

Tompkins County Minimum Wage Study, Final Report

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1. The background

Following the Tompkins County Legislature’s Resolution 2024-144, “Exploration of a Tompkins County Minimum Wage,” the County issued a request for proposals for a consultant to provide expert guidance and technical assistance to study the impacts of the County establishing a local law that sets a Countywide minimum wage that is higher than the State minimum wage. The County was to hire consultants to organize convenings of stakeholders and the wider community to explore possible impacts of a potential local law.

The ILR Ithaca Co-Lab submitted a proposal to use a participatory, stakeholder-focused exploration of key issues alongside data- and research-driven expert analyses. The Ithaca Co-Lab has extensive experience in the discussion of low-wage work, generally and in Tompkins County in particular. A co-principal investigator from the Cornell Government Department and the Jeb E. Brooks School of Public Policy was included on the team in order to facilitate open, democratic, frank, and fulsome conversations. The submitted proposal was accepted, and the contract signed, in early 2026.

Between March and June, 2026, eight separate convenings were held. Each convening included opportunities for participants and community members to provide written remarks, with the goal of ensuring that all felt able to fully share their perspectives, and allowing for follow-up on issues raised and discussed in the convenings themselves. In addition to these convenings, six smaller focus groups were convened to provide targeted exploration of specific issues or to reach additional stakeholders. To make it easier for people to participate, the research team collected further written testimony through an online form and recorded individual oral testimony.

The meetings were generally well-attended, highly participatory, and above all civil and thoughtful. Stakeholders and community members freely expressed their hopes and/or concerns about the possibility of a county-wide minimum wage higher than the state

minimum wage. The conversations explored key issues around minimum wage policy, providing a robust exploration of how a County minimum wage might impact the participants and wider community.

The research team is deeply grateful to all who participated, and especially for their willingness to engage in civil and frank conversations. This participation was made possible by the work of stakeholders, including the Tompkins County Chamber of Commerce, the Downtown Ithaca Alliance, the Manufacturers' Alliance, the Farm Bureau, the Lansing Business Alliance, the Society for Human Resource Management, the Tompkins County Worker Center, Midstate Coalition for Occupational Safety and Health, Tompkins County Cornell Cooperative Extension, the Human Services Coalition, the Child Development Council, the Franziska Racker Centers, the Department of Social Services, the Workforce Development Board, the Department of Housing and Community Development, the Ithaca-Tompkins County Transportation Council, TST-BOCES, and the Southside Community Center. We want to thank them for meeting with us to talk through how to hold the convenings, for recruiting participants, and in many cases hosting and organizing the logistics. The research team is also deeply grateful to the Tompkins County legislators who attended the convenings or focus groups. These included Deborah Dawson, Judith Hubbard, Greg Mezey, Rachel Ostlund, Iris Packman, Veronica Pilar, Mike Sigler, Dan Wakeman, and Irene Weiser. Thanks, finally, to Deputy County Administrator Bridgette Nugent, County Communications Director Monika Salvage, and Pam Gueldner at the ILR School for support in organizing and publicizing convenings.

The primary objective of the convenings and focus groups was to explore the many issues related to a Countywide minimum wage. A secondary objective was to provide stakeholders and the wider community with an extensive opportunity to share their perspectives. The fundamental purpose of both was to enable the County Legislature to make an informed decision that would be responsive to and representative of the interests and values of the community. This report summarizes the process and its substantive exploration of the issues.

There was near unanimity in the convenings that the cost of living in Tompkins County puts pressure on workers and/or employers. One well-known measure of the increase in the cost of living is the living wage calculation, which in 2023-2025 jumped from \$18.45 to \$24.82, a 35% increase, which was much more rapid than the New York State minimum wage, the median wage employers are paying workers, or the main inflation measure, the Consumer Price Index for the Northeast Region (Greer and Weaver, 2025). As would be expected, there was much disagreement about the appropriate County responses to this problem. The focus in the convenings and in this report is on the minimum wage. However, a central theme to emerge from the discussions was that, should the County pursue legislation in this area, it should be part of a comprehensive approach to the many facets of the cost of living problem.

This report first provides an account of the research process. Second, it summarizes the topics raised and questions asked in the convenings. Third, we present our own statistical analyses of the local labor market and of the impact of minimum wage laws in other

metropolitan statistical areas, along with an overview of existing economic research regarding three questions raised in the convenings: (1) the relationship between wages and the cost of living, (2) costs and benefits of minimum wages to workers, and (3) costs and benefits to the community as a whole. Fourth, we provide insights from participants – including business, the care economy, and workers – that go beyond the statistical data and existing studies. Fifth, we discuss some of the options for Tompkins County in terms of setting a minimum wage, adjusting it from year to year, and varying it depending on the particular circumstances of workers and employers. Finally, appendices provide a deeper dive into our research processes and findings, including summaries of the convenings and focus groups.

2. The process

Between March and June 2026, the research team conducted eight public convenings, six focus groups, and eleven individual-testimony recording sessions with thirteen people. The public convenings began with the Launch Event on March 24, followed by the Data and Statistics Convening on April 8. Six stakeholder- and topic-specific convenings followed: Business Convenings in Lansing and Downtown Ithaca on April 14; Care Economy and Public Benefits Convenings on April 21; the Youth Employment Convening on April 28; and the Workers Convening on May 21. The appendix provides a one-page table listing the dates, locations, partners, and principal participant groups for each event.

Who was in the room at the convenings depended substantially on the partners helping to organize them. The early convenings included County legislators, researchers, employers, managers, business owners, nonprofit and human-services leaders, public officials, and community members. Employers, managers, and organizational representatives were more consistently represented than workers earning low wages. The research team took several steps to address this imbalance by increasing participation of workers, including providing food, using remote participation where appropriate, selecting times and places in consultation with partners, and providing gift cards or prepaid debit cards to compensate workers for their time. Workers attending the May 21 Workers Convening at the Tompkins County Public Library, for example, received a \$25 prepaid card. These measures were suggested by the stakeholders who helped us organize the convening.

The convenings also included experts prepared to offer the best available answers from data to questions raised at the launch. These included researchers from the ILR School: Dr Rusty Weaver on wages and the cost of living; Prof Justin Bloesch on minimum-wage research and economic effects; Dr Zoe West and Dr Anne-Marie Brady on care work and low-wage employment; and Prof Ian Greer on benefits cliffs. It also included David West, the County’s Housing and Community Development Director, on housing costs; and Tom Knipe, Director of the Ithaca-Tompkins County Transportation Council, on transportation costs.

To encourage an open exchange of views, we made clear from the outset our procedures for publishing findings. The eight convenings were more public, and we shared participant lists and recordings with County legislators and administrators. The focus

groups were more private, and we are sharing only summaries of the discussion with legislators. For all the sessions we have produced summaries, which we have shared with participants for feedback. These do not include the identities of the individuals who commented. Similarly, we are only sharing anonymous comments to the County from the written submissions and the individual testimonies. The need for anonymity was emphasized by many of the workers who contributed and the stakeholders who helped us reach out to them, and opportunities for anonymous feedback were built into the plan for the convenings.

The eight public convenings could not include all affected stakeholders. Beyond the inadequate representation of low-wage workers, the research team was also asked by stakeholders who did attend the convenings to join them in additional conversations focused on particular issues. The plan was therefore adjusted. Six additional smaller and less public focus groups were organized: the Manufacturers Alliance Employer Focus Group on June 8; Food systems focus group on June 8; the Racker Worker Focus Group on June 9; the TSD-BOCES ESL Student Focus Group on June 10; the HR Professionals Employer Focus Group on June 11; and the Southside Community Center Staff Focus Group on June 18. The Racker, TSD-BOCES, and Southside sessions were online, which increased participation by wage earners and communities underrepresented in the public convenings. The Manufacturers Alliance and HR sessions responded to requests for deeper examination of manufacturing, wage compression, benefits, recruitment, and human-resource management. The Food Systems focus group was at the Ulysses Philomathic Library, and intended to take a holistic view of food-related businesses. Due to last-minute cancellations it was an informal conversation between the research team and the sole attendee, legislator Rachel Ostlund, and it is not included in the summaries of focus groups.

The research team also worked with volunteers and community partners to record individual testimonies through outreach, canvassing, and tabling at public events, particularly on May Day and Juneteenth. The goal was to achieve greater representation of the affected populations, across race and community. The evidence inventory contains eleven recording sessions representing thirteen people. One combined recording made during farmworker outreach on May 1 represents three dairy farmworkers. Ten additional individual testimonies were recorded on June 20.

The process also included an online channel for written input (using Qualtrics). As of July 16 there were 117 response records. Eight of these contained no substantive survey answers and were excluded, leaving 109 records for analysis. Of those, 106 contained at least one substantive answer, 73 had a populated written-comment field, and 6 included an uploaded document or image. The comment and upload counts overlap because some respondents supplied both.

The research team met with stakeholders before the convenings and deferred to their advice about the logistics and structure of the discussions. The launch event was largely about process, while the remaining convenings focused more heavily on substance. The convenings where expert testimony was included began with research presentations, either at the request of organizing partners or having been prepared to address questions

that had come up in the wide-ranging discussion of the launch event on March 24 as well as subsequent convenings.

For these convenings, the experts stayed to answer any questions that emerged during their presentation, but were otherwise not primary participants in the discussion, which were dedicated to exploring and surfacing issues from the perspective of stakeholders. The focus groups and individual testimonies were intended primarily as listening exercises to further surface and explore issues related to a minimum wage, although researchers answered questions when asked or when their expertise might inform the discussion. For the convenings, focus groups, and canvassing discussions, the research team prepared initial prompts for discussion, focusing on matters about which participants were likely to have direct experience or specialized knowledge, often generated from the previous convenings. Although participants asked many questions about existing research, the team generally refrained from lengthy answers so that the available time could be devoted to listening. Most convenings lasted approximately 90 minutes, although some lasted as long as 120 minutes. Some focus groups were shorter, and most individual testimonies lasted between one and five minutes.

3. Major topics of discussion

The tenor of discussions in the convenings was respectful but animated. Participants' views were grounded in their lived experiences, as workers, business owners, managers, providers of services for vulnerable clients, community leaders, etc. These views varied across the convenings, and there was little intense disagreement within any particular convening. Workers in low-wage jobs discussed life in the County as a struggle, which has intensified with recent increases in costs, and had a range of insights into how a minimum wage increase could help. Directors and other staff of nonprofit, mission-driven organizations discussed the challenge of providing services to vulnerable populations when resources are inadequate to pay a living wage, and when their clientele generally is not earning a living wage. Private business owners and managers pointed out that they, too, are squeezed by increasing costs, including taxes, energy costs, costs passed onto them by suppliers, and wage increases. Some business owners and managers said a minimum wage increase would force them to change in ways that they would otherwise be reluctant to do. This does not exhaust the range of opinion, but these are perspectives we heard again and again.

