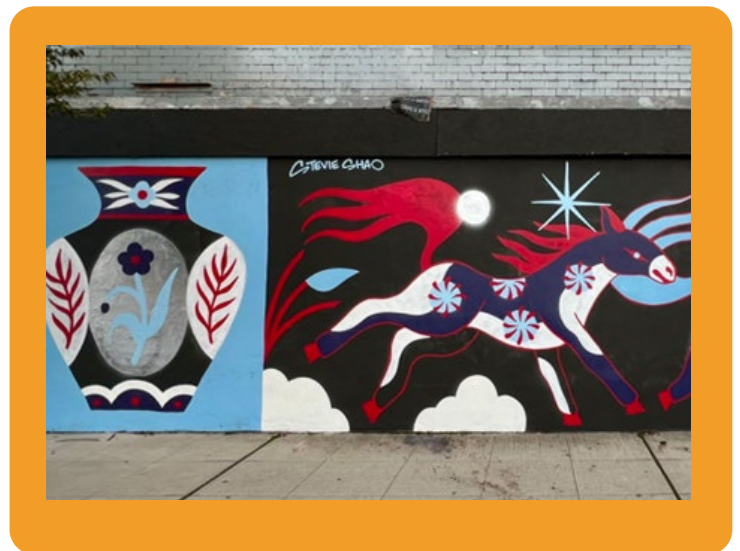
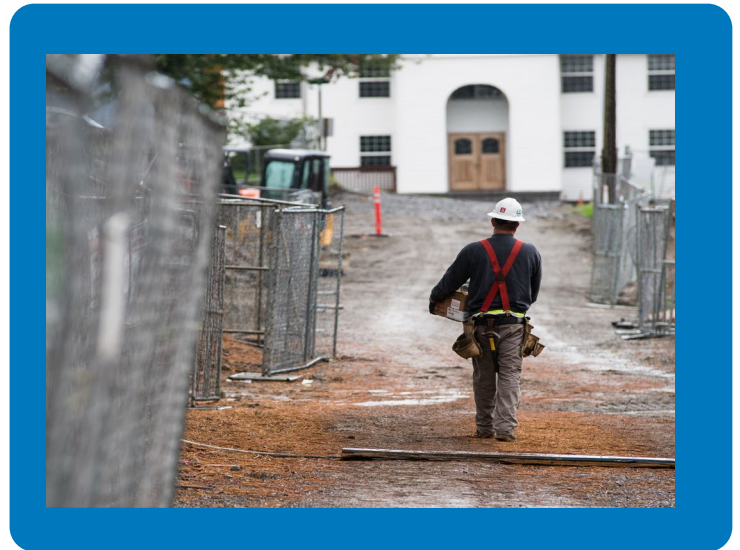
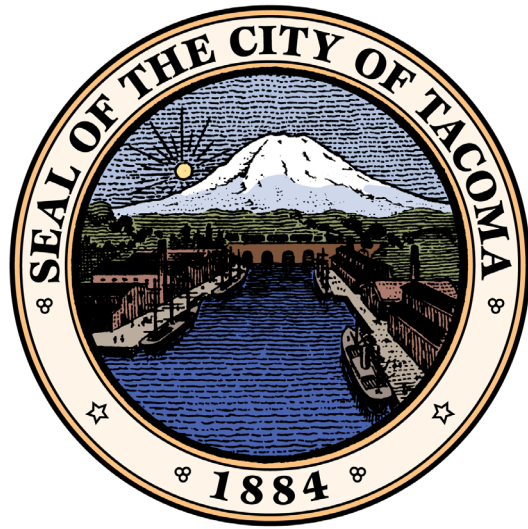


# Tacoma Minimum Wage Community and Stakeholder Engagement Report

By Deputy Mayor Joe Bushnell and Senior Council Policy Analyst Lynda Foster

June 30, 2026







Deputy Mayor  
**Joe Bushnell**  
DISTRICT 5

Dear Tacoma,

Few issues touch as many people in our community as wages. For years, Tacoma residents have engaged in conversations about what fair wages mean for workers, families, employers, and the overall health of our local economy.

As interest continued to grow in changing the City's minimum wage, I recognized the importance of hearing directly from the people and organizations who would be most affected by any future decisions.

The purpose of this outreach was to create space for honest conversations and gather candid feedback from a broad range of stakeholders across Tacoma. I wanted to better understand how different parts of our community view this issue and ensure the Tacoma City Council had the benefit of hearing from those with lived experience and expertise before considering potential policy changes.

To do that, I engaged stakeholders representing a wide cross-section of Tacoma, including small and local businesses, nonprofit organizations, childcare providers, healthcare organizations, and our anchor network. I also met with labor representatives and students to better understand worker perspectives and the experiences of those entering the workforce.

The conversations reflected the diversity of our community. Participants brought different experiences, priorities, and concerns to the table, and there was not always agreement. What emerged, however, was a shared investment in Tacoma's future and a desire to contribute thoughtfully to an important community discussion.

This report summarizes what I heard through this engagement. It is intended to provide the City Council with a broad view of the perspectives shared throughout this process and to help inform future discussions about minimum wage policy. I am grateful to everyone who took the time to participate and share their experiences, expertise, and ideas. Their contributions have helped create a stronger foundation for the conversations ahead.

Sincerely,

Deputy Mayor Joe Bushnell





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# Tacoma Overview

## The history of Tacoma's minimum wage

The federal government sets a minimum wage that states can use or exceed; Washington state also sets a minimum wage that local municipalities can use or exceed. Washington state adopted the federal minimum wage until voters approved Initiative 688 in 1998, requiring L&I to make a cost-of-living adjustment to the minimum wage each year between 2001 and 2016, based on the federal Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). In 2015, the state's minimum wage was \$9.47 per hour (Washington State Department of Labor & Industries, n.d.).

In 2015, a citizen's ballot initiative to raise Tacoma's minimum wage to \$15 per hour, Citizens' Initiative Measure No.1, qualified for the ballot in Tacoma (Pierce County Auditor, 2015). This initiative would have required employers of a certain size to pay employees who work in the City of Tacoma, or maintain, report to, or are supervised from, an office in the City, an hourly wage of not less than \$15, adjusted annually by the rate of inflation. This measure would have also create a citizen commission to monitor the City's administration and enforcement of the minimum wage requirements, and make violation a crime. The Tacoma City Council submitted an alternative ballot measure, City of Tacoma Initiative Measure No. 1B. This alternative required employers to pay a minimum hourly wage to employees performing work in Tacoma of \$10.35 per hour beginning February 2016, \$11.15 beginning January 2017, and \$12.00 beginning January 2018, adjusted annually thereafter based on the Consumer Price Index (CPI). Voters approved City of Tacoma Initiative Measure No. 1B.

In 2016, Washington voters approved Initiative 1433, requiring a statewide minimum wage of \$11.00 in 2017, \$11.50 in 2018, \$12.00 in 2019, and \$13.50 in 2020. Starting in 2021, adjustments to the minimum wage returned to being based on the CPI-W. In 2020, this state-wide initiative raised the minimum wage above the 2015 Tacoma-approved voter initiative and the City's minimum wage reverted to the state minimum wage (Washington State Department of Labor & Industries, n.d.).

In 2025, Citizen Initiative Measure No. 2 was filed and included a \$20 per hour minimum wage component (City of Tacoma et al., 2025). That initiative did not ultimately reach the ballot and there are ongoing court proceedings to determine how the measure is resolved.

## Snapshot of Tacoma's economy

According to the One Tacoma: Comprehensive Plan, Tacoma serves as a regional employment center with a diverse range of businesses and industries. Tacoma's economic landscape includes employment hubs within industrial centers and its downtown commercial core, as well as in its commercial districts. Tacoma not only serves as a key industrial and commercial hub within the



greater Puget Sound region and through international trade, it also serves as a major civic and institutional center for Pierce County and surrounding communities. Major employment sectors in the Tacoma area include military, healthcare, finance and insurance, aerospace, trade and logistics, government, and education (City of Tacoma, 2025). As of February 2026, the total covered employment in Tacoma was approximately 122,000 jobs (WorkForce Central, 2026).

