

Contact: Sarah McKenzie, 612-673-2786

### City settles first case for worker denied sick time

Jan. 12, 2018 (MINNEAPOLIS) The City of Minneapolis has settled its first case of retaliation under the sick and safe time ordinance, resulting in an \$11,000 settlement for the employee.

A gas station that strongly discouraged its employees from using sick leave – even though it allowed it on paper – triggered a report of violation from an employee who had become ill and unavailable to work. When he requested sick leave he was denied and then banned from the premises and removed from the schedule. He effectively lost his job.

As a low-wage worker, he depends on his current paycheck to pay rent. Following the employer's actions in this case, he was evicted from his apartment and now lives with family members. He did not want to return to this employer.

In just over three months from the date the employee filed the complaint, the Minneapolis Department of Civil Rights reached a settlement agreement for \$11,000 in lost wages for him and will monitor compliance going forward with the gas station. Civil Rights staff will also conduct in-person trainings there separately for employees and management.

The supervisor who denied him the sick time is no longer with the company.

People who work in Minneapolis whose employers don't provide the sick and safe time required by the new law can call 311 or visit <a href="www.minneapolismn.gov/sicktimeinfo">www.minneapolismn.gov/sicktimeinfo</a> to ask a question or file a complaint with the Labor Standards Enforcement Division of the Minneapolis Department of Civil Rights.

For healthy workers, healthy businesses and healthy communities, the new ordinance protecting time off for people who get sick and work in Minneapolis took effect July 1. Employers with six or more workers are required to provide time off at a minimum threshold of at least one hour of paid sick time for every 30 hours worked. Employers with five or fewer workers must also provide sick time, but it may be unpaid. The goal of the ordinance is to protect public health and prevent workers from being penalized because of illness or a need to care for a sick loved one.

More information about the ordinance is at <a href="https://www.minneapolismn.gov/sicktimeinfo">www.minneapolismn.gov/sicktimeinfo</a>.

Note: In a lawsuit brought against the City of Minneapolis in the case of Minnesota Chamber of Commerce et al v. City of Minneapolis, Court File No. 27-cv-16-15051, the Hennepin County District Court issued a temporary injunction prohibiting the City of Minneapolis from enforcing the Sick and Safe Time Ordinance against any "employer resident outside the geographic boundaries of the City." The case is still being litigated in district court. This temporary injunction order is still in place.

#### City's minimum wage ordinance in effect

In other worker protections, the City's new municipal minimum wage ordinance has taken effect with the first stage of its tiered rollout. For this first phase, large businesses with more than 100 employees are required to pay workers at least \$10 an hour. More information about the ordinance is at minimumwage.minneapolismn.gov.

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Contact: Casper Hill, 612-673-2342

### Court rules in favor of the City in challenge to new municipal minimum wage ordinance

Feb. 28, 2018 (MINNEAPOLIS) The City of Minneapolis has prevailed in a legal challenge to its new municipal minimum wage ordinance. The decision means the ordinance, which took effect Jan. 1, will stay in place.

Hennepin County District Court issued its decision on the merits of Graco, Inc. v. the City of Minneapolis yesterday afternoon. In that decision, the court ruled in favor of the City on all grounds and denied the plaintiff's request for a permanent injunction.

"The City of Minneapolis seeks to address pressing social and economic issues facing the City, such as poverty and economic and racial disparities," Judge Susan Burke said in her written decision. "Possible benefits to the City of Minneapolis include improved quality of health, children's education, family life, and community stability. Improved employee performance, reduced turnover, lowered absenteeism, and improved productivity and quality of services furnished by employees should benefit the City of Minneapolis, as well as the economy as a whole."

"I am very pleased with the outcome in this important case," said City Attorney Susan Segal. "The court's decision is well-reasoned and affirms the basic authority of the City to address local needs — in this case, by providing a minimum wage more in tune with costs of living in an urban center and that will promote the health and well-being of City workers through a more livable wage."

"This landmark decision sets an important precedent, solidifies Minneapolis as a laboratory of democracy, and is a big win for workers," said Mayor Jacob Frey. "I applaud our City Attorney's office for their excellent defense and legal work."

"This is a significant and meaningful win for Minneapolis", said Council President Lisa Bender. "We created the minimum wage to help improve the lives of low wage workers and their families struggling to get by paycheck to paycheck. This court decision will ensure thousands of workers living in poverty, disproportionately women and people of color, can see their income increase to meet basic needs."

For this first phase of the ordinance, large businesses with more than 100 employees are required to pay workers a minimum of \$10 an hour. Smaller businesses are gradually phased in. (Note: The minimum wage will be indexed to inflation every subsequent January after the \$15 an hour wage is reached.)

Date	Small business: 100 or fewer employees	Large business: more than 100 employees
Jan. 1, 2018	No increase	\$10
July 1, 2018	\$10.25	\$11.25
July 1, 2019	\$11	\$12.25
July 1, 2020	\$11.75	\$13.25
July 1, 2021	\$12.50	\$14.25
July 1, 2022	\$13.50	\$15
July 1, 2023	\$14.50	Indexed to inflation
July 1, 2024	Equal to large business	Indexed to inflation

The City's Department of Civil Rights oversees enforcement of the municipal minimum wage, and employees are encouraged to report violations <u>online</u>.

The municipal minimum wage ordinance comes at a time when many Minneapolis workers struggle to pay for basic needs. Inaction by federal and state governments has prompted more cities throughout the country to establish minimum wage policies.

There are more than 84,000 people in Minneapolis with incomes below the federal poverty level. An increase in the minimum wage to \$15 an hour is expected to benefit 23 percent of workers in Minneapolis (about 71,000 people). Of this number, a majority are low-wage workers of color.

