



Iowa Catholic Conference

530-42nd St.
Des Moines, IA 50312
Phone 515-243-6256

Submitted by: Tom Chapman, Executive Director, Iowa Catholic Conference

Date: March 6, 2017

Re: House File 295

The Iowa Catholic Conference is the public policy voice of the Catholic bishops of Iowa. The Iowa Catholic Conference supports an increase in the state's minimum wage, currently set at \$7.25. So far, the only legislation moving on this issue would forbid cities and counties from raising the minimum wage on their own. The minimum wage in Iowa has fallen behind other nearby states.

As leaders of the United States Conference of Catholic Bishops and Catholic Charities have said, "We write not as economists or labor market experts, but rather as pastors and teachers who every day, in our ministries and churches, see the pain and struggles caused by an economy that simply does not produce enough jobs with just wages. So many of our families find it increasingly difficult to afford basic needs, forcing some to take multiple jobs or, in desperation, even seek out predatory loans."

The current minimum wage falls short for its failure to provide sufficient resources for individuals to form and support families. A full-year, full-time worker making the minimum wage does not make enough money to raise a child free from poverty. Almost 70 percent of workers that would be directly affected in Iowa are age 20 or over. The state has more than 80,000 children with a parent who makes minimum wage.

Even with relatively minimal inflation, the years since the last increase in 2007 have eroded the value of the wage. If the minimum wage had kept up with inflation since 1968, it would be worth \$9.25 per hour today.

As Pope Francis reminds us, "The dignity of each human person and the pursuit of the common good are concerns which ought to shape all economic policies."

We believe that an increase in the minimum wage is good public policy, and will help strengthen Iowa's families.



February 2017

MINIMUM WAGE: WHEN LOCALS ACT

Why Iowa's local minimum-wage ordinances boost workers, economy

Tens of thousands of Iowans struggle to get by on the low wages they earn in restaurants, gas stations, motels and retail stores, and as home health care providers. Meanwhile, the state minimum wage has been stuck at \$7.25 for over nine years. Local minimum wage ordinances have helped to remedy inaction by the state.

A boost for 85,000 Iowa workers

About 29,000 Iowa workers have already seen pay raises because the supervisors in Johnson and Linn counties enacted a local minimum wage. That number will more than double to 65,000 come April, when the first step of the Polk County minimum wage takes effect. By January 2019, when wage rates in all three counties will top \$10.10, about 85,000 Iowa workers will be enjoying a substantial increase in their pay.

Local minimums make a difference



See [Who Gains with Local Raises?](http://WhoGainswithLocalRaises.org) (IowaPolicyPoints.org, Feb. 21, 2017).

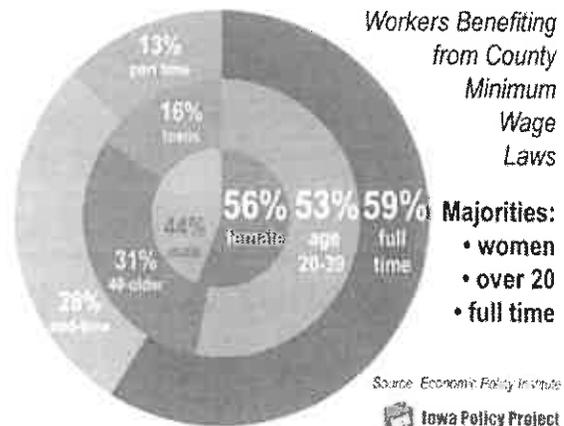
Source: Economic Policy Institute analysis of American Community Survey data
Iowa Policy Project

Legislation will nullify wage increases

All of those wage gains will be rolled back if a bill under consideration in Des Moines is passed and signed into law. House File 295 would prohibit counties from enacting any law that sets standards for wages, benefits, scheduling, or other employment practices that are higher than state law. It would also nullify the wage ordinances already enacted, in effect rolling back wages.

Who Benefits from a Minimum Wage Increase

- Disproportionately women (56 percent)
- Disproportionately non-white (20 percent)
- Only 1 in 6 is a teenager; 31 percent are age 40 or older
- Almost three-fifths work full time
- Thirty-one percent are parents.