We provide a summary in this section of the topics that participants raise, and go into deeper detail in Sections 4 and 5, where we describe the insights from both quantitative research and the testimony from stakeholders and affected local residents.

3.1. The problem

Many speakers discussed the ***high cost of living across Tompkins County, compared to wages***. Housing and transportation were often mentioned. The issue is not only a problem of accounting to make ends meet. Low wages and high costs mean people have to work extra jobs and longer hours and tend to have longer commutes, meaning less time with

friends and family, creating art, volunteering, and leisure activities. Low wages mean that people have less money to spend on life's necessities. This means relying on unreliable vehicles and limited public transportation for commuting, and renting lower-quality housing. Housing costs are higher in Ithaca, but transportation costs are higher in rural places, and the problems of commuting increase with the length of the commute.

3.2. Potential benefits of a Countywide minimum wage

We heard much about the **benefits to workers**, especially but not exclusively in those convenings where low-wage workers and service providers were represented/ There were three main themes raised in these terms.

(i) The most consistent theme in terms of benefits was that the **current minimum wage does not cover the basics**, and that this remains true well above \$16 an hour. Tompkins County is becoming increasingly unaffordable for much of the population, especially the lower wage workers who provide essential labor in the County, and the cost of living is higher than in neighboring counties. In different forms, the issue of the high cost of living was raised in all convenings and many of the focus groups and interviews; it was an issue on which there was broad agreement among all stakeholders.

(ii) **A second theme was time**. Workers typically close the gap between wages and costs by working more hours. This reduces time spent caring for children or pursuing education. Workers also argued, more sharply than we heard elsewhere in the convenings, that low wages waste of effort, in particular coping with crises (health, housing, and transportation). Workers discussed the problem with benefits cliffs (discussed below) directly. *They generally did not accept it as a reason to hold wages down*. There was a general desire for higher wages among this group, which would facilitate workers making their own choices about the balance between wages and benefits. Research (also discussed below) suggests the vast majority of workers benefit from a minimum wage.

(iii) Finally, effectively all workers, many service providers, and some employers described **benefits extending past their own households, reducing inequities and improving the spending power in communities** whose members have low incomes. There is also research to support this, discussed in Section 3. Nonprofit providers of social services were generally sympathetic to the prospect of a higher minimum wage, while also concerned by possible complications (discussed below). They want their beneficiaries and workforces to receive higher wages, and expressed a belief that this would create greater stability in their lives and communities, especially if some benefits could be maintained.

3.3. Concerns about a Countywide minimum wage

There were three broad categories of concern related to a Countywide minimum wage:

(i) **Costs to the community** in terms of inflationary pressure, unemployment, and reduced economic activity. It is not only low earners who experience increasing costs; prices are

going up for everyone. Many workers in publicly funded work, especially childcare, eldercare, healthcare, and care for the developmentally disabled, make close to minimum wage. Increasing their pay would require government subsidies, which would be funded through tax increases. Some speakers were concerned that costs would increase at private businesses, for instance when eating out. Others were concerned with cuts to jobs, and businesses choosing to invest elsewhere. A recurrent question – which research can address – is whether communities elsewhere that passed a local minimum wage experienced a net benefit from minimum wage increases, or whether those benefits were cancelled out by job losses or increases in prices or taxes?

(ii) ***Costs to workers.*** There are tradeoffs involved in minimum wage increases for workers themselves. Speakers discussed the possibility of increased unemployment, increased injuries (due to work intensification), possible loss of benefits (employer-provided or public), and less hiring of specific types of vulnerable workers by employers, such as young teenagers entering the workforce and formerly incarcerated workers re-entering the workforce. There were also questions about whether workers generally need higher wages, and how many enjoy a lower cost of living outside of the County or can afford to work for low wages due to support from parents, spouses, or retirement savings.

In general, most of these concerns were not raised by workers themselves, though they were often acknowledged by workers as possible issues or part of the choices confronting workers all the time. The issue of vulnerable workers' ability to enter or re-enter the workforce was perhaps most forcefully raised by a few service providers who also expressed support for a minimum wage increase in principle but hoped for it to be part of a comprehensive and inclusive strategy that would not leave out vulnerable workers.

The issue of youth workers gaining experience through low-wage jobs was raised early, and became one of the focuses of our April 28 convening. Workers and employers had different perspectives. Employers, as well as service-providers, emphasized experience and some of the former suggested these workers were not supporting themselves or families (e.g. summer jobs for spending money). Some of the workers saw younger workers as among the most precarious: they might be working because they were already supporting households (primarily or as contributories) or needed independence due to family circumstances.

(iii) ***Costs to business.*** There were numerous comments from the employers about the costs they would face and the difficulty or impossibility of adapting. Concerns included the possibility of lower profits, higher costs relative to competitors outside Tompkins County, harder time recruiting workers, and lower morale for higher skilled and more experienced workers due to wage compression. There are limits to how well employers can adapt, particularly nonprofits and small businesses in retail and hospitality. Higher costs in Tompkins County are also an incentive for profit-making businesses to disinvest from the County and expand their business elsewhere.

3.4. Policy Options

Design of minimum wage policy. The research team was instructed to make it clear to participants that there was no proposal for a new minimum wage level. Given widespread awareness of the living wage and its recent rapid increase, it was important to point out the difference between minimum wage and living wage. Despite this, some of the concerns seemed to be premised on an immediate increase from \$16.00 to \$25.08. Some employers noted that a phased-in minimum wage rise would be easier for them to adapt to. There was some relief expressed when informed that the legislature had flexibility in the design of minimum wage policy, including levels, methods of adjustment, and carve-outs for particular groups of workers and employers.

Section 6 below discusses in greater detail the options for Tompkins County in terms of setting a minimum wage policy.

Other related policies that could address these problems. The cost of living would be brought down by building more housing, expanding public transportation, single-payer healthcare, and universal childcare. These are all policies that would have to be funded through taxes. Maximizing the benefit to low earners would require progressive taxation, i.e. “tax the rich”. Other speakers argued that high taxes were the main problem, implying tradeoffs between providing public goods to support the workforce and the perceived incentives to private investors. One theme from the business community was that the focus should be on attracting manufacturing jobs, which tend to pay higher wages than service jobs, but are also affected by high taxes and ripple-effects from minimum wage increases. Some of the ideas for change were very deep in the weeds of the realities of particular industries – for instance looking at New Mexico’s policy of using Medicaid funds to cover health insurance for childcare workers. One participant argued for a “whole systems” approach to the problem of low wages and high living costs. However, given the definition of our task and our limited resources, we will not discuss in detail policy proposals beyond the minimum wage.

4. What does the research say?

Possible benefits and concerns emerged across multiple convenings. Many were expressed at the launch event or in sufficiently early convenings that they could inform research presentations. Available research studies and local data are useful for examining some of these concerns, but not all of them. The research team had to re-analyze some of the datasets that we have used in our regular minimum wage reports to answer questions about the labor market locally, as well as looking at additional datasets to understand the landscape of local minimum wages in other parts of the country. We have also systematically reviewed published empirical studies tackling particular issues that arose in the discussions. Available research provides a good guide to understanding the magnitude of the problem, some of the costs and benefits to the community (especially employment effects), and whether low-wage workers benefit from minimum wage increases.

4.1. What is increasing faster: workers' pay or their cost of living? How many workers are earning close to minimum wage?

Low wages affect many thousands of workers in Tompkins County and their families. In our most recent living wage report, members of the research team estimate that 12,979 workers earn below \$16 per hour (Greer, Weaver, and Thian, 2026). During the post-COVID period of inflation, local wages have increased, and these increases have been more rapid for the lowest earners than for the median earner. But overall wage increases have not kept up with increases in the cost of living. The best estimate we have of local changes in the cost of living is the living wage figure produced by the ILR School's Ithaca and Buffalo Co-Labs. Unlike alternative measures, such as the MIT living wage figure and the Consumer Price Index, the ILR School living wage is based on hyper-local data for Tompkins County. In 2025 the living wage increased to \$24.82, compared to a median wage estimated by the Bureau of Labor Statistics of \$27.95, i.e. 89% percent of median. This is an increase from 2012-2022, when the living wage ranged from 64% to 68% of median. The gap between the living wage and the minimum wage has increased from \$5.37 in 2012 to \$9.23 in 2025. In 2025-26 the living wage barely changed and currently stands at \$25.08, which is \$9.08 less than the applicable state minimum wage.

The largest single component of the cost of living increase is housing. According to the County's latest housing snapshot (Department of Planning and Sustainability, 2025), almost 60% of renters are housing cost burdened (paying more than 30% of their gross income for housing) and 36% of that group are severely housing cost burdened (paying for housing more than 50% of income).

ILR School researchers have examined the demographics of the low-wage workforce in our living wage reports. We use the headline living wage figure as a measuring stick and use data from a five-year dataset from the American Community Survey, using observations from 2020 to 2024 adjusted for 2026 wages. We have consistently found disparities by race, ethnicity, gender, and industry. In our 2026 living wage report (Greer et al 2026), we found 67.2% of Black workers and 58.5% of Hispanic workers earning less than a living wage, compared to 48.6% of white workers. We have also found smaller disparities by gender, with women more likely to earn less than a living wage. The largest numbers of low earners are in our dominant industry sector, education services (6,540 workers below a living wage), but other sectors have much higher percentages of low earners. Fully 82% of workers in accommodation and food service (2389 workers), 78% in retail (927 workers), and 77% in agriculture, forestry, fishing and hunting (588 workers) made below the living wage threshold, compared to 40% in education services. Going beyond our already published findings, based on that data we estimate that 12,979 workers (27.2% of wage earners who live in the County) earn below \$16 per hour, the 2026 New York state minimum wage, while 17,968 (37.6%) earn below \$20.

Table 1, below, provides a more detailed breakdown of the number of workers earning below different levels of potential minimum wage increase based on ACS.

