St. Louis Free to Move Forward with New Living Wage Law; Missouri Supreme Court Dismisses Appeal from Low-Wage Employers

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Missouri's highest court yesterday handed living wage supporters a victory by dismissing an appeal filed by business groups in *Missouri Hotel & Motel Association v. St. Louis Living Wage Campaign*.

"This ruling clears the way for St. Louis and other Missouri cities to move forward with living wage policies that will help low-income families make ends meet," said Paul Sonn, associate counsel at the Brennan Center for Justice at NYU School of Law. Sonn argued the case before the Missouri Supreme Court on behalf of the City of St. Louis and the St. Louis Living Wage Campaign – a coalition of

community, labor and religious groups led by the Association of Community Organizations for Reform Now (ACORN).

In August 2000, 77% of St. Louis residents voted to enact a city living wage ordinance. Low-wage employers then filed suit challenging the new law. The trial court in the case invalidated the ordinance, citing technical defects, but explained how they could be remedied in a revised law. The business groups that had challenged the ordinance then appealed to the Missouri Supreme Court, seeking a broader ruling that might prevent St. Louis and other municipalities from enacting new living wage legislation in the future.

Yesterday's ruling by the Missouri Supreme Court dismissed that appeal. Noting that the lower court had struck down the original ordinance, the Court concluded that it lacked jurisdiction in the case.

"The people of St. Louis and their elected leaders have twice spoken overwhelmingly in favor of a living wage," said Sonn. "It's long past time to honor the public's desire to create family-sustaining jobs."

In July 2002, the St. Louis Board of Aldermen approved a new living wage law, correcting the technical defects in the original ordinance. The new law, designed with assistance from the Brennan Center and ACORN, requires businesses receiving service contracts or very large economic development grants from the city, or operating at the Lambert-St. Louis International Airport, to pay their employees a living wage.

The living wage is defined as enough to allow a full-time worker to support a family of three at 130% of the federal poverty level – currently \$9.39 per hour. Employers that don't offer health benefits will be required to pay \$11.41 per hour. The revised living wage ordinance was signed into law on August 5, 2002 and will begin raising pay for working families in the city when it takes effect later this fall.

"Again and again, the people have spoken about their need for a living wage and again and again, low-wage employers have tried to thwart the will of the people," said Reverend Gilbert Cox, Chair of Missouri ACORN, which has led the years-long fight for the living wage. "Again and again, we have prevailed – at the ballot, at the Board of Aldermen, and now in the courts. I just pray that we can now move on from the business of the courts to the business of the people – making our new living wage law a reality for the workers it is intended to benefit."

More than 80 localities around the nation have adopted living wage laws aimed at helping hardworking, low-income families make ends meet.

The Brennan Center's Economic Justice Project seeks to expand access to family-sustaining jobs to combat our nation's widening economic inequality. The Economic Justice Project assists lawmakers and reform coalitions in cities across the country in designing living wage laws and other reform legislation tailored to local needs.

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