Source: Economic Policy Institute
Iowa Policy Project

Iowa is a low-wage state

- In 2016, the median wage (half of Iowa workers earn less than that, half earn more) was \$16.04 an hour, just 13 cents higher than it was in 1979 when adjusted for inflation.

- Worker productivity has risen 167 percent since 1979, but the gains from that greater productivity have not gone to workers.
- Minimum wage increases are one of the most important ways of ensuring that the gains from economic growth are widely shared instead captured by the richest 1 percent.

State Minimum Should Be Raised

- Iowa's minimum has been frozen at \$7.25 since Jan. 1, 2008. It has been at that level longer than the federal, which reached \$7.25 in July 2009 with no further increase in sight.
- Twenty-nine states, including all but one of the states surrounding Iowa, have minimum wages above the federal.
- State law sets a statewide floor, not a ceiling, with local increases allowed above that.
- A 2016 Iowa poll showed 7 in 10 Iowans support an increase in the state minimum.

Local Minimum Wage Rates Make Sense

- Local power to raise the minimum wage allows higher-cost-of-living communities to adopt wages that better match their housing and living costs.
- The “hodge-podge” argument is a phony one. Businesses routinely deal with many differences in rules, and pay employees different rates. See “Overriding local democracy, wage fairness” (*Cedar Rapids Gazette* guest opinion by IPP's Peter Fisher).

Corporate Special Interests are Pushing Low Wages

- Corporate special interests are pushing to take away local control to raise the minimum wage or to improve any labor standard, in Iowa and many other states.
- Suppressing wages has become a major priority of the American Legislative Exchange Council (ALEC), a national corporate-backed group with extensive lobbying resources and influence in our state legislature.
- The Iowa bill is supported by the Iowa Association of Business and Industry and several organizations representing businesses that have low-wage workers.

Local Minimum Wages Boost the Economy, Don't Cost Jobs

- Low-wage workers benefiting from a boost in the minimum wage spend their higher wages at local gas stations, restaurants, grocery stores and other retail shops. They hire local plumbers and builders and electricians.
- Research has shown that higher county-level minimum wages have no effect on overall employment.
- The beneficiaries of the county wage increases are not confined to the counties that passed them. At least 12 counties in addition to Polk, Linn and Johnson will see a substantial increase in resident incomes and local purchases as a result of those three county minimum wages. See “Minimum Wages Spread their Benefits” (IowaPolicyPoints.org, Jan. 4, 2017).
- Nullifying the wage increases will harm local economies, not just low-wage workers.

The Iowa Policy Project

Formed in 2001, the Iowa Policy Project is a nonpartisan, nonprofit public policy research organization. All reports produced by the Iowa Policy Project are offered to the public at <http://www.iowapolicyproject.org>. As IPP is a 501(c)3 organization, contributions to support our work may be tax-deductible. For more information, contact IPP at (319) 338-0773, by email at ipp@lcom.net, or through other contacts available on our website.

HF295 - Darin Beck - Barmuda Companies, Cedar Falls IA - 3/6/17

My name is Darin Beck, I live in Cedar Falls and I've owned my own restaurants for 34 years. We currently have 12 establishments that employ right around 350 people in Iowa. We have establishments in Waterloo, Cedar Falls, Cedar Rapids and Des Moines. I'd like to thank you for allowing us to speak in regards to the employment portion of the preemption bill. I am here on behalf of my companies and the Iowa Restaurant Association. We are in support of one minimum wage in the State of Iowa that's set by the State of Iowa.

Multiple rules, regulations and laws regarding the minimum wage within our State is just bad business. It is very difficult for business owners who do business in multiple communities to run their business under the conditions that Counties and Cities create when they make laws that differ from State law regarding wages.

In many cases, businesses literally across the street from each other find themselves in a situation where each has a different minimum wage requirement. It doesn't take a lot of imagination to think of all the ways this is detrimental to the businesses, the owners of the businesses and the employees who work in them.