Table 1. Number of workers below various minimum wage thresholds

MW	ACS 2020-24		OEWS 2025	
\$16	10,145	24%	2,879	6%
\$17	11,188	26%	6,237	13%
\$18	12,456	29%	8,636	18%
\$19	13,849	32%	11,035	23%
\$20	14,842	35%	12,955	27%
\$21	16,349	38%	14,394	30%
\$22	17,480	41%	15,833	33%
\$23	18,605	43%	17,273	36%
\$24	19,562	46%	18,712	39%
\$25.08	20,329	47%	20,152	42%
	households surveyed in Tompkins Co		employers surveyed in Tompkins Co	

A different data source, the Bureau of Labor Statistics' Occupational Employment and Wages (OEWS) program, provides detailed breakdowns by occupation. These estimates of workers' wages are somewhat higher. In May 2025, for all occupations, the 10th percentile wage is \$16.95, meaning 10% of workers earn \$16.95 or less, and the 25th percentile is \$19.40. Out of 47,980 employees, 8,040 are in three groups of occupations in which the median is below \$18 per hour. Personal Care and Service (\$17.98), Sales and Related (\$17.91), and Food Preparation and Serving Related (\$17.87). In other words, a 2025 minimum wage of \$17 would have brought up the wages of at least 10% of workers (4,789 workers), and a minimum wage of \$18 would have brought up the wages of many more workers, including more than half of three major occupational groups. Additional workers would see their wages increase due to "ripple effects," as unions bargain improvements for workers making slightly more than the new minimum wage and employers address compression.

To estimate the number of workers directly affected by future minimum wage increases, we need to take into account differences in estimates (generating ranges based on different data sources) and change over time (wage increases that have taken place since the data were collected). However, we can safely name the groups of workers whose wages would be disproportionately affected by minimum wage increases: Black and Hispanic and female workers and workers in retail, accommodation, food service, agriculture, and certain healthcare occupations. Whether 25% or 38% of workers are earning below \$20 per hour, and whether the median hourly wage is \$27 or \$29, the reality is that low wages affect thousands of workers and households.

4.2 Do communities overall experience a net benefit from minimum wage increases, or are those benefits cancelled out by job losses or price increases?

One idea from the convenings was to look at other communities that have passed local minimum wages to see what the consequences have been. Three primary concerns emerged: a high local minimum wage would increase inflation (employers would raise prices to cover the costs of higher wages), reduce employment (employers would hire fewer workers due to higher costs), and as result of higher inflation and/or higher unemployment, overall economic growth would decrease.

On inflation, the academic literature demonstrates that raising minimum wages at the municipal or county level exerts only a limited influence on local price levels. The impact on prices is proportionate to costs – in a business where low-wage workers account for 20% of costs, a minimum wage increase that brings up their wages by 10% would produce a 2% increase in costs ($10\% \times 20\% = 2\%$). Price increases therefore take place in local labor-intensive sectors rather than causing broad, economy-wide price hikes. For example, research has found near-complete cost pass-through in the fast-food industry and significant, though slightly lower, pass-through in grocery retail (e.g., Cooper et al. 2019; Dube & Lindner 2021; Harasztosi & Lindner 2019; Renkin et al. 2022).

On employment impacts of minimum wage increases, Totty (2017) reviewed 15 different statistical estimates across ten studies at the county or state level. Eight models found no effect on employment, one found a positive impact on employment, and six found a negative impact on employment. Of the six models finding negative impacts, Totty reports that wage-employment “elasticities” were between -0.06 to -0.19, meaning a 10% increase in the minimum wage was associated with a decrease in employment of between 0.6% and 1.9%. When considering these findings, it is important to remember that these findings are not particularly robust, with many studies finding no impact. Using a different method than most studies (factor model estimators rather than ordinary least squares regressions), Totty examines data for 1,371 counties over 2000–2014. He finds “wage-employment elasticity estimates in the range of -0.01 to -0.03 for restaurant employment and -0.03 to -0.07 for teenage employment.” He concludes that: “Overall, the factor model results suggest that there has been little to no effect of minimum wage hikes on restaurant or teenage employment over the last three decades. However, the size of the minimum wage hike is important.”

Prof Bloesch cites Dube & Lindner’s (2024) analysis of 72 studies across 30 years of research, examining own-wage employment elasticities, which compare “the percentage change in employment to the percentage change in wages.” The median own-wage employment elasticity across the 72 studies is -0.13, suggesting: “a minor impact of the minimum wage on jobs. This estimate implies that the total earnings of low-wage workers rise by 87% of what one would expect if there were no job losses due to the policy. Put differently, employment reductions offset only about 13% of the potential earnings gains” (305).

Overall employment effects in an area depend on the mix of tradeable vs non-tradeable sectors, a point emphasized by Prof Bloesch in his presentation. Non-tradeable sectors

include service industries focused on the local market, which include the bulk of workers making less than a living wage – retail, food service, and other personal service and care sectors. These sectors can pass cost increases through to customers or funders, and therefore do not necessarily face employment losses with minimum wage increases. One study looking at county data across the US found *positive* employment impacts in retail, with a 10% increase in the minimum wage was associated with an employment *increase* of between 2.3% and 2.1%, depending on the subsector (Addison et al 2009).

By contrast, tradeable sectors include those that serve price-sensitive markets outside of the County – manufacturing and agriculture. For these sectors, shifting cost increases through higher prices is more difficult. Higher education, the main driver of the local economy in Tompkins County, is arguably a tradeable sector but it is not price sensitive. In local economies driven by tradeable sectors serving price-sensitive markets, economists expect more of an impact on employment than in those dominated by non-tradeable and non-price-sensitive sectors. Because about half of the jobs in Tompkins County are either in healthcare or education, we can expect relatively small overall employment impacts.

This does not mean that businesses never close or reduce staff in response to minimum wage increases. However, this generally does not lead to reductions in overall employment because there is “reallocation” to other businesses that open or expand. Luca and Luca’s (2019) study of restaurants with Yelp reviews, for example, found that those with 5* ratings closed less in response to minimum wage increases than those with lower ratings.

One of the questions from the convenings was what has happened to local economies of similar communities that have introduced local minimum wages. Lindner and Dube (2021) provide an overview of the research on local minimum wages, but it includes many big cities and suburban areas.

Table 2 (next page) presents data on the seven cities and one county. Data are for 2025 unless otherwise noted and refer to the Metropolitan Statistical Area (MSA), unless otherwise noted. All the MSAs or cities are mid-sized: The population of the Ithaca MSA was 104,047 in 2025, with the populations of the comparable MSAs or cities ranging between 69,911 and 229,091. Ithaca is a college town, with 28% of its population being resident college students (excluding distance students) at four-year colleges. The closest on this measure is Boulder, CO, for which 23% of its population is resident college students, while Palo Alto has 21% and Bellingham has 9%. The others have smaller college student populations but remain comparable in being mid-sized cities.

Table 2 includes information on the *minimum wage law* – whether the minimum wage is indexed to inflation (the consumer price index) or has a phased-in step increase – and whether *coverage* includes tipped workers (“one fair wage”), tipped workers are paid a base wage as a percentage of the minimum wage for non-tipped workers, or whether there is a tip offset. The table has additional data on the localities, for comparison, including the percentage of employment in the public sector, and the 2025 unemployment rate.

The core of this table is three variables comparing performance of the locality. The *change in the unemployment rate* from the year the minimum wage was implemented to 2025 is measured as the average of the annual averages. *Average annual job growth* from the year the minimum wage was implemented to 2025 is measured as the average of the annual averages. *Real GDP growth* is measured as the average of the percent change from preceding year, for 2022 through 2024. For comparison, average real GDP growth in the US over 2022-2024 was 2.7%.

Table 2. Seven cities and one county comparable to Ithaca and Tompkins County with minimum wage laws

LOCALITY	ITHACA, NY	SANTA FE COUNTY, NM	LAS CRUCES, NM	FLAGSTAFF, AZ	PALO ALTO, CA	PORTLAND, MN	BELLINGHAM, WA	BOULDER, CO	EVERETT, WA
Population	104,047	156,907	229,091	144,368	86,217 ¹	69,911 ²	96,395 ³	105,689 ⁴	113,567 ⁵
College students as % of population ⁶	28%	1%	2%	9%	21% ⁷	5%	9%	23%	2%
Year MW implemented	--	2003	2014	2016	2016	2016	2024	2024	2024
2025 MW	--	\$15.00	\$12.65	\$17.85	\$18.20	\$15.50	\$17.66	\$15.57	\$18.24 ⁸
Local MW as % of state MW	--	125%	105%	121%	110% ⁹	106%	106%	105%	109% 123%
Unemp. rate change (MW year average to 2025 average) ¹⁰	--	-16%	-32%	-27%	+8% ¹¹	-10%	0%	-2%	+9% ¹²
Average annual job growth (MW to 2025) ¹³	--	0% ¹⁴	+1%	+1%	+1% ¹⁵	+1%	0%	-1%	+1% ¹⁶
Average real GDP growth (2022- 2024) ¹⁷	2.0%	2.2%	3.5%	3.1%	1.7%	3.3%	2.0%	2.3%	3.2%
% emp in public sector (2025)	12%	25%	23%	22%	9%	10%	17%	16%	14%
Unemployment rate (2025 average)	3.5%	3.7%	4.9%	4.7%	4.3% ¹⁸	2.8%	4.4%	4.0%	4.7% ¹⁹
MW law	--	Indexed to CPI	Indexed to CPI	Indexed to CPI ²⁰	Indexed to CPI	Indexed to CPI	Step increase ²¹	Step increase ²²	Step increase ²³
Coverage (TW=Tipped wage)	--	TW 30% of MW	TW: \$5.06	One Fair Wage	One Fair Wage	TW: \$7.75	One Fair Wage	Tip offset	One Fair Wage ²⁴

Notes: Data are for 2025 unless otherwise noted. Data refer to the Metropolitan Statistical Area (MSA), unless otherwise noted. Unemployment rate change and annual job growth are blue if positive and red if negative; Real GDP growth is blue if 2% or above and red otherwise.

Sources: Population: US Census. College students as % of population: National Center for Education Statistics. Local & state MW: State statistical agencies. Unemployment rates: Local Area Unemployment Statistics (Bureau of Labor Statistics (BLS)). Job growth & % emp in public sector: Quarterly Census of Employment and Wages (BLS). County GDP: Bureau of Economic Analysis. MW Law & Coverage: (Lathrop 2025).

Of the five localities that have had a minimum wage for 10 years or more, four have seen positive outcomes across all three variables – unemployment, job growth, and GDP growth. The four with positive outcomes on all three variables are:

- **Santa Fe**, which adopted a minimum wage in 2003 that is 125% of the state minimum wage, saw its *average annual unemployment rate* decrease by 16% from 2003 to 2025, while its *job growth* averaged 0% annually across the 23 years since it has had a minimum wage, and its *GDP growth* averaged 2.2% annually from 2022 to 2024.
- **Flagstaff**, which adopted a minimum wage in 2016 that is 121% of the state minimum wage, saw its *average annual unemployment rate* decrease by 27% from 2016 to 2025, while its *job growth* averaged 1% annually across the 10 years since it has had a minimum wage, and its *GDP growth* averaged 3.1% annually from 2022 to 2024.
- **Las Cruces**, which adopted a minimum wage in 2014 that is 105% of the state minimum wage, saw its *average annual unemployment rate* decrease by 32% from 2014 to 2025, while its *job growth* averaged 1% annually across the 12 years since it has had a minimum wage, and its *GDP growth* averaged 3.5% annually from 2022 to 2024.
- **Portland, ME**, which adopted a minimum wage in 2016 that is 106% of the state minimum wage, saw its *average annual unemployment rate* decrease by 10% from 2016 to 2025, while its *job growth* averaged 1% annually across the 10 years since it has had a minimum wage, and its *GDP growth* averaged 3.3% annually from 2022 to 2024.