A closer look at Tacoma’s industry mix reveals the importance of the services sector, primarily the healthcare industry, which represented over 27% of the city’s total covered employment in 2022. Government employment, specifically with the City and County, accounts for close to 11% of employment in the city. Other industries of note are retail, which had the third largest share of employment, and hospitality (City of Tacoma, 2025).

According to the 2021 census data, roughly one third of Tacoma residents live and work in Tacoma. Of all people who work in Tacoma, twenty three percent (23%) live in Tacoma, with most of the remainder traveling from communities in north Pierce County and south King County. People who work in Tacoma are generally more concentrated in Pierce County, with fewer people commuting from the Seattle and Bellevue area, demonstrating Tacoma’s role as a regional employment center within the South Sound region (City of Tacoma, 2025).

Low wage workers in Tacoma

According to a Lightcast Report provided by WorkForce Central in June of 2026, 21% of Tacoma’s workforce (about 24,427 workers) is estimated to earn \$20 per hour or less. Below are the top occupations in this wage range. Of note for positions such as waitress/waiter and the food service industry at large, these estimates do not include any wages earned from gratuity.

Occupation	Workers Making ≤ \$20.00/hr
Fast Food and Counter Workers	2,830
Retail Salespersons	1,839
Home Health and Personal Care Aides	1,274
Cashiers	1,001
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	988
Stockers and Order Fillers	891
Laborers and Freight, Stock, and Material Movers, Hand	821
Military-only occupations	724
Cooks, Restaurant	654
Waiters and Waitresses	645



### Living wage in Tacoma

The 2024 Community Survey highlighted access to living wage jobs as the fourth most important issue to address (after homelessness, housing affordability, and community safety). Access to living wage jobs was in the top four issues for 32% of respondents, and nearly half of respondents expressed dissatisfaction with the overall economic health of Tacoma. Participating respondents emphasized the interconnections between housing, transportation, land use, and livable employment opportunities. Among economic issues asked about in the Community Survey, 56% were dissatisfied with the cost of living in Tacoma (City of Tacoma, 2025).

The University of Washington Center for Women’s Welfare developed a living wage calculator that offers an analysis for what would be a living wage in “West Pierce County” cities (Center for Women’s Welfare, University of Washington, 2025). This calculator defines the income working families need to meet a minimum yet adequate level, taking into account family composition, ages of children, and geographic differences in costs. This is the closest estimation available to a living wage within the City of Tacoma. The state uses it as a metric for all program tracking and funding tied to workforce development.

<b>FAMILY COMPOSITION</b>	<b>UW SELF-SUFFICIENCY CALCULATOR HOURLY WAGE</b>
<b>Single Adult</b>	\$20.34
<b>Single Adult, 1 Infant</b>	\$39.54
<b>Two Adults, 1 Infant</b>	\$23.01
<b>Two Adults, 2 Infants</b>	\$30.08

### Lessons from Growing Resilience in Tacoma (GRIT)

Growing Resilience In Tacoma (GRIT) was a 13-month guaranteed income research demonstration that the United Way ran in partnership with the City of Tacoma, Mayors for a Guaranteed Income, and the University of Pennsylvania’s Center for Guaranteed Income. From December 2021 to December 2022, GRIT gifted 110 Tacoma families \$500 a month, a total of \$715,000 (United Way Pierce County, 2026).

All 110 participants met the United Way’s definition of “ALICE” families. ALICE is an acronym for Asset Limited, Income Constrained, Employed, and represents the growing number of families who are unable to afford the basics of housing, childcare, food, transportation, healthcare, and technology. Guaranteed income recipients in the GRIT study were employed and were between 100% to 200% of the federal poverty level, single income earner households with children, who resided in certain geographic areas in the city. Frequently, these families are those that make just a bit too much to be eligible for public assistance but not enough to receive the assistance they need (United for Alice, 2026).



The GRIT study provides insight on the potential impact of a raised minimum wage on working families. Raising the current minimum wage (\$17.33) to the wage proposed in the 2025 Citizen Initiative Measure No. 2 (\$20.00 / hour) would add almost \$500 a month to a full-time minimum wage worker's wages.

The University of Pennsylvania's Center for Guaranteed Income Research (Center for Guaranteed Income Research social Policy & Practice, University of Pennsylvania, 2024) summarized the GRIT study's key findings as:

- **Financial Health:** Compared to the control group, Guaranteed Income (GI) recipients experienced improved financial well-being and ability to save while receiving the cash, increased income and greater ability to handle a \$400 emergency expense during and after the pilot, and decreased income volatility after the GI ended.
- **Improved Hope and Meaning Despite Dire Circumstances:** GRIT participants reported increased hope, courage, faith, and self-transcendence, even amid persistent economic stressors of housing cost burden, food insecurity, and transportation costs.
- **Economic Constraints and Structural Failures:** GRIT participants demonstrated a nuanced understanding of economic constraints and structural failures as contributors to poverty rather than individual shortcomings.
- **Employment and Parenting:** GI recipients were more likely to be employed full-time throughout the study compared to the control group. Though they experienced the tension of balancing work-related time constraints with parenting, the GI provided opportunities for increased time and engagement with and investment in their children.







# Outreach Overview

Through the City’s extensive outreach efforts in the creation of the One Tacoma: Comprehensive Plan, Growing Resilience in Tacoma research, and advocacy of community members in pursuing ballot measures to raise the minimum wage, the City Council has received significant feedback on the desire for and benefit of families achieving a living wage in Tacoma.

Taking lessons from the 2015 election outcomes where voters choose a balanced ballot measure over an advocate proposal, Deputy Mayor Bushnell sought to include a diverse range of voices in his outreach efforts and highlight community voices that otherwise could be overlooked.

Outreach was targeted to reach the largest industries in Tacoma (healthcare, government, retail, and hospitality), and industries that, according to data provided by WorkForce Central in March of 2026, had the highest rates of workers earning less than \$20 per hour (elementary and secondary schools, restaurants, hotels, and child and youth services). Outreach focused on connecting with those assumed to be most impacted by a minimum wage increase, such as local and small businesses, rather than larger corporations. Targeted inclusion of large organizational voices was achieved by meeting with the Tacoma Anchor Network, which consists of the large employers in Tacoma who are geographically set and committed to the wellbeing of the city. Additionally, to understand the impact on value-driven organizations, Deputy Mayor Bushnell connected with the nonprofit community. To supplement the previous feedback from past outreach and studies, Deputy Mayor Bushnell connected with labor unions and students who would be seeking to enter the job market soon.

Discussion participants were provided a “Why talk about minimum wage” handout (Appendix A) and a “Minimum wage overview” handout (Appendix B). Questions asked in the stakeholder discussions can be found in Appendix C. This report highlights key themes from each discussion.



# Labor Roundtable

In Partnership with the Pierce County Central Labor Council, AFL-CIO, Deputy Mayor Bushnell identified labor unions with workers at or near minimum wage or who are interested in minimum wage policy discussions. Eight labor representatives attended.

## Minimum wage is a reference point in bargaining

“If we go into contract and minimum wage is one reference point - it becomes a competition in a good way.”

- Lower wage union worker pay may start slightly above the minimum wage, like at \$25 per hour. Raising the floor would raise these wages.
- A higher minimum wage at the bargaining table can also push up the top rate. Workers view wages as relative to other positions’ wages. Employers would need to raise the top rate to keep the more experienced employees.
- A higher minimum wage doesn’t take away from other benefits, like healthcare or retirement.
- Union jobs are more than wages, they include benefits and often have growth opportunities. A higher minimum wage makes “contracting out” the work more expensive and helps preserve jobs that lead to careers.