It creates an incredibly unfair playing field and confuses the prospective employee's expectations in damaging ways. It's hard enough to compete in today's market with your competitors, but imagine competing with yourself when you have businesses in multiple districts with differing wage requirements. For the restaurant industry this has been especially devastating. How do you explain to your employees in one store that they aren't as valuable as the employees in your other stores or competitors stores especially when your margins are so thin you have no idea how you're even going to cope with the higher minimums set by local governments. It creates an incredibly unstable business environment and that is bad for Iowa no matter how you slice it.

Our company has avoided growth into any County in Iowa that has raised minimum wages on their own. However it's getting very hard to avoid them at this point as more and more begin discussing the issue. I truly believe this to be one of the biggest issues facing small business in Iowa as it creates enormous instability and predictability for business owners.

The restaurant industry's wages and how our employees are compensated is largely misunderstood and our industry feels the pain more than many when wages are recklessly raised. When the legislature takes up raising the minimum wage there is a tremendous amount of statistics, lobbying, and educating that occurs to give legislators all of the information they need to decide what's best for our State. When it happens on a County or City level that is usually not the case and small businesses are devastated. I know there are a number of restaurants contemplating whether they can even stay in business in this environment of reckless minimum wage raises. I have friends who have been deeply affected by this issue and we ourselves are facing the same issue in a few of our stores. It's important to know that our industry is not against raising the minimum wage, but rather we are against anyone but the State or Federal Government raising it where we have an opportunity to educate law makers during the process.

On behalf of my companies and the Iowa Restaurant Association, I ask you to support at the minimum wage portion of HF295. I Thank you again for allowing our voices to be heard and thank you for your time.

Jessica Dunker
President and CEO
Iowa Restaurant Association

There are more than 6000 eating and drinking establishments in the state of Iowa. They are located in every district, every county, and nearly every community. With more than 150,000 people working in our industry, we employ one in ten working Iowans today. Hospitality is the second largest private sector employer after healthcare. Half of the people in this room have worked in a restaurant at some point their lives and one in three Iowans found their first jobs in our industry.

We pride ourselves on being the industry that not only trains America's workforce by providing a range of entry level positions but also for being an industry of opportunity—where someone can start out a dishwasher and end up an owner. In fact, in the past five years the restaurant industry added middle class jobs to the marketplace at a rate four times stronger than the overall economy. A

According to an analysis of data from the U.S. Census Bureau's American Community Survey, between 2010 and 2014, the number of restaurant jobs with annual income between \$45,000 and \$74,999 jumped 32.7 percent. In contrast, the total number of jobs in the U.S. economy with income in this range rose just 8.0 percent during the same period. We are industry filled hardworking people proud to showcase the creativity and hospitality of our state.

The Iowa Restaurant Association stands in support of the employment portions of HF 295. To continue to be a vibrant and growing part of the state's economy, we need statewide wage and employment solutions not a patchwork of county by

county mandates. We have shown through work on and support of the Polk County wage task force, that as an industry, restaurants are willing to come to the table to discuss improving workers lives. But it needs to be one table, not 99 or more. We see this bill as a mechanism that clarifies who we discuss wage and other employment issues with—not what they should be.

I know that you are in conversation about potential amendments to this bill. We would ask that you leave the employment related portions intact. This will ensure every lowan, regardless of county or city or neighborhood district, enjoys the same protections and opportunities across our state.

Thank you.

Mike Holms

Des Moines

Jethro's BBQ and Splash Seafood

7 locations and 600 employees

Thank the legislators

Employment issues of preemption

Jethro's takes great pride in what we have done in the past 9 years to improve the lives of central Iowans. In that time we have grown from a company of 30, to employing over 600 people who we consider family.

Preemption is not a minimum wage issue. The market has already set a wage level that is far above what many would propose. Preemption is an issue about how we pay our employees. It is hard for us to grow without a set state standard of how our employees are paid. It's like the Wild West right now. Every one of Iowa's 99 counties can set its own standard and in that county each city can set its own as well.