One locality experienced an increase in unemployment and slower growth:

- **Palo Alto**, which adopted a minimum wage in 2016 that is 110% of the state minimum wage, saw its *average annual unemployment rate* increase by 8% from 2016 to 2025, while its *job growth* averaged 1% annually across the 10 years since it has had a minimum wage, and its *GDP growth* averaged 1.7% annually from 2022 to 2024.

These findings should be considered with some caution, because unemployment, job growth, and GDP growth are complex phenomena with multiple causes. That said, we believe these data clearly show that cities and counties can adopt a minimum wage and experience decreased unemployment alongside increased GDP growth.

4.3. *Given the tradeoffs, do workers experience net benefit?*

Many of the comments in convenings asked whether workers earning low wages benefit from minimum wage increases. Most studies show that, on balance, they do benefit. Prof Bloesch noted in his talk that studies find the earnings of affected workers increasing with minimum wage increases, and minimum wage increases associated with improved access to credit, reduced debt, reduced rates of eviction, and lower take-up of public benefits. Minimum wage increases are in general an effective tool for fighting poverty (Dube 2026).

Table 3. Demographics of low-wage workforce, additional estimates

	Wage earners (excluding self-employed)
Total low earners under \$25.08	20,329
Low earners <200% poverty	7,481
% of low earners <200% poverty	36.8%
16–17 below \$25.08	331 (73.7%)
18–24 below \$25.08	7,200 (76.9%)
65+ below \$25.08	1,050 (36.7%)
16–24 low earners	7,531
16–24 living with parent	2,090 (27.8%)
Low earners under \$25.08 with own children	4,327

Source: ACS 5-year data (2020-24)

One question in the convenings concerned whether low earners need minimum wage increases. Some participants mentioned teenagers supported by their parents, part-time carers supported by their spouses, older people living on retirement savings, and commuters driving to Tompkins County from areas with a lower cost of living. By re-analyzing the ACS 5-year dataset, the research team has been able to tackle some of these issues (see table 3):

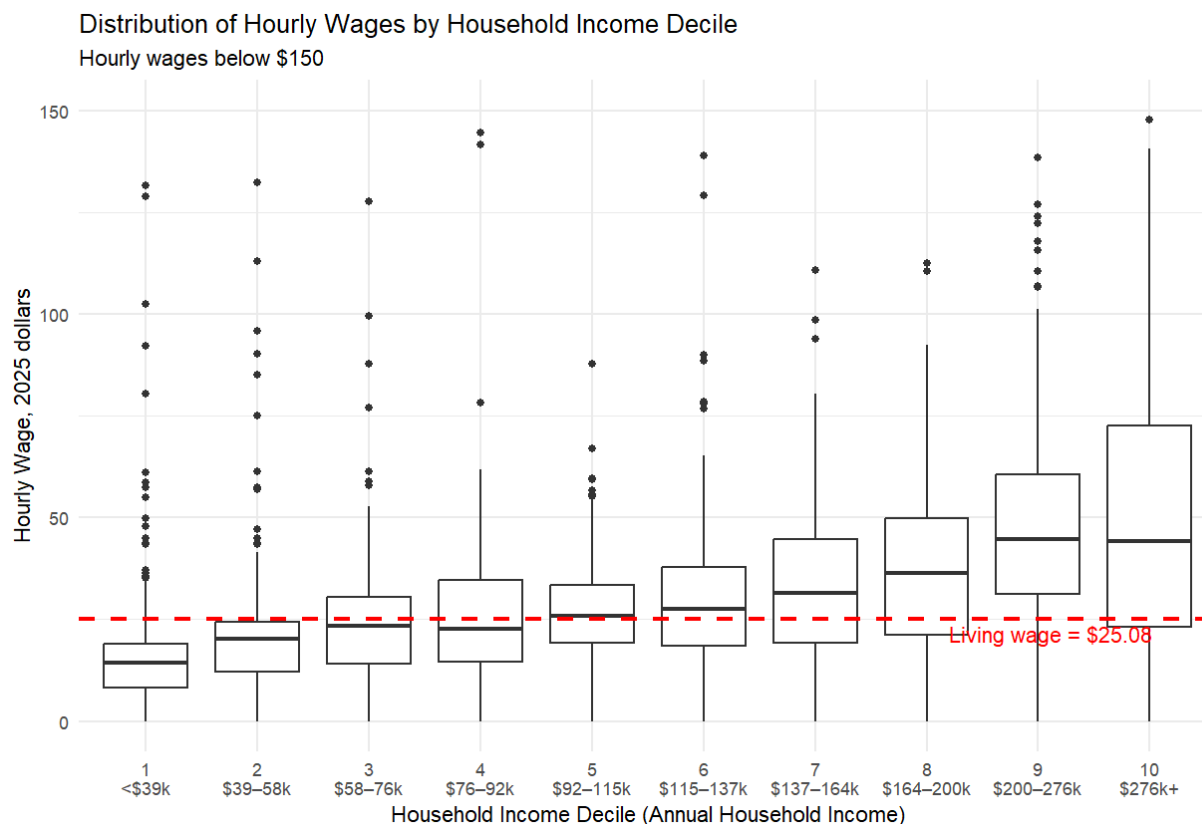
- **Low earners disproportionately live in low-income households.** Among workers earning below the \$25.08 wage, 36.8% live in households below 200% of the federal poverty threshold, compared with only 5.6% of workers earning \$25.08 or more.
- **Workers younger than 18 and older than 64 account for a small share of employment.** According to our 2026 estimates, 73.7% of workers aged 16-17 earned less than a living wage, but this was only 331 workers. More low earners are aged 65 or older, 1,050 workers. 36.7% of wage earners in that demographic make less than \$25.08, meaning that older workers are disproportionately likely to earn above the living wage.
- While it is true that some younger workers earning low wages live with their parents, **there are many more parents earning low wages who support children.** Only 27.8% of workers aged 24 and younger who earn under \$25.08 are living with their parents, or 2,090 workers. By contrast, 21.3% of all low earners have a child of their own in their household, or an estimated 4,327 workers.

- Figure 1 (next page) provides a detailed breakdown of hourly earnings by household income. The figure shows how common it is for low earners to live in high-income households. The numbers are small. The box plot in Figure 1 shows the distribution of wages within household income deciles. The bold line in the boxes is the median wage, with the bottom of the box indicating the 25th percentile, the top indicating the 75th percentile, and the dots indicating outliers. Among households in the top income decile, with at least \$276,000 in annual income, about one quarter of wage earners are making less than \$25.08. This is more than the 9th decile (household income between \$200,000 and \$276,000) and similar to the 8th decile (\$164,000-\$200,000).
- Conversely, in the lowest-income households, very few workers earn *more* than \$25.08. In the second decile (households with income of \$39,000-\$58,000) only about a quarter of workers earn above \$25.08, and this figure is even lower for the very poorest 10% of households.

The most common potential cost of a minimum wage to workers mentioned in the convenings is price increases. These may eat up part of the benefit to workers from minimum wage increases. We know that fast food and grocery employers do pass most of the cost of wage increases onto consumers, but studies show that workers in low-wage positions experience a net gain in purchasing power, as their earnings growth typically outpaces the rise in their cost of living (Dube & Lindner 2021; Harasztosi & Lindner 2019). These price changes, which are most pronounced in food service, facilitate a transfer of resources from more affluent consumers to workers with low incomes (Dube & Lindner 2021). This tends to improve the quality of life for the lowest earners.

The components of the cost of living in our Living Wage reports are relevant here. The two items that accounted for most of the living wage increase in 2023-2025 in Tompkins County were housing and transportation; in 2026 they together accounted for \$1,985 per month, 46% of the gross budget including taxes and more than half of the net budget excluding taxes. Since housing includes utilities, and transportation includes gas, both of them are sensitive to increases in energy prices caused by shifts in global commodity markets. Housing is also driven up by inadequate supply, as documented by the County's housing snapshot, and transportation is high due to the scarcity of public transportation. Housing is more expensive closer to the City of Ithaca, whereas transportation costs more in rural areas. The cost of food (i.e. groceries) is also driven mainly by non-local factors, such as tariffs and global commodity markets. Compared to eating out and personal services, groceries, gas, and rent are not affected much by minimum wage increases.

Figure 1. The relationship between household income and hourly wages in Tompkins County

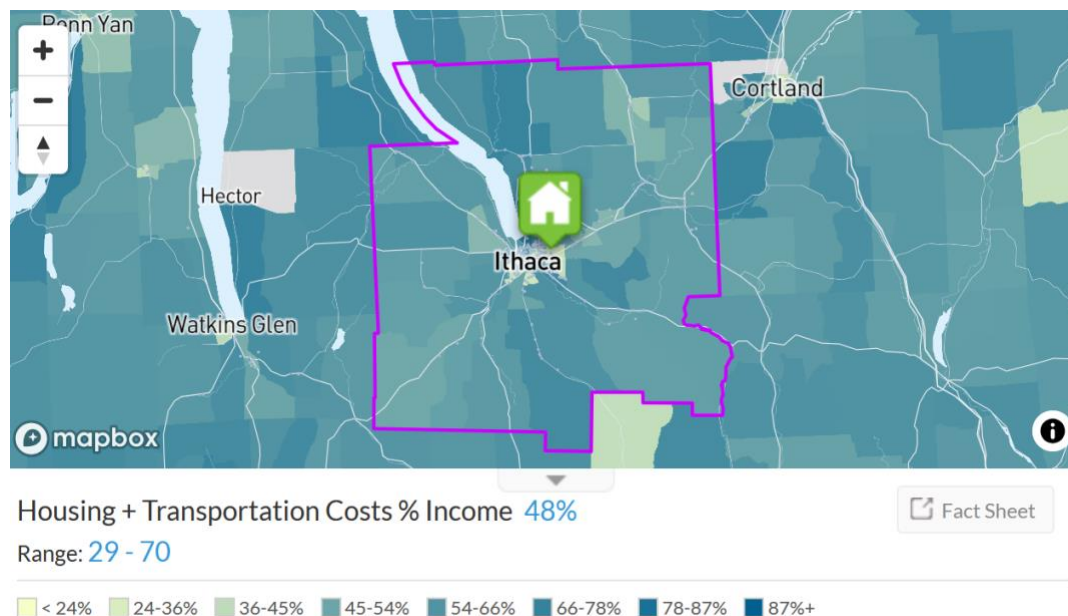


Notes: This box plot shows the distribution of wages within income deciles. The bold line in the boxes is the median wage, with the bottom of the box indicating the 25th percentile, the top indicating the 75th percentile, and the dots indicating outliers.

