax exemption – they need living wages with tips on top!!! This is just the first of many more victories to come in a year in which key voter groups, especially young voters and voters of color, have named 'the rising cost of living' and 'jobs with living wages' as their top electoral priorities!"

Background on Michigan Supreme Court Case

The ruling is the culmination of years of worker-led advocacy in Michigan. In 2018, a ballot measure was introduced in Michigan to raise the minimum wage for all workers, including tipped workers, workers with disabilities, and youth. However, both chambers of the Republican-controlled Michigan legislature adopted the measure in order to remove it from the ballot and prevent it from mobilizing hundreds of thousands of Democratic-leaning workers to turn out to vote. The legislature then reversed the wage increases during the same legislative session, after the November 2018 election.

In response, <u>One Fair Wage</u>, a national campaign working to raise wages and end all subminimum wages, joined forces with many different groups to file a lawsuit, arguing that the legislature's 'adopt-and-amend' tactics were unconstitutional. This court's decision represents a new milestone poised to have a ripple effect in other states – including Ohio, Arizona and Massachusetts, where wage increases are on the ballot, and New York, Illinois, Maryland and Connecticut, where active worker campaigns are pushing for legislation to eliminate the subminimum wage for tipped workers.

To celebrate this monumental victory, One Fair Wage will be hosting the following event:

What: Increase the Minimum Wage Celebration!

Date: July 31, 2024 Time: 2:00 PM Place: Yum Village Address: 6500 Woodward Ave, Detroit

Join us as we celebrate this historic achievement with our community and supporters. Please RSVP here.

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About One Fair Wage

One Fair Wage is a national organization of nearly 300,000 service workers, over 1000 restaurant employers, and dozens of organizations nationwide all working together to raise wages for all workers, end all subminimum wages in the United States, and improve working conditions in the service sector in particular. One Fair Wage policy would require all employers to pay the full minimum wage with fair, non-

discriminatory tips on top, thus lifting millions of tipped and subminimum wage workers nationally out of poverty. For more information, visit <u>www.onefairwage.org</u>.