Trying to grow a business is nearly impossible with the level of uncertainty and the county to city variations that are going on now. County to county and city to city consistency is important for growth and planning.

We have two restaurants in West Des Moines, one in Polk county and the other in Dallas county. How can we staff our Dallas county restaurant without a level playing field between these counties?

We are also opening a new location in Ames this summer. We were also looking at opening a location in Iowa City. One of the main reasons we chose Ames over Iowa City were the questions about uncertainty of wages in Johnston county and the consistency we expect in Story county.

Jethro's prides itself on providing good paying local jobs. We are always willing to have a conversation concerning wage issues and how to protect our employees and the opportunities they have. We would just ask that it happens at one table to ensure every Iowan has the same securities.

Thank the legislators

RESOLUTION NO. 2017-02-30

Linn CO.

A RESOLUTION OPPOSING STATE LEGISLATION RELATING TO PROHIBITING COUNTIES AND CITIES FROM ESTABLISHING CERTAIN REGULATIONS

WHEREAS, House File 295 (the proposed legislation), as introduced in the Iowa General Assembly, relates to prohibiting counties and cities from establishing certain regulations relating to civil rights, consumer merchandise and conditions of employment relating to but not limited to a minimum wage rate; and,

WHEREAS, the practice of the State limiting the ability of counties and cities to establish certain regulations is commonly referred to as "pre-emption"; and,

WHEREAS, in 1969 Iowa voters approved the Iowa Municipal Home Rule Amendment, which granted Iowa cities home rule authority, with 65 percent of the vote; and,

WHEREAS, in 1978 Iowa voters approved the Iowa County Home Rule Amendment, which granted Iowa counties home rule authority, with 60 percent of the vote; and,

WHEREAS, local leaders listen to community concerns about unique local conditions and problems and work to address those problems with a local response; and;

WHEREAS, the most responsive government is that which is closest to the people; and,

WHEREAS, State pre-emption of county and city governments limits local governments ability to address unique local conditions and problems; and,

WHEREAS, from time-to-time the lack of action by the State government creates conditions or problems that communities ask local leaders to address; and,

WHEREAS, the establishment of a county minimum wage is an example of local leaders adopting local regulations to address community concerns that the State has not addressed; and,

WHEREAS, the voiding of city or county regulations in place at the time of the effective date of the proposed legislation, if approved, is a further deterioration of the home rule authority approved and granted by Iowa voters; and,

WHEREAS, prohibiting local governments' capacity to respond to local conditions and problems will not address or solve those conditions and problems.

NOW, BE IT THEREFORE RESOLVED the Linn County Board of Supervisors hereby opposes the passage of House File 295 and encourages legislators to vote against the proposed legislation.

PASSED AND APPROVED this 21st day of February 2017.

RESOLUTION NO. 2017-02-30

LINN COUNTY BOARD OF SUPERVISORS

[Handwritten Signature]

Brent Oleson, Chairperson

AYE: 4
NAY: 0
ABSTAIN: 0

John Harris, Vice Chair

[Handwritten Signature]
James Houser, Supervisor

[Handwritten Signature]
Stacey Walker, Supervisor

[Handwritten Signature]
Ben Rogers, Supervisor

ATTEST:

[Handwritten Signature]
Joel Miller, Linn County Auditor Deputy

I, Joel Miller, County Auditor of Linn County, Iowa hereby certify that at a regular meeting of the Linn County Board of Supervisors the foregoing resolution was duly adopted by a vote of:

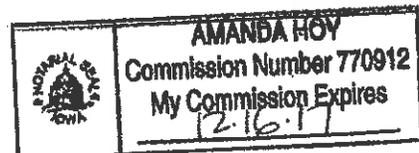
4 Aye 0 Nay 0 Abstain and 1 Absent from voting.

[Handwritten Signature]
Joel Miller, Linn County Auditor Deputy

STATE OF IOWA
COUNTY OF LINN

Signed and sworn to before me on the 21st day of February, 2017, by

[Handwritten Signature]
Signature of Notary Public, State of Iowa



As elected officials of Johnson County, the Board of Supervisors believe that we are best able to represent the interests of our constituents regarding matters of local concern. We are accountable for the use of property taxes, for the efficiency of our services and the effectiveness of our programs. We urge legislators to honor Iowa's long history of "home rule" and keep decision-making at the local level whenever possible.