Source: American Community Survey, 5-year sample, 2020-2024.

One topic of convenings was commuting. Some participants argued that wage increases are not needed for rural workers due to the lower cost of housing, especially for workers who commute in from outside of Tompkins County. An estimated 15,641 workers commute into Tompkins County for work, and subtracting out-commuters we have net in-commuting of 11,361 (Ithaca Tompkins Transportation Council, 2024). Compared to people who live and work in Tompkins County, the ACS data show that commuters have lower hourly wages (\$25.98 vs \$29.54), with correspondingly lower household income. While they are less likely to be renters or housing cost burdened, their commutes are much longer (35 minutes vs 15 minutes). As shown in Figure 2, the housing plus transportation index shows that the overall share of income for housing and transportation in the County is 48%; mapping this data shows costs are also high in neighboring counties.

Figure 2. Housing + Transportation Costs in and around Tompkins County



Source: Center for Neighborhood Technology (2026)

Another concern was about employer-provided benefits. Minimum wage increases may create an incentive for employers to reduce the value of fringe benefits. One participant mentioned a program by NY State to subsidize employer-provided health insurance that requires 30% of workers to make under a certain threshold; this is particularly beneficial to businesses that employ low-wage seasonal workers for part of the year, and the concern is that if they were required to increase their wages they might lose eligibility for this healthcare subsidy. However, studies show that the amount lost in the value of benefits tends to be much smaller than the amount gained in wages. Prof Bloesch cited a finding by Clemens et al (2018) that a \$100 wage increase is associated with a \$9 cut to health benefits.

Reduced uptake of benefits is an advantage of minimum wage increases, but it also comes with risks. Workers who lose eligibility for public benefits because of a wage increase may not recover the value of those lost benefits in increased wages. This situation is what we call a benefits cliff and was often mentioned both by employers and representatives from the Department of Social Services. According to our best estimates, it affects relatively small numbers of households (Rodriguez and Greer 2021). We find that 2-4% of households affected by a minimum wage increase experience benefits cliffs, depending on the magnitude of the wage increase. Conversely, 96%-98% of affected households benefit financially from minimum wage increases. Looking at different scenarios of minimum wage increases, the share of households benefiting from a higher wage but facing benefits cliffs decreases with the magnitude of the minimum wage increase. With a rapid minimum wage increase, the additional earned income compensates for the value of lost benefits. In other words, benefits cliffs are more of a problem with slower minimum increases than with more rapid ones. We found that the households affected by benefits cliffs are disproportionately female-led, receiving multiple benefits, and

have at least one child. These estimates should be treated with caution because they are now a few years old.

A final problem concerned employment effects for marginalized workers, such as teenagers and formerly incarcerated workers. In the youth employment convening, we heard about two main reasons why employers are less likely to hire young people. First, employers might hire adults, rather than teens, in line with the common research finding that minimum wage increases have a much greater impact on employment of youth than with employment generally. On this point, however, research findings are mixed. Any employment effects found by studies are concentrated on marginalized workers, but some other studies find employment gains. One, for instance, finds employment gains for the formerly incarcerated, possibly an effect of overall job stability for people who otherwise are disproportionately fired or quitting (Agan and Makowski 2023). Studies have found, more broadly, reduced quitting and firing to be associated with minimum wage increases (Forth et al 2025). Second, for subsidized positions specifically, funding has not increased in line with minimum wage increases, with the result that youth employment programs are serving ever fewer people. This is a longstanding problem that can only be addressed by increasing funding for youth employment programs.

5. What else did the stakeholders say?

The stakeholders raised numerous points that are difficult to assess or address using existing data. We divide them into local business, care economy, and worker issues. These are discussed in more depth in the in the appendices, but below is the summary of the research team.

5.1 Local business

We held four sessions focused on the views of local businesses - public convenings in Downtown Ithaca and Lansing, and online focus groups with manufacturers and human resources professionals. The dominant sentiment was concern. Although dozens of studies show that overall employment effects of minimum wage increases are small, local businesses were with overall effects for industries or groups of workers. They were also focused on the consequences of a minimum wage increase specifically for their organizations.

One issue was with product markets. As Professor Bloesch suggested, the effects on “tradable sectors” (those producing commodities for price-sensitive markets) will be greater than those on “nontradable sectors” (serving local or less price-sensitive markets). The reason is that local employers in tradable sectors are competing with firms elsewhere who might gain a competitive advantage due to paying lower wages, because of a lower minimum wage increase. This concern was centrally important in the business convening in Lansing and the focus group online with manufacturers.

A second set of issues had to do with “wage compression”, i.e. the reduction of wage differentials for workers who are earning well above the minimum wage. These were discussed in most detail in the focus group for HR managers, but also appeared in the other convenings. In the downtown Ithaca convening, for example, a County legislator asked what the effect of a minimum wage increase would be for employers that already pay well above the minimum wage. The answer is that workers become dissatisfied and demand higher pay, and it becomes

more difficult or expensive to recruit entry-level workers because fewer employers are paying extremely low wages. The same point was made by manufacturers, who pay disproportionately higher than the living wage, but expect to pay higher wages to attract and retain workers as the wage floor goes up. Moreover, some employers reported that as pay differentials are reduced within their organizations, there is less incentive for workers to accept promotion and take on more responsibilities. While many workers and economists would see pushing up wages for workers just above the minimum wage as a benefit, many employers we heard from saw compression as a cost, part of their calculation for how a minimum wage increase affects their businesses.

A third set of issues concerned non-wage compensation. This included the possibility that employers might pay for wage increases by cutting benefits. The most-discussed benefit was healthcare, in particular the current cost increases. Other benefits include retirement contributions, housing, and meals. HR professionals seemed doubtful that this was feasible or a good idea, especially when benefits are collectively bargained with a union. This is in keeping with the economics literature showing that cuts to benefits account to a small share of the increase in wages. There was also a policy question, however, about what kinds of deductions would be permitted for low earners if there was a County minimum wage, especially for housing.

Fourth, participants discussed the difficulties of adapting to a minimum wage increase within their organization, beyond adjusting compensation. Increasing wages puts pressure on them to do the same amount of work with fewer workers, i.e. to increase labor productivity. In manufacturing this might speed up plans to purchase robots or introduce process improvements. Service-sector employers, however, do not have as many tools to increase productivity as manufacturing. One participant discussed requiring workers to do more work, and worker injuries increasing as a result. (There is at least one study that shows that this can actually happen [Davies et al 2024]; a participant in the youth employment convening proposed stepped-up health-and-safety training for workers.) Another participant discussed service quality deteriorating. Two employers discussed the possibility of hiring fewer teens and more adults to improve efficiency, and there was a general concern that employers under pressure to be more productive might be more “choosy” and risk averse when recruiting workers.

Fifth, participants discussed investment and relocation across county lines. There is not much research evidence on this point, and it also cannot be addressed using the data used to track wages and employment locally. This was related to broader questions about the business climate locally, including concerns about high taxes, inadequate transportation infrastructure, and other policies locally that might interact with minimum wage increases, such as abolishing at-will employment in the city of Ithaca. Participants argued that the County should show that it values business, especially manufacturing, for which capital is mobile. Similar points were made about farming. Some participants were worried that it would harm the rural economy and lead to broader problems, for example, creating food deserts by driving out retail.

In the past, Ithaca Co-Lab researchers have interviewed many employers and published about their views on the labor market, including minimum wage, living wage, and its role in recruitment and retention (Greer et al 2021). We heard from employers about the business case for paying a living wage, for example that it leads to less quitting and therefore leads to greater productivity and less spending on recruitment (Eaglesham et al 2023). In the focus groups and

convenings for the present project the story we heard was different. This is in part because question was different, about the minimum wage, rather than the living wage, and employers focused on costs rather than benefits. The difference may be attributable to the difference between a voluntary living wage and a mandated wage floor. The former creates an advantage for living wage employers compared to lower-paying competitors in recruiting workers, and therefore a powerful justification for keeping well ahead of minimum wage increases. A higher wage floor for all employers tends to reduce this advantage; as labor economists have pointed out, this leads to fewer quits by reducing opportunities for workers to earn a marginally higher wage at a different employer (Forth et al 2025).

5.2 Care economy, public benefits, and workforce development

Three of the sessions included professionals who both employ workers earning low wages and support low-income people as service providers. The key partners in these convenings were the Human Services Coalition, the Child Development Council, the Department for Social Services, and the Workforce Development Board. The people in the room were mostly providers of childcare services, youth employment programs, re-entry services for the formerly incarcerated, and case management and job search assistance of various kinds. There were also a few other employers. Many of the people in the room spoke as employers who struggled to increase workers' pay due to financial constraints. There is little if any scope for improving productivity or paying for wage increases out of margins. However, as the research presentation by Dr Zoe West and Dr Anne Marie Brady pointed out, the care economy works as a broader economic engine, among other things making it possible for many people to enter the workforce (West and Brady 2023; Lenmark et al 2025).

Some participants saw an important benefit for increasing wages within the organizations they managed. According to HSC's 2024 survey, hourly wages for front-line workers in social services ranged from \$15 to \$22, and wages in childcare are similar. Because of low wages, service providers struggle with recruiting and retaining workers. The work is often difficult – looking after kids – and the wages are too low for many people to stay in this kind of work for many years. The sentiment in the room was generally that providers see low wages as a problem that needs to be addressed; on the other hand, as one participant noted, nonprofits are disproportionately accused of wage theft by workers calling the Tompkins County Worker Center's Workers' Rights Hotline.

Similar to private businesses, compression is a major problem. In care sectors, some jobs require a college degree and others do not. One participant pointed out that \$25.08 would produce an almost perfectly compressed pay structure, in which investment in education would not seem to pay off and the incentive to progress professionally would be very weak. The Department of Social Services also has 15 workers below the \$25.08 threshold and would have to address compression.

To increase wages, these sectors need funding. Otherwise, the result of a mandated minimum wage increase would be fewer services. In some cases, the problem is a matter of simple arithmetic, such as youth employment programs where budgets have not increased but minimum wage increases have driven up the cost per participant. (This is the situation for workforce development in general.) For childcare, similarly, expense compared to family incomes is higher

than New York State or US average, and there are currently 50 families on the waiting list for subsidies from DSS for childcare. Similar points were made for summer camps, which rely heavily on a younger workforce making less than a living wage, and elder care, which also relies on low earners and is too expensive for many families.

