

## City of Tukwila Hourly Minimum Wage Effective July 1, 2023

Tukwila Municipal Code (TMC) 5.63.040 (A) requires effective July 1, 2023, every large employer shall pay to each employee an hourly wage of not less than the 2022 "living wage rate" in the City of SeaTac, established pursuant to SeaTac Municipal Code Section 7.45.060, adjusted for 2023 by the annual rate of inflation.

TMC 5.63.040 (B) requires that on January 1, 2024, and on every January 1 thereafter, the hourly minimum wage shall increase by the annual rate of inflation.

TMC 5.63.040 (C) requires that by December 31, 2022, and by October 15 of each year thereafter, the Finance Department shall establish and publish the applicable hourly minimum wage for the following year using the annual rate of inflation.

TMC 5.63.040 (D) requires that the annual rate of inflation means 100 percent of the annual average growth rate of the bi-monthly Seattle-Tacoma-Bellevue Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the 12-month period ending in August, provided that the percentage increase shall not be less than zero.

TMC 5.63.050 provides that Other Covered Employers shall phase in the minimum wage as follows:

- Effective July 1, 2023, other covered employers shall pay employees not less than the hourly minimum wage established under TMC 5.63.040 minus two dollars (\$2) per hour.
- Effective July 1, 2024, other covered employers shall pay employees not less than the hourly minimum wage established under TMC 5.63.040 minus one dollar (\$1) per hour.
- Effective July 1, 2025, and thereafter, all covered employers shall pay employees not less than the hourly minimum wage established under TMC Section 5.63.040.

The City of Tukwila has calculated the 2023 Hourly Minimum Wage (Effective July 1, 2023) to be:

| Affected Employers | 2023 Hourly Minimum Wage (Effective 7/1/2023) |
|--------------------|---|
| Large              | \$18.99                                       |
| Mid-Size           | \$16.99                                       |

## Notes:

- 1. Large employer is defined in TMC 5.63 as "all employers that employ more than 500 employees, regardless of where those employees are employed, and all franchisees associated with a franchisor or a network of franchises with franchisees that employ more than 500 employees in aggregate."
- 2. Mid-Size employer is a simplified name for a covered employer that either employs at least 15 employees regardless of where those employees are employed, or has annual gross revenue over \$2 million.
- 3. Employers who have fewer than 15 workers worldwide and earn \$2 million or less in annual gross revenue in Tukwila and are not associated with a franchisor or network of franchises with franchisees employing over 500 workers are not affected by TMC 5.63 but may still be subject to State minimum wage and other laws.