In addition, the Board of Supervisors wants legislators to know that cuts to state funding and programming that assist our most vulnerable residents ultimately strain local budgets and result in higher property taxes because services of last resort – law enforcement, jails, hospitals and emergency service providers – deal with people in crisis.

PRIORITY III: Increase the minimum wage

Iowa's minimum wage is currently \$7.25 per hour. The state minimum wage has not been increased since 2008. In the meantime, five of the six states bordering Iowa have raised their minimum wage. Johnson County is among the most expensive places to live in Iowa, where a single person would have to earn \$13.04 per hour just to afford necessary expenses of life. Low-wage workers have to work multiple jobs, live in substandard housing and rely on public assistance to survive.

In 2015, Johnson County enacted a minimum wage ordinance to address these issues in our area. Pursuant to that ordinance, the minimum wage in Johnson County will be \$10.10 per hour starting on January 1, 2017. In 2016 three other counties have also enacted their own ordinances.

The Johnson County Board of Supervisors wants to see the Legislature address the needs of low-income workers in Iowa while also respecting the authority of local officials to address local conditions. Johnson County urges legislators to:

1. **Raise the statewide minimum wage to \$10.10.**
2. Provide some means of indexing so that future increases are not dependent on legislative action.
3. Oppose any effort to preempt local action and instead preserve the authority of local governments to raise the minimum wage in response to local economic conditions and constituent demands.

In addition, we were the first county in Iowa to pass a human rights ordinance and the Board is adamantly opposed to any effort to restrict their ability to adopt greater protections.

Finally, there has been considerable discussion about the overreach of the bill by covering ANY type of action by the Board dealing with employment issues, civil rights or consumer containers. It would seem that every employment policy may be put in question if local governments are unable to go beyond state OR federal provisions.

3/6/2017

L&L Murphy, Associates, Consulting Mail - Testimony or resolution for today's public hearing?

Page 2

So I don't have a formal letter or resolution, but all of the above is public record from the Board's discussions.

Andy Johnson

Executive Director

319-356-6000, Ext. 8009

From: Larry Murphy [mailto:larry@llmurphy.com]

Sent: Monday, March 06, 2017 9:58 AM

To: Andy Johnson <ajohnson@co.johnson.ia.us>; Mary Ann Specht <maryannspecht@dbqco.org>; Mahesh Sharma <mahesh.sharma@scottcountyiowa.com>

Cc: Larry Murphy <larry@llmurphy.com>

Subject: Testimony or resolution for today's public hearing?

[Quoted text hidden]



Black Hawk County Board of Supervisors

Linda L. Laylin
833-3076

Tom Little
833-3075

Frank Magsamen
833-3077

Chris Schwartz
833-3074

Craig White
833-3078

Susan Deaton
Finance Director

Amanda Fesenmeyer
Administrative Aide

IOWA HOUSE STUDY BILL 92 AND FILE 295 RESOLUTION

Be it resolved that The Black Hawk County Board of Supervisors go on record as opposing Iowa House Study Bill 92, Iowa House File 295, and any other legislation proposed now or in the future which seeks to eliminate or diminish Iowa's long standing legal precedent of home rule. This proposed legislation is an assault on the concept of local control and is punishing counties and municipalities who have taken action when the state legislature has failed to do so. We will not silently forfeit our duty to protect the civil rights of our citizens, nor our duty to enact ordinances that improve the health, safety, and economic prosperity of our community.

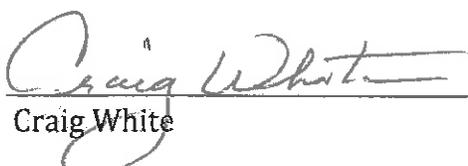
Passed and adopted this 28th day of February, 2017.