## A higher minimum wage attracts employees

“We see workers transfer to jurisdictions with a higher minimum wage”

- Unions with employment options across jurisdictions have the perspective of seeing where workers seek out employment. Employees request to shift to other locations where there is a higher minimum wage. It creates competition for those spots.
- Employees are described as very transient. If people can get a little bit more money just by going somewhere else, they will.

## Fighting for a living wage

“For us, it’s the difference between living in your car and living in your apartment.”

- Participants shared many stories of union workers being employed but still not being able to afford a home. Stories included workers living out of their cars or not being able to afford essential goods, such as food.
- Unions keep hardship funds to support their members and requests for funds have skyrocketed. The biggest requests have been for food, rent, utilities, or sometimes a car breaks down and they need help fixing it.
- Union members volunteer together in the community, and are seeing increased reliance on food banks and other services. They see a broad community need for resources.
- When wages go up, some companies cut workers’ hours. A higher wage just helps those workers break even so that the reduced hours don’t make them worse off.



### Finding a path to make this work for business

“We need to recognize our intention is not to run people out of business. We want people to start more businesses.”

- Many suggestions for how a higher minimum wage could be phased in for small businesses over years for a smoother transition.
- Recommendations for government to look into other methods to support small businesses to help them thrive, such as tax breaks or subsidies.
- A focus on how the current minimum wage is straining the economy and individuals cannot afford to shop at local and small businesses. A higher minimum wage would increase demand more than the strain put on local businesses by a higher wage.
- A shared perspective that if businesses can lay off people and cut hours they will, regardless of what the minimum wage is.
- A strong focus on asking businesses “what benefit do you bring to community?” and expecting businesses to operate for the good of the community, not just profit.

### What wage is the right wage?

“\$20 only gets you to survival mode. You're not going to get ahead.”

- Overall, \$20 an hour was considered the floor for the discussion. Preference was given to a higher wage, such as \$23 per hour or more.
- The suggestion was to review all the local municipalities who had set a higher minimum wage and aim to be among the highest.
- The recommendation was to pick a wage where a single parent would be able to work 40 hours a week and pay for housing, daycare, insurance, and other essential costs.



## Nonprofits Roundtable

Deputy Mayor Bushnell consulted the Community and Economic Development (CED) Department and local nonprofit leaders to identify a list of nonprofits to invite to a nonprofit roundtable discussion. Seven nonprofits attended the roundtable, and five others provided some level of feedback outside of the roundtable discussion.

### There is no one-size fits all look at nonprofit wages

- Several organizations that did not attend the roundtable shared that all of their employees made over \$20 an hour (or higher) and said they didn't think a higher minimum wage would impact their organization.
- Most roundtable attendees shared their operations relied on between 100 – 3,000 employees in the region, and large percentages of their workforces making at or close to minimum wage.
- Competition for workers can drive up wages due to a shortage of key staff, like lifeguards or truck drivers. Organizations shared there were many instances when they had to pay more than minimum wage to be competitive in the market or to retain necessary staff.

### Funding is up and down

“Who knows where the economy is going to be at? If the economy blows up and people are philanthropic... but if it's stagnant like it is now, it's just brutal.”

- Nonprofits reported receiving funding from government grants and foundations, programmatic revenue (such as secondhand stores or registration fees), and private donations.
- Several reported the federal government cutting funds, resulting in canceled programs, staff reductions, and reduced services. Attendees shared this strained their organizations.
- There were reports of private funders holding onto funds during points of uncertainty, with donations starting to bounce back.
- Attendees expressed uncertainty in future revenue – concerns about reduced funding opportunities at all levels of government and the potential for a sluggish economy impacting private donations or programmatic revenue.

### What does a higher wage mean to nonprofit budgeting?

“Wage compression is when the needle starts going. You're going to see that wage compression, if we do an [18%] increase from \$17 to \$20, if we carry that through from entry level to managers, it's huge. The annual impact is hundreds of thousands of dollars...”

- Attendees shared that regardless of whether employees were paid minimum wage or more than minimum wage, increased minimum wage would drive all wage costs up. This was for several reasons, such as needing to be competitive, but also to create career pathways for employees.
- Regulations on exempt employees was an area of concern. In 2026, exempt employees had to earn 2.25 times the minimum wage, and in 2027, for organizations with more than 50 employees, the multiplier will be 2.5 times the minimum wage. Several nonprofits shared this was pricing out their ability to have exempt employees and they would have to change current salaried employees to hourly workers.





- Organizations with employees and locations outside of the city limits expressed large concerns about pay equity. They shared they would not create separate wages inside and outside the city, so increased cost would be broad and difficult to absorb.

#### Nonprofits could have to make hard choices to meet a new minimum wage

“We’ve stretched ourselves about as thin as we can, we’re just going to have to reduce capacity.”

- Nonprofits discussed the services they offer, and how they considered condensing services to save on costs and prioritize programs that generate the most revenue. This would reduce access to their services and eliminate jobs.
- Several organizations described how they used generous benefit packages to attract and retain employees, since they often couldn’t compete on salary. There was universal agreement that healthcare costs had rapidly grown in recent years, and organizations were struggling to absorb costs and sometimes passing costs onto workers. Increased wage costs might require organizations to cut benefits, such as increasing cost sharing on healthcare or raising deductibles.
- At the same time, multiple organizations shared employees’ feedback that they’d rather have “money in their pockets” than benefits, such as healthcare or retirement contributions.

#### Nonprofits offer workforce training and other community benefits

“We do hire people with lived experience... This can be their very first job, we try to get them to that professional level.”

- Several organizations urged policy makers to consider how employing workers and providing workforce development is a service they offer. Increased cost of hiring workers would mean they could hire fewer workers and do less workforce development.
- Other organizations asked policy makers to consider the public good nonprofits provide, such as providing childcare or social services. Many nonprofits calculate how much each dollar donates contributes back to community. One said for each dollar donated they’re able to provide ten dollars in value. Increased cost cuts into that added value to the community.
- Organizations shared that the state minimum wage includes a cost of living adjustment that goes up every year with inflation, so every year workers already receive higher raises.
- Several attendees requested excluding nonprofits from an increased minimum wage.
- Outside of the roundtable, some nonprofits did share that a higher minimum wage would be to community’s benefit and invited a discussion on the culture of nonprofit wages in Tacoma.





## Small and Local Business Roundtable

In consultation with the Tacoma-Pierce County Chamber of Commerce and the Washington Hospitality Association, Deputy Mayor Bushnell assembled a small and local business roundtable discussion. Twenty business representatives attended, primarily in the retail, hospitality, and restaurant industries.

### Making minimum wage is uncommon

“Not one minimum wage person in any of our buildings makes minimum wage.”

- Plenty of people reported having minimum wage employees, but no one said they had a minimum wage employee who didn't also make tips. When factoring in tips, the hourly wage increased significantly. One restaurant shared their “minimum wage” employees made between \$35 - \$75 an hour.
- Employers with non-tip workers reported issues with recruitment and retention if they did not pay at least a little more than minimum wage.
- Multiple people said they would start employees on minimum wage if the employee didn't have experience and use it as a training wage. In a few months they would increase the employee's salary.

### Frustration over the potential to add this new cost onto many others

“My restaurant has been open for 2.5 years, I paid \$500 first year insurance, the quote for renewal was \$4,000.”

- Everyone agreed healthcare costs continued to increase. Specific numbers shared were 27%, 40%, 50%.
- Other insurance costs continue to rise, such as insurance for different types of business models and workers' compensation premiums.
- Utilities and other basic costs also continue to go up every year, driving inflation.
- New state regulations add additional requirements to hiring 16- to 17-year-olds.



- The state minimum wage already goes up every year, which also pushes up the required wage for an exempt employee. Local businesses are struggling with the wage compression this causes and the impact on paying people at all position levels.