Given the already high cost of tuition in childcare, there is limited scope to shift costs onto families. Brady and West note that when Seattle increased the minimum wage, the City provided more subsidies to low-income families and created a fund to cover the cost of pay increases. Another approach to covering the cost of childcare using public resources has been from New Mexico, using Medicaid to cover the healthcare costs of childcare workers.

For many of their clients there was the additional problem of benefits cliffs, discussed above. Professor Greer provided a brief research presentation showing that the vast majority of households whose earned income is increased by minimum experience experience a net benefit, taking into account the value of lost benefits. However, participants in the convening were concerned with those who are left behind. The research shows that these are disproportionately female-led households with children claiming multiple benefits. One participant noted that there are also examples of older people receiving other benefits. Should these workers be encouraged to work shorter hours so their earned income remains low enough for them to keep their benefits? Or should the rules of benefits be altered to enable all recipients of public assistance to benefit from minimum wage increases? Would Universal Basic Income be a feasible solution, since it avoids the problem of the means test?

There were also mixed feelings about the overall effects on the labor market. If there is less firing and less quitting, there will also be fewer open positions. If a minimum wage increase makes employers more “choosy”, would it reinforce the barriers to progression of disadvantaged job seekers? A participant in the youth employment session argued for paid internship pipelines into healthcare and technical fields, and that a minimum wage increase should be accompanied by improvements to training and transportation, access to childcare, and better coordination of the workforce development system. One employer in the youth employment session argued that a minimum wage increase would mean closing down or only hiring adults. Some of the youth employment providers in the room shared this concern, seeing low-paid jobs as part of a ladder that workers need to progress in the labor market. A similar argument was made about older workers, who are supported by retirement savings and work not due to wages but in order to stay active. There was some support in the room for a lower “training wage” for young people. However, a trade unionist in the room pushed back, arguing that with entry-level union jobs already paying close to \$24/hour with benefits, “if we raise the floor enough, we don’t need a ladder.”

The view of government expressed in these sessions was different from that in the business-focused sessions. Instead of seeing government purely as a cost, they saw their services as an economic engine. Spending on childcare, healthcare, elder care, services for the disabled, and youth employment programs create jobs, but they have an additional economic benefit as well. They ease transitions into the labor force by young people but also for people (mainly women) who would otherwise be doing unpaid care work at home. Private businesses struggle with a tight labor market in which it is difficult to recruit; spending on care work is an investment that

would alleviate these problems. This point was made forcefully in the care economy convening and is backed up by considerable research evidence.

5.3 Workers

Workers are the largest affected group, the one with the most immediate stake in the outcome, and paradoxically the hardest one to reach. The May 21 session at the Tompkins County Public Library drew several workers, but our attempt to organize a public convening in a rural place fell through. We therefore conducted focus groups of workers at the Franziska Racker Centers and Southside Community Center, students at TSD-BOCES, and interviewed 11 other workers on a farm and through canvassing at May Day and Juneteenth celebrations. While this is not representative of all low earners in the County as a whole it does include workers in a range of urban and rural workplaces – dairy farms, construction sites, retail stores, group homes, community centers, and classrooms.

Workers consistently told us that the current minimum wage does not cover basic living costs. For many this remains true well above \$16 an hour. Workers at a nonprofit earning between \$16.60 and \$18 an hour described their pay as “definitely not living wage,” and another worker who works for a small Ithaca business for \$18 an hour, said simply, “at \$18 an hour, it is still hard.” One worker who earns under \$40,000 a year through handyman tasks is currently couch surfing; asked what a living wage would change, he said he would be able “to afford to eat and have a place to sleep at the same time.” Another worker, who holds a second job, observed that the \$25.08 living wage figure was below what she currently earns, and that her rent still exceeds a month’s pay. Workers earning well above the minimum made the same point about the floor itself. A Cornell Dining worker earning roughly \$21 an hour – one of the better-paid service jobs in the County – and, as he was careful to say, only because it is union-covered. He stated: *“I do not think \$16 an hour is sustainable in Ithaca. At \$16 an hour, I feel like a person would be kind of starving. ... A person would probably need two jobs, or maybe even three jobs, just to get by.”* A dairy farmworker earning \$17.25 an hour described the same pressure through the price of everyday goods. *“Wages go up by cents each year, but at the store, things go up by two or three dollars each. With \$200, you cannot buy much anymore. ... With the minimum, you can only do the minimum.”* As one educator noted, *“It is not that people are lazy. If a person works every day, eight hours a day, forty hours a week, they should earn enough to take care of themselves, especially if they have children.”* Conversely, workers described what an increase would buy in concrete terms: groceries without constant tradeoffs, a bicycle broken for two years replaced, a car paid off, deferred medical and dental work addressed, a small emergency reserve, a return to school, money sent to family. *“Right now, I cannot pay for a bike, and I cannot even imagine getting a car. ... I would not have to eat rice every day with mushrooms and tofu just to get by.”*

The most common way to close the gap between hourly wages and the cost of living is to sacrifice a valuable resource, namely time. Participants described working longer hours, taking on second or third jobs, and accepting regular overtime simply to meet basic expenses and they were precise about what those additional hours cost them. A dairy farmworker who begins feeding cattle at 5:00 a.m., for example, reported working sixty to seventy hours per week. A cleaner earning \$19 an hour supplements her income with weekend landscaping work, bringing her workweek to roughly forty-eight to fifty hours. Direct support professionals at the Racker Centers similarly described second jobs, third jobs, and extensive overtime as common: *“We’re*

working more so we can make the money we need to survive. That work-life balance is just so off right now.” *“With a higher wage, I would have more time, mainly for my children.”* Higher wages, workers said, would allow them to reclaim time: time with their children and families, time to rest, time to attend to their health, and time to participate more fully in life outside of work. In this sense, workers described higher wages not simply as a source of greater income, but as a way to reduce the amount of their lives they must devote to work simply to meet basic needs, while also creating greater opportunities for personal fulfillment.

Workers also argued that low wages waste effort and frustrate personal development. One worker talked about the time spent value shopping, deferring dental work, driving cars with failing brakes, and chronic stress. He argued that these private struggles negatively impacted community, and workers with a living wage “wouldn’t have to put their time and energy into those things. They could put that time and energy towards friendships, towards thinking about their future, towards networking with people, expanding their opportunities, towards saving.” The same speaker argued that workers “should be hitting economic milestones” like saving, buying property, starting families, going back to school, and that while living in poverty, “none of those things are possible.” A recent Cornell graduate in the same room had been admitted to graduate programs but realized he hadn’t saved enough to go to school. Where employers described low-wage work as having intrinsic value for young people, some workers who had done it as children did not agree. One who started as a busboy at twelve told us he “would really rather not have had this position, and I don’t think I would have had to if my parents were earning a living wage.”

There was also a view that higher wages would be good for employers. Participants in retail and residential services connected low pay to turnover, recruitment difficulty, loss of experienced staff, and pressure on service quality. One interviewee contrasted a small hotel where every employee is paid a living wage – “they are experts at what they do” – with retail where rapid staff turnover costs employers hundreds or thousands of dollars. Racker staff made the parallel argument about care. *“We shouldn’t have to compromise the quality of care and the quantity of staff that we have to give the care based on the fact that they can’t afford to essentially work.”*

Workers also described effects reaching past their own budgets. *“If people made more money, they would have more money to spend in the community. Right now, everyone is strapped. People cannot go to restaurants or do extra things they used to do. Even going to a state park can cost \$10 for the day.”* Participants at the May 21 convening argued that low wages had fed into a sharp decline in foot traffic on the Commons and a loss of the music venues that had once been key places for finding community. Other workers connected wages to racial inequality, observing that the coworkers he knew who owned homes had inherited them from families who bought when buying was possible, and that low pay is “reinforcing racial disparities in our community.” Immigrant participants at TSD-BOCES calculated the value of an increase across borders. An extra \$2 an hour over a full workweek is roughly \$320 a month, which one participant described as a regular worker’s monthly wage in Mexico; another said that at \$20 an hour he could finally send money to his father in Africa. Part of any increase would therefore leave the County as remittances, a real benefit to his family.

Workers did not present a uniform view of how an increase should be implemented. Some worried that businesses would respond by raising prices; others specifically feared increases for

necessities like toilet paper, soap, and clothing that would erase the gain at the register. One TSD-BOCES participant, drawing on conditions in his home country, thought higher labor costs could push small businesses toward off-the-books employment; another argued that healthcare access and free education would do more for his security than the wage itself. Several worried specifically about small employers.

Several participants had direct experience with SNAP, Medicaid, or housing assistance and understood well that higher earnings interact with eligibility thresholds. One Southside Community Center staffer had lost SNAP eligibility after a household reassessment put her roughly \$200 over the line. But she pointed out that with high enough wages she would not need SNAP and she would rather rely on wages from an employer than on DSS. Another worker described coworkers turning down extra hours, full-time conversions, and outside job offers in order to protect roughly \$250 a month in food assistance. Students at TSD-BOCES pressed the same issue from the opposite direction and with equal specificity. Several noted that minimum-wage jobs currently qualify them for Medicaid, and asked whether an increase would push them over the threshold before they could afford anything better; one observed that even a job paying \$30 an hour allows him to buy private coverage that is “not great.”

Benefit cliffs are a genuine implementation problem. But the workers who raised them treated them as an argument for coordinating wage policy with eligibility rules, outreach, and transition supports, not for holding the minimum wage down. The testimony therefore suggests that benefit cliffs are a genuine implementation issue, but not necessarily an argument for maintaining a low wage floor. Instead, they point toward the need to coordinate wage policy with benefit eligibility rules, outreach, and transition supports so that workers are not penalized as their earnings rise.

Workers disagreed about how large an increase should be, how quickly it should arrive, and what should accompany it. Some worried that businesses could respond by raising prices. Others raised concerns about layoffs, informal employment, or the ability of smaller businesses and human-service providers to absorb higher labor costs. These concerns deserve attention. Importantly, however, even workers who voiced caution frequently paired those concerns with support for higher wages. Worker concerns about implementation were about *how* an increase should happen rather than claims that the current minimum wage is adequate. Phased implementation, clear advance notice, attention to benefit cliffs, consideration of particularly exposed sectors, and continued evaluation would address much of what workers themselves raised.

Finally, the testimony from workers shows that persistent low wages impose costs. For workers the cost is in money, time and stress, and for employers it is through vacancies, turnover, training, and compromising quality. In service industries where continuity and experience determine service quality, those costs fall on the people being served. These observations complicate the difference between employer and worker interests.

