

Minimum Wage, Health Care, and Local Democracy Big Winners Across Country on Election Day

On Election Day, voters showed they want action on key working families issues as they backed ballot initiatives to raise the minimum wage, expand access to health care, and guarantee fair elections. In Congress, they elected a new House majority that is expected to put a brake on the Trump Administration's war on workers and instead make a \$15 minimum wage, restoring overtime pay, and guaranteeing equal pay early orders of business. And in states from New England to the upper Midwest to the Mountain West where new governors and legislative majorities were elected, new leadership is looking to replace years of punitive, anti-worker policies, with action to protect workers and improve jobs. Key results included the following:

- Voters in **Arkansas** and **Missouri** overwhelmingly approved **minimum wage increases** to \$11 and \$12, respectively. In **Anaheim**, voters agreed that employers receiving city subsidies should begin paying their employees \$15 in 2019, gradually rising to \$18 in 2022. In **Flagstaff**, Arizona, opponents to the minimum wage failed to roll back the city's minimum wage to state levels.
- Together, the Arkansas and Missouri initiatives will deliver **raises to 977,000 workers**, providing relief to workers and families in every county in these states who are struggling to survive on the minimum wage amid rising costs.
- The new majority in the **House of Representatives** is expected to provide a badly needed brake against the Trump Administration's attacks on workers, and to move proactively on an agenda that includes a \$15 minimum wage, restoring overtime pay, and guaranteeing equal pay for equal work.
- In the states, **new governors and/or state legislative majorities** were elected in **Michigan**, **Wisconsin**, **Minnesota**, **Colorado**, **Nevada**, **New Mexico**, **Maine**, and **New York** on agendas that include raising the minimum wage, restoring overtime pay, and protecting workers. They are expected to push to restore worker protections that have languished for years under antiworker governors or legislative gridlock. On overtime pay in particular, governors in states including Michigan, Wisconsin, Minnesota, Colorado, Nevada, and Maine can expand eligibility on their own without need for action by the legislature.
- Protecting workers' health care by defending the **Affordable Care Act** was a pivotal issue in many congressional and governor's races and on the ballot in Utah, Nebraska, and Idaho, where voters approved measures to expand Medicaid under the Affordable Care Act, extending coverage to hundreds of thousands of people.

- Voters in Michigan, Missouri, and Utah approved plans to combat gerrymandering and create new voting rights. In Florida, 1.4 million returning citizens with a felony record will have their right to vote restored. They constitute about <u>one-quarter</u> of the roughly six million people in the United States who are disenfranchised.
- In Louisiana, voters overwhelmingly approved **making a unanimous jury a requirement for convictions**, scrapping its Jim Crow–era law that allowed for split juries.

1. Minimum Wage Increases Receive Overwhelming Support at Polls in Two States, Benefiting Nearly One Million Workers

On Tuesday, voters in **Missouri** and **Arkansas** decisively approved minimum wage increases at the polls. In Arkansas, Issue B was approved with nearly 70 percent of the votes, while in Missouri, the margin was 62 percent. Arkansas workers will see their wages increase to \$11 by 2021, while employees in Missouri will receive \$12 by 2022. The increases will especially help workers in rural areas, women, and people of color close earnings gaps.

Table 1. Statewide Ballot Initiatives, November 2018					
State	Minimum Wage	Vote (%)	Affected Workers	Share of working population	Average Earnings Increase
Arkansas	\$11.00 by 2021	68.4%	300,000	24.8%	\$1,520
Missouri	\$12.00 by 2023	62%	677,000	24%	\$1,485

Source: Economic data derived from NELP analysis of the Bureau of Labor Statistics' 2016 Quarterly Census of Employment and Wages (QCEW), the Economic Policy Institute, Arkansas Advocates for Children and Families, the Census Bureau's 2016 Current Population Survey Outgoing Rotation Groups (CPS ORG) and the CBO's Economic Projections (June 2017). Elections results from New York Times.

In **Anaheim**, California, voters approved a ballot measure to gradually increase the minimum wage to \$18 by 2022 for employers receiving city funds. Ahead of the election, Disney, the city's largest employer and a company with over \$1 billion in profits, had agreed with a group of unions to raise its base pay to \$15.

These measures show the broad support across the country for raising the minimum wage and giving workers a larger share of the prosperity that they have helped create. Since the Fight for \$15 movement began in 2012, workers have received a cumulative \$62 billion in raises.

In a resounding victory for local democracy, voters in **Flagstaff**, Arizona rejected an effort to roll back Proposition 414, the 2016 ballot initiative that passed with 54 percent and put the city on track to reach \$15 by 2021. The 2016 law also eliminates the tipped subminimum wage by 2026, a key driver of poverty for workers in the service industry.