#### The struggle to make ends meet

“Everyone this year has done basically everything they can, and now they're at the end of the rope.”

- Increased costs have been passed on to consumers, such as increasing prices, implementing service charges, and taking away discounts.
- Business operations have shifted, such as finding more affordable product alternatives and reducing hours of operation and hours offered to staff.
- All businesses reported staff compression, such as not hiring 16- to 17-year-olds, eliminating as many positions as possible to save on costs, and reducing management positions (one business reported eliminating 33% of executives in recent years).
- Healthcare coverage was increasingly being pushed onto the worker. One business previously covered healthcare completely, now workers paid as much as \$300 a month for healthcare.
- Attendees shared stories of recently closed locations, or how they would plan to close locations or relocate outside the city limits if the minimum wage increased.

#### A continued theme of feeling misunderstood and targeted

“I love Tacoma. I grew up here my whole life.”

- There was conversation about how some people in community accuse business owners worried about an increased minimum wage of being greedy or selfish, rather than recognize business owners are worried about how to make ends meet.
- Attendees expressed appreciation for the opportunity to be heard. They shared they often did not feel heard by policy makers and that policy makers did not take the time to understand the market conditions they were working in.
- Multiple participants shared their story of being raised in Tacoma and working in their industry before opening a business. They expressed pride in their city and their work.
- There were repeated concerns that policy decisions would be made without taking their feedback into account, then businesses will close and there will be more empty storefronts in Tacoma.

#### Policy recommendations

- Stay with the state minimum wage. It has a cost-of-living adjustment built in, so worker pay will increase with inflation.
- If the minimum wage is raised, explore a tip credit option that recognizes gratuitous workers make more than minimum wage.
- Do not set up business categories for a phased in minimum wage approach. No business of any size in the room requested size-based wage categories.
- Do not implement secure scheduling. Multiple people said they'd take a higher minimum wage over the scheduling proposal from the 2025 Citizen Initiative Measure No. 2, which was considered a severe threat to putting people out of business.
- City investment in business areas and neighborhoods – there was a focus on issues related to graffiti and trash making areas off putting and uninviting.



## Healthcare Industry Roundtable

Early in his research process, Deputy Mayor Bushnell met with WorkForce Central's CEO Katie Condit, who offered to invite him to a future Healthcare Industry Roundtable discussion. The 22 members of this roundtable represent healthcare employers, educational institutions, regulatory agencies, and community stakeholders. The group is fairly diverse, and not all participants are employers or directly involved in setting compensation structures. While some attendees are able to speak directly to wage-setting, compensation and operational impacts, others are better positioned to provide perspectives on workforce recruitment, retention, training pipelines and potential impacts on service delivery and community access.

### The healthcare industry is under great strain

"One of the biggest impacts is ... in January we're going to lose [hundreds of thousands] of insured people in Washington State."

- Participants discussed who has access to healthcare from a business perspective, especially for constituents relying on Medicaid and state-funded healthcare plans.
- Recent federal policy reducing access to healthcare is in the process of being implemented in Washington. A participant said exact numbers will be coming soon, but hundreds of thousands of Washingtonians will lose their healthcare coverage.
- Washington currently ranks 48 out of 50 states in Medicaid reimbursements. Over and over again people shared they're already struggling to figure out how to serve patients relying on this funding model. There were concerns that minimum wage would increase further and the Medicaid reimbursement rates won't increase proportionally, further straining the system.

### Healthcare staff are in high demand and the industry is working hard to fill positions

"If we can get them to the finish line, there's an 80 thousand dollar job waiting for them with a waiting list to hire them"

- WorkForce Central's healthcare roundtable exists to help the industry as a whole coordinate and collaborate on workforce issues.
- Healthcare recruitment challenges exist throughout the system. People shared examples of struggling to recruit staff into jobs that pay six figures. Multiple college representatives shared it's hard to recruit faculty because the market pays higher for different positions.
- Training opportunities are expanding in healthcare, and cost and time for training were known issues for potential workers. Several people shared efforts to ease this pathway for students, such as advocating for additional apprenticeship programs so people can earn money while they learn.
- There were concerns that people can't afford to live in the region on the wages that are available for some positions. This was primarily focused on lower income positions, but even some of the higher income positions were hard to recruit for due to the regional cost of living. Since COVID and the shift to telework, some businesses are hiring remote workers form out of state when they can, even though they'd prefer to have everyone in person, because they can't recruit local staff at the same salary levels.



- Several organizations expressed efforts to retain staff through things like a progressive pay scale for folks who work longer term and healthy benefits.

### Barriers healthcare workers face to their careers

“A nursing assistant making minimum wage might have the same wage as working at McDonalds and McDonalds is not the same backbreaking work that a nursing assistant will be performing. “

- Healthcare careers at the lower end of the pay scale haven’t seen their wages go up proportional to the minimum wage across the state. Repeatedly, participants spoke about how these were high demand fields, but it was hard to compete with less physically strenuous jobs or jobs with tips.
- Many workers in these healthcare careers may be single parents and face barriers to working such as childcare. As the minimum wage goes up, and healthcare organizations are strategic with scheduling, workers may get fewer hours and need to pick up second jobs, which puts scheduling strain on workers.
- The conversation returned multiple time to the “benefits cliff,” often through the lens of Apple Health. One participant reported learning at a recent conference that nationally 50% of all direct care workers rely on public assistance. There were concerns that if wages go up, and the cut off for accessing benefits does not rise with an increased wage, it will be setting families up for greater financial struggles.

### Minimum Wage Tradeoffs

“Very few businesses I talk to offer minimum wage to anybody. Everybody is fighting with the same small talent pool.”

- There was universal agreement that the minimum wage is not enough to live off in Tacoma. One participant appreciated the information on what is a living wage for different family sizes and spoke to the reality of the struggles direct care workers face with lower wages.
- Simultaneously, minimum wage is seen as a wage provided early in a career with swift pathways beyond it. This particular group directly supports workers in developing their career and reaching higher steps in their career.
- A prevalent perspective was how competition and talent drives up wages. The minimum wage is a floor, and it alone would not be enough to recruit and retain workers in this high demand field. The minimum wage was not seen as the main tool for increasing healthcare wages. The bigger concern was a higher minimum wage would make other jobs (fast food, tip-based service positions) more competitive and attractive, pulling people out of the healthcare field.
- At the same time there were concerns about impacts should costs increase. These include the potential to give up employee benefits that enhance retention, and the inability for organizations to provide the same level of care to the most at-need clients who rely on Medicaid reimbursement healthcare when reimbursement rates don’t increase as the minimum wage does.



## Tacoma Anchor Network Roundtable

Tacoma's largest employers collectively play an outsized role in the local economy. Governmental organizations are joined by Tacoma's hospital systems and post-secondary education institutions (also referred to as the "meds and eds") to form the core of the Tacoma Anchor Network. Together, the members of the network work together to create shared goals, share best practices, and align data to be able to better support a resilient local economy and workforce.

### Funding, and costs, are often regulated

"We're not a private entity, we can't increase our rates."

- Unlike a traditional business model where selling products pays for the cost of business; Tacoma's Anchor Institutions face other limitations and regulations. For example:
  - Career and technical colleges' tuition is regulated by the state.
  - Public schools rely on state funding and voter approved ballot measures.
  - Public utilities are funded by tax payer rates that are approved by elected officials.
  - Student workers at universities are paid for in part by federally funded student aid packages, that don't increase proportionally to the minimum wage.
- Similarly, cost is often dependent on external factors:
  - Multiple institutions shared that wages are collectively bargained at the state level. This includes cost of living adjustments (COLAs).
  - Benefits like healthcare are rapidly increasing in cost, but often required union negotiations to change.
  - Locations that provide childcare must meet state staffing standards.
  - Grant and government funding providing to nonprofits often cap how much of the funds can be used for administrative costs, limiting funding available for wages.
  - Everyone in the room reported cost increases from unfunded mandates by the state.

