League embarks on in-depth study of minimum wage hike

By Jane McClure

The St. Paul City Council on April 25 voted to allocate $60,000 for the continuing study of a $15 per hour minimum wage for all employees within the city limits. The St. Paul Foundation and Minnesota Community Foundation contributed another $35,000 for the study, which will be led by the nonpartisan Citizens League.

Following the City Council’s vote, Citizens League executive director Pahoua Yang Hoffman announced the members of the committee that will carry out the study. Chairing the committee will be St. Paul Area Chamber of Commerce president and CEO B. Kyle and Rick Varco, political director of SEIU Healthcare, a union of more than 35,000 health and long-term care workers in Minnesota.

The $95,000 study comes on the heels of an initial $25,000 study that was funded by the St. Paul Foundation and Minnesota Community Foundation and carried out by the Citizens League last winter. That study recommended a more in-depth second study to address questions raised by the first study.

The new study will examine the pros and cons of a minimum wage, including the wage level itself and whether it should include other benefits like health insurance; possible exemptions for some employers and employees; whether to adopt a lower minimum wage for tipped employees; and whether or not to phase in a minimum wage increase over time and index it to inflation.

Also serving on the study committee will be Bob Brick, president and CEO of Ally People Solutions; Samuel Callahan, a cook at McDonald’s and Taco Bell; Dillon Donnelly, a St. Paul resident and director of development for Donnelly Custom Manufacturing; Matt Gray, a server at W.A. Frost restaurant; Jon Grebner, political action director of AFSCME Council 5; Matt Halley, executive director of Cookie Cart; Doug Hennes, vice president for government relations and special projects at the University of St. Thomas; Sarah Kopp-Reddy, a server at Pizza Luce; Andrew Kopplin, owner of Kopplin’s Coffee Shops; Rebecca Lucero, public policy director for the Minnesota Council of Nonprofits; Tim Mahoney, a St. Paul resident and owner of the Loon Café; Veronica Mendez Moore, co-director of Centro de Trabajadores Unidos en la Lucha; Oscar Murcia, owner of El Guanaco Bakery Y Café; Kera Peterson, political director of the St. Paul Regional Labor Federation; Sam Peterson, owner of Kyatchi; Analita Silva, co-owner of St. Paul Small Business; Pang Yang, owner of Rainbow Health Kare; and Mary Hicks and Barry Gisser, two members of the Citizens League.

The agreement with the organizations helping to fund the minimum wage study includes a commitment that the study committee work independently of the city. Committee members were selected by the Citizens League to represent a wide array of perspectives on the wage issue. The group is expected to review the initial study and the additional research and testimony before making a recommendation to the city by the end of August.

"As St. Paul weighs what the minimum wage in our city should be, it is essential that we have a meaningful and fact-based discussion with those affected by it," said Ward 3 City Council member Chris Tolbert. "This continued work from the Citizens League is an important component in that."

"We found through the first phase of this study that a minimum wage ordinance has the potential to have big effects on employees and employers alike, some of which may be unintended," Hoffman said. "It's important that we convene different perspectives using the Citizens League approach to review the available data and find areas of common ground on the way to final recommendations."

"I look forward to moving St. Paul forward toward our goal of passing a $15 minimum wage ordinance by the end of this year," said Mayor Melvin Carter. "This Citizens League committee will help us answer vital questions about how we structure a policy that works for all of us."

All committee meetings will be open to the public. Meeting times and locations, meeting minutes, supportive materials and other documents will be available at citizensleague.org/minwage.