

Government of the District of Columbia  
Office of the Chief Financial Officer



Jeffrey S. DeWitt  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Jeffrey S. DeWitt  
Chief Financial Officer

**DATE:** June 20, 2016

**SUBJECT:** Fiscal Impact Statement – Fair Shot Minimum Wage Temporary Amendment Act of 2016

**REFERENCE:** Draft Committee Print provided to the Office of Revenue Analysis on June 16, 2016

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**Conclusion**

Funds are sufficient in fiscal year 2016, and the proposed fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill.

**Background**

The District Council favorably voted on the Fair Shot Minimum Wage Amendment Act of 2016, Bill 21-712, on June 7, 2017.<sup>1</sup> The temporary bill and its accompanying emergency version are identical to Bill 21-712.

The Council amended Bill 21-712 on the dais to modify the increase in the minimum wage for tipped workers to:

- \$3.33 per hour beginning July 1, 2017;
- \$3.89 per hour beginning July 1, 2018;
- \$4.45 per hour beginning July 1, 2019;
- \$5.00 per hour beginning July 1, 2020; and
- On July 1, 2021 and each successive July 1, the minimum wage for tipped workers will increase by the increase in the Consumer Price Index for All Urban Consumers in the

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<sup>1</sup> The fiscal impact statement, issued on June 1, 2016, is available at [http://app.cfo.dc.gov/services/fiscal\\_impact/pdf/spring09/FIS-Fair-Shot-Minimum-Wage-Amendment-Act.pdf](http://app.cfo.dc.gov/services/fiscal_impact/pdf/spring09/FIS-Fair-Shot-Minimum-Wage-Amendment-Act.pdf)

The Honorable Phil Mendelson

FIS: Bill 21-712, "Fair Shot Minimum Wage Temporary Amendment Act of 2016," Draft Committee Print provided to the Office of Revenue Analysis on June 16, 2016.

Washington Metropolitan Statistical Area for the preceding twelve months, rounded to the nearest \$0.05.

### **Financial Plan Impact**

Funds are sufficient in the fiscal year 2016 and the proposed fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill.

Changing the minimum wage of tipped workers from the original legislation does not have a fiscal impact. We direct the readers to the fiscal impact statement dated June 1, 2016 for full analysis of the permanent legislation, including potential longer term impacts on the economy.