### Tradeoffs for balancing costs

"We want to pay folks as much as we can, but right now any significant increases are going to result in us needing to cut other places."

- Repeatedly, people in the room stressed that they want to pay their staff more money, but constraints required tradeoffs for increased wages. Everyone emphasized that as organizations that serve community, tradeoffs equated to reduced community services.
- Multiple organizations shared how increased costs led to eliminating positions.
- Several people discussed how they balance reduced hours, some naming intentional efforts to keep hours under the threshold that would trigger benefits.
- Organizations were determining how to set wages when state requirements for exempt employees kept increasing, calculating out whether it's more affordable to pay some overtime or increase salaries up to the state threshold each year.
- An organization shared they did scale back on retirement benefits in order to keep providing salary increases.
- Organizations shared that while they may have few minimum wage workers, when minimum wage goes up there is wage compression that can impact higher wage workers and put additional pressure on costs.





#### A focus on career pathways and entry level work

“We can move jobs literally overseas or to Yakima, you call the number to schedule and you get people somewhere far away being paid less. If no one wants minimum wage jobs in the city then there are really no opportunities for our youth.”

- There were numerous concerns that higher minimum wages will eliminate and outsource more entry level positions.
- Attendees are seeing the practical results of younger people having less job experience, and are concerned about disconnected young adults in Pierce County.
- Multiple college representatives shared that students are entering higher education with little to no work experience and that their soft skills are lacking. Since people don't have entry level employment where they learn customer service and social skills, college needs to teach them these skills so when they leave school they're qualified for positions beyond the minimum wage.
- One organization shared their minimum wage and near minimum wage positions were all student jobs and described them as “learning jobs” because students with fewer work hours are less equipped to join the workforce after they graduate.



## Childcare Providers Listening Session

The Pierce County Early Childhood Network hosted Deputy Mayor Bushnell at a Child Care Voice Action Team meeting for a focused listening session on Tacoma's Minimum Wage. Deputy Mayor met with seven participants who represented advocacy groups, childcare centers, and childcare workers.

### The business side of childcare

"Our number one expense is payroll, then the second one is food."

- Childcare centers reported paying over minimum wage and aiming to pay slightly more than other childcare staff to stay competitive. Some providers reported offering benefits like healthcare. When minimum wages go up there is compression and other wages go up to match the increase.
- Inflation has large impacts on the business. Providers reported paying for school supplies, utilities, food, and other essential costs that are all increasing.
- Providers shared that the staff recruitment issue is not as much of a concern as the retention of seasoned staff. If the minimum wage went up, childcare providers would need to increase pay for experienced workers already earning more than minimum wage.
- When cost of business goes up the costs are passed onto families. State law mandates staffing levels, and the provider is not able to reduce staffing to reduce expenses. The state would need to increase voucher funding or families would have to make up the difference.

### Many parents are struggling

"Some parents can't afford the copay and can't find a job because they don't have daycare, can't afford daycare because they don't have a job."

- Multiple stories were shared about parents struggling to afford childcare, with a focus on parents using government-funded vouchers. These included:
  - A story of a family keeping the oldest child home to watch the youngest so they could pool their resources to send others to childcare.
  - Reports of how difficult it is to find childcare for disabled children.
  - Struggles of unhoused families trying to find childcare so parents or guardians can seek employment.
  - The number of people who don't have familiar support for childcare, or who don't trust their family to care for children.
- When asked how much families would need to make per hour to afford childcare, one provider said, "20 sounds like a good choice," then quickly followed up with, "I forgot about cost of living. Just kidding, bump it up to 25." Overall the consensus was more than \$20 per hour.

### Childcare staff face the benefit cliff

"The increase got so bad, the deductible was \$3000, you get some money in your check but that doesn't even cover the deductible."

- There was discussion about how important access to healthcare was for staff working with vulnerable populations like childcare. However, one attendee shared the healthcare she had access to had too high of a deductible and she prefers to be temporarily unemployed to access better healthcare benefits to address emergent health needs.





- A provider shared experiences of staff turning down or trying to turn down a raise because if they made a higher income they'd lose benefits. The provider shared discussions of how staff have asked to wait a few years and then get a raise all at once when it would be enough to make up for the lost benefits.
- There was not a recommended wage number for how to address the benefits cliff, but there was consensus that the cost of living in the Pacific Northwest is very high compared to federal and state benefit thresholds.

Making a minimum wage increase work for childcare

“I feel like it would be fair to give agencies time to build the budget... if there's more grant writing that needs to happen, if there's more fundraising that needs to happen to make up and fill the gap, that would give agencies some time to get creative and pull together.”

- While providers reported being nimble and creative, they also said that having time to plan would greatly help prepare for business changes that would be needed.
- Providers directly said they did not think there should be a small business carve out for the minimum wage. One small business participant shared that lower wages in childcare would just drive people out of working in the industry. Others agreed and shared that if wages were higher in less stressful industries people would work there instead.
- There were continued calls for state advocacy and funding both for the childcare industry but also affordable housing and other support systems family need to be stable.





## **Class Visits**

Deputy Mayor Bushnell visited four class sessions: two sophomore classes at Lincoln High School, one senior class at Mount Tahoma High School, and one joint class of GIS students at the University of Washington Tacoma. A discussion guide (appendix D) was used for conversations, but each conversation was shaped by interests of student participants.

### Cost of living was on everyone's mind

- Every class shared anxieties about the increased cost of living and the strain it was putting on families in Tacoma. Students not yet old enough to work still had stories to share, such as how the increased cost of healthcare was straining their families, how income thresholds to qualify for apartments were getting harder to reach as rent prices go up, and how military stipends weren't keeping up with housing costs in the region. One high school student shared that they were working because their family needed the extra money to make ends meet. At UW Tacoma there was a resounding "no" when asked if minimum wage was enough to live off of in Tacoma.

### High school students thinking about wages and employment

- In every high school class, regardless of whether students were working, multiple students had a strong understanding of where the minimum wage currently stood. About a fourth of the senior class students had fast food or retail jobs, all at or close to minimum wage. Students expressed that they only expected to make minimum wage early in their careers, saying that they would make it whenever they first entered the job market. Many students were planning how to go to college to earn higher wage positions as adults.



- When asked if students would rather have more money in their pocket or higher benefits like healthcare and retirement, about two thirds choose benefits. Comments included "Money comes and goes but the health is always important," and some students could cite specific healthcare bills their families received as cautionary tales for why health insurance was important.
- When asked if students thought they could get a job tomorrow, there were quick negative responses. One student described the job market as "It's horrible," and another seeking a job said, "It's, like, literally impossible." Even students who are currently employed expressed a lot of concern about the workforce and frustration with not being able to get better employment.

#### University of Washington-Tacoma students have expectations of employers

- A common, strong recurring theme was that businesses should not be in business unless they can afford to pay their workers a living wage and benefits. There were comments such as, "If a business can't afford to pay their workers what they need to survive, it shouldn't be on the worker to be homeless," and "if you can't afford to pay more you shouldn't be in business."
- Multiple people spoke of the moral responsibility of businesses to provide for workers, and the need for public policy to prioritize workers over business interests due to a perception that there was an existing power imbalance that benefited business owners. This was reinforced when discussing small and local businesses, with one student commenting, "A function of small businesses in Tacoma is to be competitive to large workers and pay people what they're worth."

#### Perspectives from future entrepreneurs

- A few high school students shared they were interested in starting their own business and classes discussed tradeoffs. Future entrepreneurs were already aware of how things like rising rents and supply costs could make businesses riskier. Several students said the reason they weren't interested in starting their own businesses because it was too risky and easier to work for someone else.
- One UW Tacoma student shared their interest in starting a business for the first time, and how they were planning their business model to minimize some costs such as by using remote workers and not having to pay rent. They stated firmly the obligation of a business owner to pay their workers a living wage.
- Only one UW Tacoma student had experience owning and running a business. They offered perspective that mirrored much of what the small and local business roundtable shared – very narrow business margins, difficult staffing decisions and the recognition of responsibility over other people's livelihoods, and having to make tough decisions about paying other people before themselves even if that meant not having enough funds to cover their own basic needs. They said they wanted to "push back on the narrative" that some of the other comments were expressing.