The group backing the rollback effort, termed the "Sustainable Wages Act," had refused to reveal its donors, leading to charges that dark money was influencing local politics. Meanwhile, Flagstaff's economy has continued to thrive, <u>as measured by revenues</u> from the retail and accommodations

industries. The victory is a testament to the soundness of raising the minimum wage as a policy, with broad support from workers and businesspeople.

2. New Majority in House of Representatives Expected to Push for Early Action for Working Families

The new majority in the House of Representatives is expected to provide a badly needed brake against the Trump Administration's attacks on workers, and to make passing a \$15 minimum wage, restoring overtime pay, guaranteeing equal pay for equal work, and other key worker protections early orders of business. The new majority will also ensure that efforts to gut the Affordable Care Act, Medicare, and Social Security are met with stiff resistance.

The new majority won on a message of bringing economic prosperity to workers across the entire country who have been left behind by decades of backwards economic policies that put profits before people, and pushing back against discriminatory policies like mandatory arbitration.

3. New State Leadership, from New England to Mountain West, Expected to Advance Worker Platforms

New governors or state legislative majorities were elected in states across the country on platforms calling for boosting pay and defending workers. New progressive governors in **Michigan**, **Wisconsin**, and **Illinois** are expected to end years of attacks on workers and, along with new governors in **Nevada**, **Colorado** and **Maine**, move ahead with key working families priorities. And new legislative majorities in **Minnesota**, **Colorado**, **Connecticut**, **New York**, and **Maine** are expected to promote a pro-worker agenda that includes earned sick leave, wage enforcement, and other key protections.

High on the agenda for several governor-elects is increasing the **overtime pay** threshold for salaried workers. In 2017, the Trump Administration halted the implementation of an Obama-era rule that would have increased the federal overtime threshold from \$23,660 to \$47,476. At least 4.2 million workers lost out on long-overdue raises. The threshold had been frozen since 2004. In many states, including Michigan, Wisconsin, Colorado, Nevada, Minnesota, and Maine, governors can restore overtime pay on their own, without need for legislative action, as Pennsylvania's Tom Wolf and Washington State's Jay Inslee are already doing.

According to the Economic Policy Institute's estimate, workers across the entire United States have already lost out on a cumulative \$1.2 billion in overtime pay since November 2017. Currently, only about 7 percent of workers are eligible for overtime, <u>down from over 60 percent in 1975</u>. The Obama rule would have restored those levels to around 35 percent. Women in particular lose out with the erosion of standards due to inflation and political inaction.

Now, workers across industries as diverse as agriculture and public administration may see overdue raises. Since 2017, several states have already acted to increase overtime thresholds to cover more workers, including Pennsylvania, New York, and California. Colorado, Nevada, Michigan, and others may join in.

4. Showing Bipartisan Frustration, Voters Reclaim Local Democracy in Historic Wins and Endorse Stronger Safety Net

Some of the most exciting victories of the night came from state ballot initiatives spanning issues from home care to local democracy. Voters spoke loud and clear throughout the country, proclaiming the right to self-determination in the face of outside corporate influence, and affirming their abiding trust in quality public services in the face of threats to privatize Social Security and Medicare.

Several ballot initiatives underscored the **right to vote** and participate in public decision-making. In Michigan, voters approved two initiatives by stunning margins – one that enshrines key measures like same-day voter registration and another to create an independent redistricting commission to address gerrymandering. In Missouri, voters approved independent redistricting as well, and Maryland will also adopt same-day voter registration.

In **Florida**, 1.4 million residents with felony records will have their **voting rights restored** because of a new constitutional amendment, the fruit of a coalition effort that gathered over a million signatures. Voter disenfranchisement disproportionately affects people of color, in particular black men.

Voters in several states also approved changes to criminal law that may aid in reducing mass incarceration and racial disparities. Voters in **Louisiana** approved a constitutional amendment requiring **unanimous jury decisions** for all felony convictions beginning in 2019, eliminating the old split-jury system created in 1898 with the express purpose "to maintain the supremacy of the white race." By a broad margin, **Oregon** voters also defeated an effort to repeal its status as a "sanctuary state."

Across the entire country, voters unequivocally spoke in favor of strengthening public services and safety net programs. In **Utah**, **Nebraska**, and **Idaho**, voters approved **Medicaid expansions**, joining the 33 states that already participate in the program. The expansion will extend health care to hundreds of thousands of low-income people, ensuring working families can afford health care.

Conclusion

With an estimated 114 million ballots casts – more than 30 million above 2014 levels –voters on Tuesday showed their determination to have their voices heard. Amid an environment of voter suppression and corporate influence, voters showed an appetite for leveling the playing field and protecting local democracy. From ballot initiatives to changes in statehouse and Congressional leadership, workers' issues were placed squarely on the agenda for the next two years. NELP supports a comprehensive workers' agenda that includes safe workplaces, higher wages, equal pay, addressing the racial wealth gap, abolishing mandatory arbitration, protecting union rights, and a strong safety net.