Frank Magsamen, Chair


Linda Laylin


Tom Little


Chris Schwartz


Craig White

Thank you for the opportunity to share some comments from not just me but many others I hope to represent. My name is Matt Chapman from Waukee Iowa. I have spent my entire working career in food service. My home life wasn't good and I was on my own at fifteen. I left school after the eighth grade and went to work. I was the go to guy in any kitchen. And while I always made a dollar or two above the minimum wage it was still hard to get by. When I was younger I saw hospital rooms only when I was cut, burned or took a hard fall. I have had surgery on both hands due to carpal tunnel. I have had one surgery on my knee and am getting another in a few weeks. The three vertebrae in my lower back have no disk left and need to be fused. The point I am driving at is all this medical care is a subsidy to my employers from the people of Iowa. It is a subsidy because there is no way I could pay for this on the amount of money I made. I also would like to address the myth that most low wage workers are high school age. The numbers from the National Restaurant Association as of 2014 shows that 83.4% of the workforce in foodservice is over 20 years of age and 59% are over 25 years. And it will only get worse as the great recession hasn't recovered for a lot of us. Jobs sent overseas aren't coming back and unskilled labor has very few options. Going to school for a trade is helpful for some dropouts but a lot can't do that for the very reason they left school. Many work two jobs just

to get their family by. And many have been through things that have damaged them to the point that they don't even think they deserve to succeed. These are the folks earning minimum wage. And to tell other cities they can't raise the minimum wage a bit closer to a living wage is just cruel. How does this help folks that live under and around the poverty line? Who are you looking out for? The unions have been hobbled. Workmans comp law is under attack. I will ask again. Who does that help? Who are you looking out for? The next time anyone of us is at the grocery store and see someone with a food stamp card don't be angry at them. Realize this really is corporate welfare. The money they don't have isn't because they are lazy. And no one who works hard forty hours a week should have to be on food stamps. Or get heat assistance. Or go to a local food pantry. Or be homeless. This is the greatest country on earth. And the richest. But for the unskilled labor who grew up with very little chance at the American dream it isn't. And it's time we started addressing that. So please quit pulling the rug out from under working lowans. Vote against the cruel House File 295. The corporations are doing just fine without you.

I urge you to oppose SF 295.

This bill is the height of hypocrisy for a party that claims to be focused on giving power to local government. Why would a Republican controlled legislature claim to have gutted public union rights under the guise of "local control" and then try to limit local control on wage setting and human & civil rights protections?

I'd wager that it's because we're dealing with a group of spiteful individuals who care nothing for hard-working Iowa families. Have any of you attempted to live on anything even close to \$7.25 per hour? You are sadly mistaken if you think this is a bill that would only affect a handful of high school students working summer jobs. I have a 30 year-old friend in Iowa City with a college degree who is so saddled with student debt that she has to work THREE jobs just to stay afloat, and she is lucky enough to not have to support children in addition to herself.

When you provide individuals with access to something closer to a living wage, which is what the minimum wage is meant to be, but is still nowhere close to, you give hard-working individuals and families a way to rise up and become more active and productive in their communities. You reward them for their hard work and give them greater access to realible sources of food, safe housing and educational opportunities. When you raise the minimum wage, you give the people of the state of Iowa the opportunity to be less of a burden on the taxpayers and a greater opportunity to become a citizen who can help provide for both their families and their community.

Your proposal to freeze the minimum wage and prevent localities from approving higher local minimums is heartless, hypocritical, and counterproductive. It does nothing to reward the hard-working citizens of the state of Iowa, many whom voted to elect you, and punishes them for trusting you with their livelihoods. The hard-working people of this state depend on you to provide for them, yet you chose to create a massive budget shortfall by providing millions in tax breaks to major corporations, many of which are doing nothing to provide good paying jobs for the rural majority of our population.

I will be one of the hundreds of thousands of Iowa voters who will remember how you've treated hard-working Iowa families in 2018 and will remind their friends and families daily of just how much you care about us here at the statehouse. They say a knife cuts both ways, and it is clearly time trim the fat by ridding ourselves of the Republican majority of selfish, greedy Iowa legislators.

Holly Herbert
Polk County