# Stakeholder Policy Proposals for Further Discussion

Throughout the outreach discussions stakeholders made various, often contradictory, policy recommendations. The most prominent recommendations are highlighted below with additional context and perspective.

## Adopt a \$20 per hour minimum wage or higher in the City of Tacoma

The consensus in the conversation with labor unions was that a \$20 per hour minimum wage is the floor of what the City of Tacoma should consider. This aligns with the University of Washington Center for Women's Welfare living wage calculator for our region which sets a living wage for a single adult as \$20.34 per hour. It also is the proposed wage in the 2025 initiative. Childcare providers said that wouldn't go far enough to help families afford childcare needs.

### Additional considerations:

- Multiple stakeholders opposed this recommendation outright and recommended the City continue to utilize the state minimum wage.
- Paying for higher wages isn't always as simple as raising costs on consumers. Employee wages are sometimes covered by grants and donations, Medicaid benefits, and tax revenue streams including sales tax and property tax rates. Increasing funding through those mechanisms is complex and not a guaranteed resource. Addressing these costs will require cuts to community benefits and services.
- Many local and small businesses are already facing significant increases in labor, insurance, healthcare, utilities, food costs, and other operating expenses while operating on very thin margins. Increased costs may cause businesses to close and prevent future businesses from opening in Tacoma.
- Our One Tacoma: Comprehensive Plan shares the goal of increasing access to living wage jobs, however it outlines alternative tools to reach that policy goal. These tools focus on workforce development and building career pathways. This is in alignment with feedback we heard that there are higher-paying, in-demand career fields already in our region.
- The "benefit cliff" was top of mind for many stakeholders, most noticeably in the healthcare and childcare roundtable discussion. The United Way's ALICE definition highlights families that fall into the benefit cliff of families that make too much money to earn benefits but not enough to reach a living wage. There is a concern that an increased minimum wage could pull more people into this worker category instead of pulling people out of it.
- There is a rise in disconnected youth in Tacoma and Pierce County, and higher minimum wages reduce entry level jobs. Many stakeholders raised concerns about the need to keep youth engaged and help them gain entry level work experience.



- The state’s minimum wage is tied to annual increases based on the CPI-W. Multiple stakeholders pointed to this as an existing cost of living adjustment for workers that would soon reach \$20 per hour. While the 2027 increase won’t be announced until September 30, 2026, a history of annual increases since 2020 is outlined in Figure A and projections of how the minimum might increase depending on inflation is outlined in Figure B.

**Figure A**

Year	State Minimum	CPI increase
2020	\$ 13.50	Set by initiative
2021	\$ 13.69	1.4%
2022	\$ 14.49	5.8%
2023	\$ 15.74	8.6%
2024	\$ 16.28	3.4%
2025	\$ 16.66	2.3%
2026	\$ 17.13	2.8%

**Figure B**

Year	Low (1.4 %)	Mid (5%)	High (8.6%)
2027	\$ 17.37	\$ 17.99	\$ 18.60
2028	\$ 17.61	\$ 18.89	\$ 20.20
2029	\$ 17.86	\$ 19.83	\$ 21.94
2030	\$ 18.11	\$ 20.82	\$ 23.83

Do not implement wage categories based on size of business

While minimum wage advocates have suggested creating separate business categories for minimum wage implementation based on the size of businesses, no other roundtable participant shared that perspective. The small and local business roundtable collectively recommended against these categories. The childcare roundtable providers spoke in opposition to these categories and expressed concerns that a lower wage category for small workers would drive employees out of the childcare industry. Other roundtables, particularly the nonprofit and healthcare sector roundtables, discussed implementation options and made no specific recommendations.

Additional considerations:

- Small and local business outreach focused on specific high-impact industries in Tacoma, and does not necessarily represent the broad perspectives of all small businesses in Tacoma.
- Many other stakeholders, such as nonprofits, education institutions, healthcare, and other organizations, did not see size of business as a category that addressed other complexities.



### Recommendations requiring further study

Stakeholders made several recommendations that would require additional policy and legal analysis. This outreach effort did not focus on any of these concepts, and additional community outreach would be beneficial should these policies be pursued.

- Explore total compensation instead of minimum wage. Local and small businesses strongly encouraged the City to consider the total compensation employees receive, similar to Seattle's 2014 Ordinance 124490 (The City of Seattle – Legislative Department, 2014). Positions with large amounts of gratuity appear to be at or close to minimum wage, however gratuity supplements that income and it can be much higher. In 2025, the federal government (IRS, 2026) changed their policy on how tips are taxed and an employees first \$25,000 in tip earnings is no longer taxed by the federal government. This creates the potential for tip-earners to have more take-home income if they earn wages via tips rather than via a higher minimum wage.
- Higher minimum wage for workers who don't receive health benefits. All stakeholder groups discussed tradeoffs between a higher minimum wage and benefits such as healthcare and retirement packages. The UW Tacoma students encouraged the City Council to consider incentivizing businesses to provide benefits by setting a separate, higher minimum wage for employees who are not provided healthcare benefits, naming the City of Bellingham as an example. While Bellingham's minimum wage policy does not have a separate rate for workers who don't receive healthcare benefits, their purchasing policy (City of Bellingham Washington, n.d.) does require contractors pay a living wage and sets separate living wage levels depending on whether or not the employee receives healthcare benefits.
- Establish a training wage. Multiple organizations requested consideration of a training wage. Their requests were similar to the Fair Labor Standards Act policy that provides for the employment of certain individuals at wage rates below the federal minimum wage (U.S. Department of Labor, n.d.). These individuals include student-learners (vocational education students), as well as full-time students employed by retail or service establishments, or institutions of higher education.
- Limit minimum wage to specific industries. The nonprofit roundtable requested the City Council consider excluding nonprofits from a minimum wage increase. The healthcare sector also shared that as entry-level, lower impact jobs' wages increase they become more appealing compared to more strenuous high-demand fields in healthcare. In the City of Seatac, their employment standards ordinance raises the minimum wage only for hospitality and transportation industry employers. There is a potential to target the minimum wage to specific industries to achieve other economic development, public service, and career pathway goals.





# Acknowledgements and Conclusion

The outreach process on Tacoma's minimum wage provided an important opportunity to hear directly from workers, employers, students, educators, community organizations, labor representatives, and economic development partners. These conversations reinforced the importance of approaching any potential minimum wage proposal with a commitment to inclusion, thoughtful analysis, and consideration of the diverse experiences and perspectives that make up Tacoma's economy.

Deputy Mayor Joe Bushnell extends his sincere appreciation to the many organizations and individuals who partnered in these outreach efforts to provide meeting locations, gather stakeholders, and co-host discussions. Special thanks are owed to the Pierce County Central Labor Council, AFL-CIO; YMCA of Pierce and Kitsap Counties; Tacoma-Pierce County Chamber of Commerce; Washington Hospitality Association; WorkForce Central; Tacoma Anchor Network; Pierce County Early Childhood Network; Ms. Pearl Kahle at Lincoln High School; Ms. Megan Capes at Mount Tahoma High School; and Professor Matthew Kelley, Ph.D., at the University of Washington Tacoma. Their partnership was instrumental in ensuring that community voices were heard and represented throughout this process.

The feedback gathered through this outreach effort will help inform future discussions regarding Tacoma's minimum wage and support a well-rounded evaluation of potential policy options. This report will be presented to the Economic Development Committee on June 30, 2026. Following that presentation, Deputy Mayor Bushnell will host a policy discussion on Tacoma's minimum wage during the Economic Development Committee meeting on July 14, 2026. These meetings will provide opportunities for continued dialogue and consideration of the information gathered through this outreach process as the Tacoma City Council evaluates potential next steps.



