
An Initiative 77 Compromise that Listens to Voters, Tipped Workers, and Restaurant Owners

A coalition of Council members, including At-Large Councilmember Elissa Silverman, Ward 1 Councilmember Brianne Nadeau, Ward 3 Councilmember Mary Cheh, and Ward 6 Councilmember Charles Allen are working together to develop a compromise that respects the voice of D.C. voters, responds to the concerns of restaurant operators and tipped employees, and protects the most vulnerable workers.

Below is a summary of the compromise's key components:

GRADUALLY NARROWS WHO MAY BE PAID A TIPPED MINIMUM WAGE

Current tipped workers would be divided into two different wage structures:

- Servers and bartenders would maintain the tipped wage under current law, (increase to \$5 in 2020 and then annually with inflation).
- Indirectly tipped front-of-the-house workers (bussers, food runners, and bar backs) and non-restaurant tipped workers (parking valets, nail salon workers, etc.) would have subminimum tipped wage eventually phased out, with an increase to \$5 in 2019 and then incremental wage increases of \$1.40 per year. They would be paid the regular minimum wage after July 1, 2030.

INCORPORATES RESTAURANT INDUSTRY IDEAS TO ADDRESS WAGE THEFT

- Creates 24-hour wage theft hotline and website, allowing for anonymous reports. The Mayor (or designated agency) would be required to review the reports on a weekly basis.
- Lowers barriers to filing complaints by clarifying that formal administrative complaints by employees do not need to be notarized.
- Improves existing Tip Portal by allowing payroll companies to directly file wage data (rather than the current manual entry) and requiring businesses that pay a subminimum wage to use payroll companies by July 2023.
- Requires tipped workers to be informed of any tip pool structure and have their tips shown on paystubs

COMBATS SEXUAL HARASSMENT

- Establishes mandatory training on sexual harassment for restaurants and bar employees.
- The training would be developed by the Alcoholic Beverage Regulation Administration, which would consult with community organizations in developing the training. The training may be conducted by community groups certified by ABRA. Training must be in-person.
- Training would be required for managers every 2 years and for other employees within the first 90 days after hire. (Current employees would have 2 years to take the training.)
- Requires restaurants and bars to establish a policy on how to report sexual harassment to management and to the Office of Human Rights (OHR). They must distribute the policy to employees and submit it to ABRA.
- Requires restaurants and bars to document instances of sexual harassment and whether the reported harasser is a patron, manager, or co-worker; employers must provide annual data to ABRA, which must share it with OHR.

INCENTIVES FOR RESTAURANTS IN WARDS 7 AND 8

- Expands functions of Department of Small and Local Business Development to include career training services to local business owners that want to open food establishments.
- Evaluates ways to incentivize restaurants and other businesses to open in Wards 7 and 8 by assessing current programs and making recommendations on new programs. Report by an outside contractor is required within 1 year.

TASKFORCE ON IMPLEMENTATION

- Creates a taskforce to analyze implementation of this proposal after several years, including analysis of business, employment, and wage data.
- Taskforce will have members from DOES, the restaurant industry, restaurant worker groups, and expert researchers with experience in workforce issues.
- The taskforce will sunset after its study is submitted to the Council.