



**National Employment
Law Project**

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Montana Senate Rejects Minimum Wage Freeze for Waiters and Waitresses

Helena, Montana - Yesterday, the Montana state Senate resoundingly defeated a bill opposed by the National Employment Law Project (NELP) that would have frozen the state's minimum wage for tipped workers like waitresses at diners – exempting them from annual cost-of-living increases that were approved by the 72% of the state's voters in 2006. This wage-freeze – backed by the restaurant industry – was defeated 29-21 on the floor of the Republican-led body, with Senators from both parties standing up for tipped workers.

“At a time when we’re giving Wall Street millionaires handouts and bailouts, we must remember the people at the other end of the financial spectrum,” said Montana Attorney General Steve Bullock to the *Missoulian* after the vote. With support from NELP, Bullock spearheaded the “Raise Montana” campaign to put the minimum wage on the ballot in 2006.

In 2006, Montana's voters overwhelmingly approved the ballot measure raising the state's minimum wage and providing for automatic increases in future years to keep up with the cost of living. But the restaurant industry has continued to attack this popular policy ever since, proposing at times to freeze the minimum wage for some or all workers or even repeal the minimum wage altogether for workers like waiters and waitresses who receive tips.

NELP lawyers released a report in 2007 that helped defeat the first minimum wage attack – which aimed to repeal the minimum wage entirely for tipped workers. That law would have forced these workers to rely chiefly on their tips to get by. While that bill passed the state House, it was narrowly defeated in the Senate.

This year, the restaurant industry again tried to roll back the voter-approved ballot initiative, proposing bills both to block future cost-of-living increases for all workers and to freeze the minimum wage for tipped workers specifically. NELP prepared research for local advocates exposing the harmful effects of both bills. The Senate Labor Committee voted down the first bill on January 30, preserving annual cost-of-living increases. Yesterday, the full Senate voted to reject the second bill and declined to establish a lower minimum wage for tipped workers than for other workers.

“Workers can't count on tips, which can vary significantly from season to season and even shift to shift,” said Raj Nayak, a staff attorney at NELP. “Like all workers, waiters and waitresses need a strong minimum wage to cushion them against these fluctuations and help make ends meet.”

NELP works to restore the promise of economic opportunity in the 21st century economy. In partnership with national, state, and local allies, we promote policies and programs that create good jobs, strengthen upward mobility, enforce hard-won worker rights, and help unemployed workers regain their economic footing through improved benefits and services.

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