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2026 Washington Minimum Wage Overview			
Jurisdiction	Minimum wage	Cost of living adjustment / inflation	Covered employees & categories
<a href="#">Washington State</a>	\$17.13	Annual cost-of-living adjustment to the minimum wage based on the federal Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). The new minimum wage will be announced on Sept. 30, and take effect Jan. 1.	N/A
Workers bill of rights initiative – Tacoma (for comparison)	\$20.00	Inflation based on the annual rate of inflation as measured by the Seattle-Tacoma-Bellevue area Consumer Price Index for Urban Wage Earners.	<p>Including franchise employees -                      Large – 500 employees                      Medium – 15 to 500                      Small – 15 or less</p> <p>Medium employers may pay \$2.00/hr. less than the minimum wage but this reduction must be decreased by \$1.00 per hour for the next two years so that the reduction goes away. Small employers may pay \$3.00/hr. less than the minimum wage with \$1.00 decreases in this reduction for the next three years so that the reduction goes away.</p>
<a href="#">Bellingham</a>	\$19.13	The city minimum wage will be set at \$2.00 above the applicable Washington State minimum wage effective on January 1 every year.	N/A
<a href="#">Burien</a>	\$21.63 (level 1) \$20.63 (level 2)	<p>Tied to WA state minimum wage</p> <p>Level 1: \$4.50 over state minimum wage                      Level 2: 3.50 over state minimum wage                      Level 3: exempt from Ordinance</p>	<p>“Level 1 employer” means all employers, including franchisees, that employ 500 or more FTEs in King County or franchisors who employ 500 or more FTEs in the aggregate.                      “Level 2 employer” means all employers, including franchisees, that employ 21 – 499 FTEs in King County                      “Level 3 employer” means all employers with 20 or fewer FTEs.</p>
<a href="#">Everett</a>	Large: \$20.77 “Covered”: \$18.77 until July, then \$19.77	Inflation based on the Seattle-Tacoma-Bellevue Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).	<p>Large employers: 500+, including franchises under common control                      Other covered employers: 15-499, OR annual gross income over \$2 mil revenue in Everett</p> <p>Phased in for Other Covered Employers: By July 1, 2025, ‘other covered employers’ shall pay not less than the established ‘large employer’ minimum wage minus 2 dollars. By July 1, 2026, ‘other covered employers’ shall pay not less than the established ‘large employer’ minimum wage minus 1 dollar. By July 1, 2027, ‘other covered employers’ shall pay not less than the established ‘large employer’ minimum wage</p>

Appendix A

<a href="#">King County</a>	(1) \$18.82 (2 and 3) \$19.82 (4) \$20.82	Inflation based on the Seattle-Tacoma-Bellevue Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).	<p>Categories:</p> <ul style="list-style-type: none"> <li>(1) 15 or fewer employees and an annual gross revenue of less than \$2 million</li> <li>(2) 15 or fewer employees and an annual gross revenue of \$2 million or more</li> <li>(3) More than 15 employees but fewer than 500 employees and gross revenue of any amount</li> <li>(4) 400 or more employees and gross revenue of any amount</li> </ul> <p>Business size reductions will be phased out in 2031</p>
<a href="#">Renton</a>	Large: \$21.57 Mid: \$20.57, on July \$21.57	Inflation based on the Seattle-Tacoma-Bellevue Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).	<p>Covered Employers</p> <p>Large Employer -More than 500 employees worldwide and certain franchises \$21.57 Mid-Size Employer - At least 15 but no more than 500 employees worldwide or over \$2 million of annual gross revenue in Renton</p> <p>Other employers pay state minimum wage.</p>
<a href="#">SeaTac</a>	(if applicable) \$20.74 per hour	Inflation based on the Seattle-Tacoma-Bellevue Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).	Hospitality and Transportation Industry Employers
<a href="#">Seattle</a>	\$21.30	Inflation based on the Seattle-Tacoma-Bellevue Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).	N/A
<a href="#">Tukwila</a>	(if applicable) \$21.65.	Inflation based on the Seattle-Tacoma-Bellevue Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).	<p>Minimum wage applies if employers:</p> <ul style="list-style-type: none"> <li>Have at least 15 employees worldwide, if at least one employee has worked in Tukwila, OR</li> <li>Have over \$2 million annual gross revenue generated within the Tukwila city limits, OR</li> <li>Are franchisees associated with a franchisor or a network of franchises with franchisees that employ more than 500 employees in aggregate worldwide.</li> </ul> <p>Employers covered by the Ordinance were originally categorized as Large or Mid-Size. The distinction allowed for a scheduled phase-in period of minimum wage incremental rate increases for Mid-Size Employers. The phase in was completed in 2025.</p>

# WHY DISCUSS THE MINIMUM WAGE?

## BACKGROUND

Tacoma residents have long expressed a desire for higher minimum wages. In 2015, Tacoma voters passed an initiative to raise the City’s minimum wage above the state’s minimum wage. This set the City’s minimum wage to \$12 per hour by 2018 through three phases (Washington state minimum wage was \$9.47 per hour). The state minimum wage reached \$12 per hour in 2019, and Tacoma now defers to the state minimum wage.

Many municipalities in Washington state have since raised their minimum wages higher than the state’s. These minimum wages increase annual based on specific federal consumer price index adjustments. In 2025, a citizen’s initiative seeking to raise the City’s minimum wage to \$20 per hour was filed with the City Clerk’s office and collected over 10,000 signatures. That initiative did not ultimately reach the ballot and there are ongoing court proceedings to determine how it is resolved.

## ANALYZING A LIVING WAGE IN TACOMA

The University of Washington Center for Women’s Welfare developed a living wage calculator that offers an analysis for what would be a living wage in “West Pierce County” cities. This is the closest estimation available to a living wage within the City of Tacoma. The state uses it as a metric for all program tracking and funding tied to workforce development.

<b>FAMILY COMPOSITION</b>	<b>UW SELF-SUFFICIENCY CALCULATOR HOURLY WAGE</b>
Single Adult	\$20.34
Single Adult, 1 Infant	\$39.54
Two Adults, 1 Infant	\$23.01
Two Adults, 2 Infants	\$30.08

## Appendix C: Questions asked in Stakeholder Discussions

### April 16: Labor roundtable

- As we think about minimum wage – can you share how your union’s compensation package connects to the minimum wage? What percentage of your workers earn minimum wage, or slightly more than minimum wage? What other compensation is provided? How does a higher minimum wage impact collective bargaining with employers?
- How would raising the minimum wage in the City of Tacoma help your workers? How do you think this would impact various job sectors differently?
- What obstacles do you see in raising the minimum wage? Are there any unintended impacts that the City Council should consider? Any suggestions for how to mitigate concerns?
- Generally speaking, does your union support raising the minimum wage and if so do you have thoughts or recommendations on by how much? Why or why not?

### April 27: Nonprofit roundtable

- How many employees do you have and what percentage of your employees make minimum wage? How do you decide what wage to set for your employees? What is the funding source for your workers’ wages?
- How have you adjusted compensation packages for workers when minimum wage has increased in the past? What are the tradeoffs you consider?
- I’ve provided a handout with information on what level other cities set their minimum wage at and a handout with data on the “living wage” for our area. What would be your preferred way for Tacoma to structure our minimum wage?
- The handout also shows how cities categorize businesses differently and phase in minimum wages in different ways. How would you want to see the City of Tacoma phase in a wage increase? What “business categories” make sense for you?
- If the City of Tacoma raises the minimum wage above the state’s minimum wage, what else would you want us to consider?