6. What are the County’s options for a minimum wage?

Much of the concern reflected a belief that a minimum wage increase could happen immediately and that the minimum might increase overnight from \$16.00 to \$25.08. In reality, the level of the minimum wage and the rate of increase are questions for legislators to decide.

Cities and counties in the US set minimum wages using a variety of methods. At the beginning of 2026, at least 49 cities or counties increased their minimum wage, 40 of which reached or exceeded \$17. Later in 2026, 22 more areas increased their minimum wage, and 17 of these exceeded \$17. These included big cities (such as Chicago, Los Angeles, Minneapolis, Oakland, San Diego, San Jose, and Seattle), and suburban counties and towns (especially in Southern California, the Bay Area and Western Washington), but also smaller communities such as Flagstaff and Tucson AZ, Santa Rosa and Sonoma CA, Boulder CO, Portland and Rockland ME, Santa Fe and Las Cruces NM, Bellingham WA. The most comprehensive overview of what cities and counties are doing is an annual roundup produced by the National Employment Law Project (Lathrop 2025).

One question asked by the County in the request for proposals was how a minimum wage level can be set. The most common way internationally is to identify a target, which is a share of the median wage, and to consult every year with representatives of employers and workers periodically to set the level. The median wage of Tompkins County in May 2025 was \$27.95 (OEWS). For reference, European Union's minimum wage target is 60% of median (which in 2025 would be \$16.77 in Tompkins County), and the UK's target is 66% (which in 2025 would be \$18.45 in Tompkins County). This means setting the minimum wage according to its "bite," meaning the share of workers directly affected, which would also allow the County to consider ripple effects and compression.

Another method to set the minimum wage level would be to use a cost-of-living calculation, in line with the slogan "the minimum wage should be a living wage." When the cost of living increases more rapidly than wages, as has happened in recent years in Tompkins County, there is a strong policy rationale for considering living costs. Different living wage figures exist for Tompkins County, as we show in our 2026 living wage report, \$25.08, the living wage level calculated by ILR School researchers, assumes a basic needs budget for a single person. The MIT Living Wage calculator for a single-person household is \$24.60, looking at most of the same items, but with less local data. The housing wage, which is based on the definition of housing burdenedness for a single person paying HUD fair market rent for a one-bedroom apartment, is \$28.19. The Living Wage 4 US calculation, which assumes childcare costs and takes into account housing and transportation costs in commuting zones larger than Tompkins County, is \$28.96.

A third approach is to set a local minimum wage in relation to the State minimum wage. Bellingham, WA, for example, sets its municipal minimum wage at \$2.00 over the state minimum wage, currently \$19.13.

A second question asked by the County Legislature is how to adjust the minimum wage from year to year. The above-mentioned approaches provide answers – adjustment in line with increases in the median wage, the living wage, or the state minimum wage. This could be automatic or treated as a target, with the actual level subject to consultation with unions and employers, as happens in many European countries. Such consultation would be particularly important for stepwise increases to a higher minimum wage.

To adjust the minimum wage in line with the cost of living, cities and counties normally use the main inflation indicator, the Consumer Price Index (CPI). This is the most commonly cited and

accepted measure of the cost of living. However, the CPI has increased far more slowly than the actual living costs in Tompkins County. If the County adjusted the minimum wage level using CPI it would probably not keep up with the cost of living.

Non-wage compensation is an important consideration for many employers. The Tompkins County Workers' Center Employer Living Wage Certification program's provisions for employers that provide health insurance were frequently mentioned in convenings. Employers also pointed out benefits such as retirement contributions and housing. For a minimum wage policy, it is important to have clear rules about deductions for housing and other benefits.

A final consideration raised by employers is the varying the minimum wage level in line with the circumstances of different kinds of workers and employers. Minimum wage laws sometimes consider differently tipped workers, employers of different sizes, employers in particular industries, younger workers, and disabled workers. Some of these differences already exist in law, such as New York's tiered minimum wage (upstate, downstate, and Fast Food), wage minima attached to particular visas or public funding streams (Prevailing Wage in construction, Living Wage in local government contracting, wage minima for Medicaid-funded work, etc.), and sub minimum wages for tipped workers and disabled workers. As noted in Table 2, Everett, WA, has different minimum wage rates for different types of employers: \$20.44 for large employers (500 or more employees) and \$18.24 for employers with 15-499 employees OR annual gross income over \$2 million revenue; employers with fewer than 15 employees AND gross revenue less than \$2 million are exempt from the city minimum wage and pay the state minimum wage.²⁵

The advantage of varying the minimum wage is that it can account for factors raised by employers, such as productivity or ability to pay. Varying the minimum wage also has some downsides. Carveouts and sub-minimum wages tend to reinforce historic inequalities in the labor market and disparities by race, gender, and disability (Jayaraman 2021). The considerations raised by employers as reasons for varying the minimum wage are a complex mixture of worker needs and employer ability to pay. A minimum wage rule reflecting these considerations would be complex and difficult to understand. A variegated minimum wage landscape locally could also skew the competitive playing field on the labor market in unpredictable ways, as many local employers have pointed out in relation to the fast food sectoral minimum wage (seeing their workers quit to work for a higher wage in fast food). While cities and counties have diverse ways of varying the minimum wage, the vast majority lack a sub-minimum for tipped workers, and the UK's Low Pay Commission has called for keeping minimum wage rules as simple as possible to maintain a "level playing field" in the labor market (Low Pay Commission, 2025). Four of the seven cities in Table 2 adopted a "One Fair Wage" policy, which ends subminimum wages for tipped workers.

There are some additional steps that have to be taken if the minimum wage is increased. In particular, public funding is needed for wage increases in certain sectors. In the care economy, for example, increasing productivity – in the sense of producing more units per work hour – is not an option. But the services they provide are crucial for the functioning of the labor market and therefore the economy as a whole, and low wages are a serious problem for both the quality and quantity of care.

7. Summary and conclusions

The research team gathered rich information from stakeholders and community members, as well as data and studies to deal with many of the research questions raised. The convenings allowed participants' hopes and concerns to be voiced, and enabled a substantive exploration of how a county wide minimum wage increase would impact their lives and organizations. Some of these were about minimum wage increases in general, and others were specific to a Countywide minimum. While many of these were repeated across multiple convenings, new ones were raised in each. As a result, the research team has gained a deepened understanding of how a Countywide minimum wage would impact the community.

Many of the comments from participants were confirmed by research, including available studies and our own analysis of official statistics. First, there is a real problem with low pay locally. It is widespread and it is damaging to workers and their families. Second, tradeoffs are involved in a minimum wage policy. For example, the economic and social benefits for raising wages of care workers are manifold; but such investments will have to be paid out of tax revenues. Third, there are also differences in the impact. In terms of pay increases, people of color and women are more likely to benefit than white people and men, because the former disproportionately earn low wages. Employers in agriculture will find it more difficult to adapt than higher education and the service economy that surrounds it. Fourth, price increases and job cuts depend on the size of the increase and the cost structure of the specific employer, but are expected to be small overall. Unemployment locally is relatively low, and workers whose jobs are cut will still be searching in a tight labor market. Fifth, the idea that low earners pay the price for minimum wage increases is not borne out by research, which shows a variety of benefits.

Some of the perspectives should simply be taken on their own terms, and can neither be confirmed nor refuted by research. We summarized these above and in our summaries of the convenings.

As a research team, we have three main takeaways:

(1) The high cost of living in Tompkins County is a serious problem, cited by workers and business/organization leaders alike. The cost of housing is higher in the city than in rural areas, but rural workers commute more and pay more for transportation. A Countywide minimum wage is one tool for addressing this problem for wage earners. In all convenings, there was interest in the Legislature pursuing additional policies as well, either as alternatives or as complements. Whatever the Legislature decides, it should do so as part of a broader plan. This might include encouraging state level policy changes that might substantially ease the challenges to a County minimum wage (e.g., making care work Medicaid eligible, lobbying for changes to state grants, etc.)

(2) Policy design matters. Many who expressed concerns about a Countywide minimum wage were under the initial impression - corrected by the facilitator - that the Legislature was currently considering an immediate increase for the minimum wage to the living wage level. This was especially problematic for employers. The conversations became more constructive as it was explained that the Legislature could make different choices, about whether to pursue a Countywide minimum wage, about how that wage might be set and updated, about the timeline

for phasing it in, and about possible exemptions from it (e.g. the subminimum wage for tipped workers, or subminimum wages for very young workers).

(3) Trust and engagement are important but difficult to achieve. The convenings were successful in engaging those stakeholders who participated and providing an opportunity for the research team to hear them and integrate their concerns into this report. They were less successful in generating a representative distribution of stakeholder engagement, and needed to be supplemented by the focus groups and canvassing. To simplify, businesses were highly engaged but mostly suspicious; workers were mostly supportive but proportionally less engaged. Workers earning low wages often have to work long hours to make ends meet, which means less time not only to participate in convenings but also less time to connect with the civic networks through which county-level deliberations are structured. Requests for anonymity are related to a lack of trust in public institutions. As the Legislature makes its decisions, we encourage it to bear in mind that these patterns are likely to be replicated.

The convenings were a productive exercise in democratic deliberation. They provided an occasion for surfacing the different interests at stake, while pressing all participants to recognize how their own interests relate to others' in the community. They allowed the research team and participants to collectively explore the issues, hopes, and concerns about a Countywide minimum wage.

There is genuine disagreement over whether to have a Countywide minimum wage. Some of it is grounded in uncertainty, which the empirical research into other places' experiences will help to reduce. But disagreement is also inevitable when consulting with a wide range of affected stakeholders with conflicting material interests (e.g. between for-profit employers and private-sector workers with very low incomes) and different lived experience (e.g. between middle-class professionals and migrant farm workers). There was broad interest in how policy choices might alleviate potential drawbacks of a Countywide minimum wage. Above all, there was a genuine desire expressed across all convenings to devise policies that would meaningfully improve the lives of low-wage workers in Tompkins County, who bear the brunt of our cost-of-living crisis.

We hope that the perspectives and issues raised by the convenings, and the insights of the empirical research into the impact of minimum wage increases and the experience of other places, are useful for the County Legislature in making informed decisions about whether to pursue such a policy and what it might look like.