For more information about the ordinance, visit <u>minimumwage.minneapolismn.gov</u>. For additional questions call 311 or email <u>minwage@minneapolismn.gov</u>.



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### Minimum wage increases July 1 in Minneapolis

June 4, 2018 (MINNEAPOLIS) On July 1, 2018, the minimum wage in Minneapolis is going up to \$10.25 for small employers and \$11.25 for large employers.

The Minneapolis minimum wage ordinance defines small businesses as 100 or fewer employees and large businesses as more than 100 employees.

Tips and gratuities do not count toward payment of a minimum wage.

	100 or Fewer Employees	More than 100 Employees
	Small Business	Large Business
Jan. 1, 2018	_	\$10.00
July 1, 2018	\$10.25	\$11.25
July 1, 2019	\$11.00	\$12.25
July 1, 2020	\$11.75	\$13.25
July 1, 2021	\$12.50	\$14.25
July 1, 2022	\$13.50	\$15.00°
July 1, 2023	\$14.50	
July 1, 2024	Equal to Large* Business	

The City's Department of Civil Rights oversees enforcement of the municipal minimum wage, and workers are encouraged to report violations online.

Minneapolis' minimum wage ordinance comes as inequality climbs nationally, and more than 84,000 people in Minneapolis earn incomes below the federal poverty level. Inaction by federal and state governments has prompted more cities throughout the country to enact their own laws.

Increases in Minneapolis' minimum wage will benefit tens of thousands of families. Forty-one percent of all black workers and 54 percent of all Latino workers (compared to only 17 percent of all white workers) in Minneapolis previously earned less than \$15 per hour and will receive raises.

The ordinance supports the City's goals of promoting economic inclusion and reducing economic and racial disparities.

For more information about the ordinance, visit <u>minimumwage.minneapolismn.gov</u>. For additional questions call 311 or email <u>minwage@minneapolismn.gov</u>.

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## Minimum wage increases July 1 in Minneapolis

June 28, 2018 (MINNEAPOLIS) Reminder from the City of Minneapolis: On July 1, 2018, the minimum wage in Minneapolis is going up to \$10.25 for small employers and \$11.25 for large employers.

The Minneapolis minimum wage ordinance defines small businesses as 100 or fewer employees and large businesses as more than 100 employees.

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The ordinance supports the City's goals of promoting inclusive economic growth by reducing economic and racial disparities.

For more information about the ordinance, visit <u>minimumwage.minneapolismn.gov</u>. For additional questions call 311 or email <u>minwage@minneapolismn.gov</u>.

(Below: A link to a slideshow on the minimum wage ordinance.)





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## Free workshops in August will help restaurants plan for minimum wage increases

July 19, 2018 (MINNEAPOLIS) The City of Minneapolis is sponsoring a free workshop, offered twice in August, for restaurant owners looking for strategies to adjust to the Minneapolis minimum wage ordinance.

The workshop, on Aug. 2 and again on Aug. 15 at the Minneapolis Central Library, will offer restaurants an opportunity for free one-on-one business consulting through the City's Business Technical Assistance Program (B-TAP). The sessions will be facilitated by Cue the Accountant, a local consulting firm focused on the restaurant and hospitality industry. The City aims to help restaurants increase wages and maintain or increase profitability.

#### **Planning for Profitability workshops**

9-10 a.m. Thursday, Aug. 2; and 3 p.m.-4 p.m. Wednesday, Aug. 15
Doty Board Room (second floor) at Minneapolis Central Library, 300 Nicollet Mall
Restaurants in Minneapolis should register online. Questions can be directed to Emily
Peterson at emily.peterson@minneapolismn.gov.

On July 1, 2018, the minimum wage in Minneapolis increased to \$10.25 for small employers and \$11.25 for large employers. The Minneapolis minimum wage ordinance defines small businesses as 100 or fewer employees and large businesses as more than 100 employees. The minimum wage will increase to \$15 for large businesses in 2022 and for small businesses in 2024.

The ordinance supports the City's goals of promoting inclusive economic growth by reducing economic and racial disparities. For more information about the ordinance, visit minimumwage.minneapolismn.gov, call 311 or email minwage@minneapolismn.gov.



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# City settles with McDonald's to pay workers \$20,000 owed under minimum wage ordinance

July 25, 2018 (MINNEAPOLIS) The City of Minneapolis has entered into a settlement agreement with a McDonald's franchise at 210 E. Lake St. to ensure workers are paid more than \$20,000 in back wages and penalties owed under the City's minimum wage ordinance.

The City's Civil Rights Department discovered widespread underpayment of wages at the McDonald's location after being alerted to the problem by community partners.

The Civil Rights Department will be conducting a training for managers at the fast food restaurant. A separate roundtable discussion with ownership, managers and workers is also required as part of the settlement, creating a safe space for all to discuss workplace concerns.

The City's minimum wage ordinance took effect Jan. 1, 2018, requiring large businesses with more than 100 employees to pay workers \$10 an hour. On July 1, 2018, the minimum wage in Minneapolis increased to \$10.25 for small employers with less than 100 workers and \$11.25 for large employers.

The tiered phase-in schedule requires large businesses to pay a \$15 minimum wage by 2022 and small businesses by 2024.

Violations of the minimum wage ordinance can be reported by calling 311, filling out an <u>online</u> <u>form</u> or in person at City Hall, room 239.

The ordinance supports the City's goals of promoting inclusive economic growth by reducing economic and racial disparities. For more information about the ordinance, visit <a href="mailto:minimumwage.minneapolismn.gov">minimumwage.minneapolismn.gov</a>, call 311 or email <a href="mailto:minimumwage@minneapolismn.gov">minimumwage@minneapolismn.gov</a>.