### April 30: Small and local business roundtable

- How many employees do you have and what percentage of your employees make minimum wage? How do you decide what wage to set for your employees? What is the funding source for your workers’ wages?
- How have you adjusted compensation packages for workers when minimum wage has increased in the past? What are the tradeoffs you consider?
- Advocates are pushing for a higher minimum wage. I’ve shared handouts with data on what is considered a living wage and what levels other cities have set minimum wage at. Where do you think Tacoma’s minimum wage should be?
- The handout also shows how different cities categorize businesses differently and phase in minimum wages in different ways. How would you want to see the City of Tacoma phase in a wage increase? What “business categories” make sense for you?
- If the City of Tacoma raises the minimum wage above the state’s minimum wage, what else would you want us to consider?

### June 3: WorkForce Central’s healthcare sector roundtable

- The first couple questions are tailored more for managers and administrators –
  - a. How many employees do you have and what percentage of your employees make minimum wage? How do you decide what wage to set for your employees?
  - b. How have you adjusted compensation packages for workers when minimum wage has increased in the past? What are the tradeoffs you consider?

## Appendix C: Questions asked in Stakeholder Discussions

- I appreciate all the regional efforts that strive to fully staff our healthcare positions in Tacoma and Pierce County. Can you share how higher wages via a higher minimum wage might impact workforce recruitment, retention, training pipelines and potential impacts on service delivery and community access?
- Advocates are pushing for a higher minimum wage. I've shared handouts with data on what is considered a living wage and what levels other cities have set minimum wage at. I'd love reactions to this data –
  - a. How would wages at these levels impact the industry? What pain points might it cause?
  - b. Are you tracking on how many of your workers are struggling with affordability on their current wages? Do you have an idea of how increased wages might impact their ability to afford to live in the region?
  - c. Do you have thoughts on what the “right” minimum wage could be?
- The handout also shows how different cities categorize businesses differently and phase in minimum wages in different ways. How would you want to see the City of Tacoma phase in a wage increase?
- If the City of Tacoma raises the minimum wage above the state's minimum wage, what else would you want us to consider?

### June 10: Tacoma Anchor Network

- How many employees do you have and what percentage of your employees make minimum wage? How do you decide what wage to set for your employees?
- How have you adjusted compensation packages for workers when minimum wage has increased in the past? What are the tradeoffs you consider?
- I've shared handouts with data on what is considered a living wage and what levels other cities have set minimum wage at. I would love your reactions to this data – How would wages at these various levels impact the industry? What pain points might it cause? Are you tracking on how many of your workers are struggling with affordability on their current wages? Do you have an idea of how increased wages might impact their ability to afford to live in the region?
- The handout also shows how different cities categorize businesses differently and phase in minimum wages in different ways. How would you want to see the City of Tacoma phase in a wage increase?
- If the City of Tacoma raises the minimum wage above the state's minimum wage, what else would you want us to consider?

### June 17: Childcare roundtable

- The first couple questions are tailored to understanding your operations – How many employees do you have and what percentage of your employees make minimum wage? How do you decide what wage to set for your employees? How have you adjusted staffing, hours, and overall compensation for staff when minimum wage has increased in the past? What are the tradeoffs you consider? Have you increased the cost for your services in recent years, what's driven that?
- Can you share how a higher minimum wage might impact worker recruitment and retention?
- Advocates are pushing for a higher minimum wage. Some data for you to react to.
  - a. Wages have been raised to between \$19/hour and \$22 ish/ hour in other cities. Do you have thoughts on what the “right” minimum wage could be here in Tacoma?
  - b. Cities phase in a higher wage in different ways – some have slower phase in period for smaller businesses. Do you have thoughts on the “right” phase in path for Tacoma?
- Are you tracking on how many of your workers are struggling with affordability on their current wages? Do you have an idea of how increased wages might impact their ability to afford to live in the region?
- If the City of Tacoma raises the minimum wage above the state's minimum wage, what else would you want us to consider?

## DM Bushnell Class Visit Discussion Plan

Question	Answer/ discussion prompts
<p><b>Question 1:</b> What do you think the minimum wage is in the state of Washington?</p>	<p><b>Correct answer:</b> \$17.13</p> <p><b>Did you know?</b> Washington's minimum wage goes up every year tied to inflation. This year it went up \$.47/hour. The new rate is announced on Sept 30 of each year and takes effect Jan 1.</p>
<p><b>Question 2:</b> By a show of hands...</p> <p>(2A) Would you rather have a job to earn money or do other things with your time?</p> <p>(2B) Would you rather make a slightly higher wage so you have more money in your pocket today, or have your employer cover benefits like health care or retirement?</p> <p>(2C) Would you rather work for someone else or start your own business?</p>	<p><b>Ask for more details:</b> would anyone like to explain why they raised their hand for any of these questions?</p>
<p><b>Question 3:</b> How do you think raising the minimum wage would impact you if you wanted to start a business? What other costs is a business juggling?</p>	<p>Possible prompts to encourage conversation:</p> <ul style="list-style-type: none"> <li>• Hard cost like rent, materials, utilities</li> <li>• Employee benefits</li> <li>• L&amp;I insurance, unemployment insurance, other business insurance</li> </ul>
<p><b>Question 4:</b> What industries or jobs do you think make minimum wage in Tacoma?</p>	<p><b>Correct answer:</b> We looked at jobs that make less than \$20/hour.</p> <p>The top 5 jobs were:</p> <ol style="list-style-type: none"> <li>1. Retail sales associate</li> <li>2. Waiter/waitress</li> <li>3. Coach</li> <li>4. Cashier</li> <li>5. Janitor/cleaner</li> </ol> <p>The top 5 industries were:</p> <ol style="list-style-type: none"> <li>1. Elementary and secondary schools</li> <li>2. Limited-service restaurants</li> <li>3. Full-service restaurants</li> <li>4. Hotels (except casino hotels) and motels</li> <li>5. child and youth services</li> </ol>

	<p><b>Did you know?</b> Some jobs listed as minimum wage also make tips, so the take home wages are much higher. The federal government taxes wages, but since 2025 tipped wages up to \$25,000 are not taxed.</p> <p>Compare that to how much you're taxed on your hourly wage – an average household in Tacoma would be taxed about 22 – 24% on income. You're probably not earning this many tips in high school, but 24% of \$25,000 is \$6,000 in taxes.</p>
<p><b>Question 5</b> By a show of hands... Would you rather make a lower minimum wage but earn higher untaxed tips, or have a guaranteed higher minimum wage but make less untaxed tips?</p>	<p><b>Ask for more details:</b> would anyone like to explain why they raised their hand for any of these questions?</p>
<p><b>Question 6:</b> What do you think of as the purpose of minimum wage? When in your career do you expect to make minimum wage, and when do you expect friends and family to make minimum wage?</p>	<p><b>Ask for more details...</b> possible prompts to encourage conversation:</p> <ul style="list-style-type: none"> <li>• Do you know anyone in school with you who has a job? What do they make?</li> <li>• What are your job plans post school – how much do you think it pays?</li> </ul>
<p><b>Question 7:</b> How are you feeling about the job market right now? If you wanted to get a job tomorrow, do you think you'd be able to get one?</p>	<p><b>Ask for more details...</b> possible prompts to encourage conversation:</p> <ul style="list-style-type: none"> <li>• Have you ever applied for a job?</li> <li>• Do you or your friends have jobs lined up for the summer?</li> </ul>
<p><b>Question 8:</b> Do you think it's a good idea right now to raise the minimum wage above state standards?</p>	<p><b>Ask for more details...</b> possible prompts to encourage conversation:</p> <ul style="list-style-type: none"> <li>• If wages went up, do you think that would help or hurt your job search?</li> <li>• If wages went up, what impact would it have on buying essential things or supporting the local economy?</li> </ul>
<p><b>Question 9:</b> What other thoughts would you want to share with the City Council about entering the job market and wage regulations?</p>	
<p><b>Wrap up:</b> THANK YOU!</p>	