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Appendix A. Public Engagement and Evidence Index

A.1 Public Convenings

No.	Convening	Date	Location	Partners / participants	Format and emphasis
1	Launch Event: Tompkins County Minimum Wage Discussion	March 24, 2026	Tompkins County Whole Health, 55 Brown Road, Ithaca	County Legislature; Cornell ILR Ithaca Co-Lab; employers, workers, organizations and residents	Research process, questions, concerns and outreach needs
2	Data and Statistics Convening	April 8, 2026	Cornell University ILR School, Ithaca	Research team; county housing and transportation personnel; legislators and stakeholders	Wages, living costs, housing and transportation evidence
3	Tompkins County Business Community	April 14, 2026	Downtown Ithaca	Tompkins Chamber; Downtown Ithaca Alliance; employers and managers	Business perspectives and minimum-wage research
4	Lansing Business Alliance and Farm Bureau	April 14, 2026	Lansing	Farm Bureau; Lansing Business Alliance; CCE-TC; rural and agricultural stakeholders	Rural business, agriculture and cross-county competition
5	Care Economy Convening	April 21, 2026	Child Development Council	Human Services Coalition; Child Development Council; care employers and workers	Care work, public reimbursement and workforce shortages
6	Public Benefits Convening	April 21, 2026	Ithaca; exact venue not confirmed	Benefit administrators; human-services organizations; legislators and researchers	SNAP, Medicaid, housing assistance, tax credits and benefit cliffs

No.	Convening	Date	Location	Partners / participants	Format and emphasis
7	Youth Employment Convening	April 28, 2026	Exact venue not stated in reviewed minutes	Youth programs, educators, workforce-development partners and community representatives	Youth employment, transportation, apprenticeships and program funding
8	Workers Convening	May 21, 2026	Tompkins County Public Library	Workers' Center; Minimum Wage Coalition; workers, advocates and union members	Listening session; no research presentation; \$25 participant cards

Total: eight public listening convenings. The planned August County presentation is not counted as a listening convening.

A.2 Supplemental Focus Groups

No.	Focus group	Date	Location / format	Participants	Purpose
FG-1	Manufacturers Alliance Employer Focus Group	June 8, 2026	Zoom meeting	Manufacturing employers and managers	Wage compression, retention, productivity, benefits and outside-county competition
FG - 2	Food Systems	June 8, 2026	Ulysses Philomathic Library	Rachel Ostlund, other participants cancelled	Local business effects in Trumansburg area
FG-3	Racker Centers Worker Focus Group	June 9, 2026	Racker Centers, Wilkins Road, Ithaca	Direct-support and human-services workers	Wages, housing, responsibilities, burnout and retention

No.	Focus group	Date	Location / format	Participants	Purpose
FG-4	TSD-BOCES ESL Student Focus Group	June 10, 2026	TSD-BOCES, Tioga Street, Ithaca	Approximately 25 adult ESL students, three teachers and principal	Immigrant and refugee workers, remittances, housing, healthcare and benefits
FG-5	HR Professionals Employer Focus Group	June 11, 2026	Zoom meeting	HR professionals from business, nonprofits, education and government	Compensation, compression, benefits, recruitment and administration
FG-6	Southside Community Center Staff Focus Group	June 18, 2026	Southside Community Center, Plain Street, Ithaca	Community Center staff and neighborhood stakeholders	Wages, housing, transportation, benefits and household stability

Total: five supplemental focus groups. At participants' request, the TSD-BOCES session was not recorded and no participant names were collected.

A.3 Individual Recorded Testimonies

No.	Date	Outreach setting	Evidence represented
IT-1	May 1, 2026	May Day farmworker outreach	One combined recording representing three farmworkers
IT-2	June 20, 2026	Northside/community outreach	One individual testimony
IT-3	June 20, 2026	Southside Fest/Juneteenth-related outreach	One individual testimony
IT-4	June 20, 2026	Southside Fest/Juneteenth-related outreach	One individual testimony
IT-5	June 20, 2026	Southside Fest/Juneteenth-related outreach	One individual testimony
IT-6	June 20, 2026	Southside Fest/Juneteenth-related outreach	One individual testimony
IT-7	June 20, 2026	Community outreach	One individual testimony

No.	Date	Outreach setting	Evidence represented
IT-8	June 20, 2026	Southside Fest/Juneteenth-related outreach	One individual testimony
IT-9	June 20, 2026	Southside Fest/Juneteenth-related outreach	One individual testimony
IT-10	June 20, 2026	Southside Fest/Juneteenth-related outreach	One testimony; spelling differs across filenames
IT-11	June 20, 2026	Southside Fest/Juneteenth-related outreach	One individual testimony

Total: eleven recording sessions representing thirteen people. Most individual testimonies lasted approximately one to five minutes.

A.4 Written and Online Submissions

Evidence channel	Export date	Volume	Treatment in analysis
Qualtrics survey records	July 16, 2026	117	Eight red-highlighted records contained no substantive answers and were excluded
Retained Qualtrics records	July 16, 2026	109	Records retained after excluding the eight incomplete entries
Records with at least one substantive answer	July 16, 2026	106	Perspective, comment, wage-experience answer, follow-up answer or upload
Populated written-comment fields	July 16, 2026	73	Includes a small number of brief or administrative entries
Uploaded documents or images	July 16, 2026	6	Some accompanied comments and are not additional respondents

Counting note: the 73 populated comment fields and six uploads overlap and must not be added together as 79 separate submissions.

A.5 Overall Engagement Inventory

Evidence type	Verified total
Public convenings	8
Supplemental focus groups	6

Evidence type	Verified total
Individual-testimony recordings	11
People represented in recorded individual testimony	13
Qualtrics response records	117
Incomplete red-highlighted Qualtrics records excluded	8
Qualtrics records retained for analysis	109
Records containing at least one substantive answer	106
Populated written-comment fields	73
Uploaded documents or images	6

Source: Minimum Wage Evidence Inventory Report Completion Checklist (July 22, 2026) and Tompkins County Minimum Wage Survey export (July 16, 2026). Locations are qualified where the reviewed source record did not conclusively identify an exact venue.

Appendix B. Survey responses

At the launch event the research team presented a Qualtrics form, which we used to collect written feedback on the minimum wage proposal. This was proposed for people who were not comfortable participating in the convenings. As of July 29, 2026, we had 117 responses, 106 of which contained at least one substantive answer, 73 of which had a populated comment field, and six of which included an uploaded document or image.

Workers made up 69 of the 109 retained records (63.3%). Among the 102 respondents who answered the wage-experience question, 70 (68.6%) reported working for less than \$25 per hour during the previous year. Among respondents identifying as workers, 58 of 69 (84.1%) reported that experience.

Names are used only when the respondent answered “No” to the question asking whether they wished to remain anonymous. 75 requested anonymity, and 30 did not. Email addresses are intentionally omitted. Each displayed quotation below is a contiguous, word-for-word excerpt from the respondent’s comment. Original spelling, capitalization, punctuation, and grammar are retained. Excerpts use complete sentences or sufficiently complete surrounding context so that conditional statements are not presented as definite claims.

The survey did not ask respondents to vote yes or no on a specific minimum-wage proposal. The results document experiences and concerns; they are not a representative public-opinion poll and cannot establish the percentage of county residents who support or oppose an increase.

Table B1. Summary of Survey Responses Entered into Qualtrics form

Item	Count	Calculation or denominator	Interpretive note
Total response records	117	Workbook rows 2–118	Includes incomplete red rows
Red incomplete records	8	Rows 3, 5, 12, 16, 27, 53, 64, 67	Excluded; no substantive answers
Retained records	109	117 minus 8	Analysis population
Records with ≥ 1 substantive answer	106	Perspective, comment, wage, follow-up, or upload	Three retained records lacked substantive content
Populated comment fields	73	Nonblank column L among retained rows	Includes a few non-substantive entries
Uploads	6	Nonblank upload filename	May overlap with comment-field entries
Workers	69	$69 / 109 = 63.3\%$	Self-identified perspective
Community/other	27	$27 / 109 = 24.8\%$	Self-identified perspective
Business owners	8	$8 / 109 = 7.3\%$	Self-identified perspective
Government official	1	$1 / 109 = 0.9\%$	Self-identified perspective
Perspective missing	4	$4 / 109 = 3.7\%$	No category supplied
Worked below \$25/hour: Yes	70	$70 / 102 = 68.6\%$	Seven did not answer
Worked below \$25/hour: No	32	$32 / 102 = 31.4\%$	Seven did not answer
Workers below \$25/hour	58	$58 / 69 = 84.1\%$	All 69 workers answered

Item	Count	Calculation or denominator	Interpretive note
Future discussion: Yes	24	24 / 89 = 27.0%	Potential follow-up participants
Future discussion: No	65	65 / 89 = 73.0%	Twenty did not answer
Requested anonymity	75	75 / 105 = 71.4%	Four did not answer
Did not request anonymity	30	30 / 105 = 28.6%	Names used only where supplied

Source: Tompkins County Minimum Wage Survey, July 16, 2026_15.52.xlsx, Survey Details, rows 2–118.

What respondents said

Affordability, housing, and basic needs

Workers and community members repeatedly connected wages to rent, food, utilities, transportation, healthcare, childcare, debt, and the need to hold multiple jobs. Several said that even wages above the statutory minimum did not provide economic security.

“I am 24, and I make just under \$23/hour. After contributing to my healthcare benefits and 401K, I am left routinely using a credit card to fill need gaps for food and utility bills. with some calculations I have found that on average I will acrew \$6k in debt yearly, until I 1) Take out a loan for higher education, 2) Move to a higher paying job elsewhere, or 3) receive a livable age from my current employer. As a college grad with 65K in debt, and limited family assistance, I do not see a sustainable way to live and work in Tompkins County with out a rise in pay.”

— **Hollie Harnas, worker; Survey Details row 29**

“I live with 3 other people and we can barely afford to get by in an apartment that costs 2,000 dollars.”

— **Mackenzie Walsh, worker; Survey Details row 46**

“I could never afford a local apartment with a \$21.00 er hour part time income.”

— **Liane Moran, worker; Survey Details row 48**

“I personally experienced a rent increase of \$500 a month over 3 years.”

— **Marissa, worker; Survey Details row 92**

“It's not possible to afford the cost of rent working a minimum wage job in Ithaca. I have had to choose between housing and health care in the past year.”

— **Anonymous respondent, worker; Survey Details row 84**

“I get paid well above the minimum and am still living in paycheck to paycheck poverty.”

— **Anonymous respondent, worker; Survey Details row 85**

Human services, wage compression, and retention

Human-services respondents emphasized that experienced employees may earn only slightly more than entry-level workers despite greater responsibilities. Their testimony connected compensation to burnout, turnover, staffing shortages, service quality, and the ability to live near work.

“As a long-term residential worker in New York State, the rise in minimum wage has highlighted a growing issue in human services: experienced direct care workers are earning wages that are dangerously close to entry-level pay despite carrying significantly more responsibility.”

— **Stacy, worker; Survey Details row 91**

“This is not just about wages. It is about respect, retention, and the future stability of residential services.”

— **Stacy, worker; Survey Details row 91**

“At the wage I get for what I do there is no way we are able to afford to get a house any time soon, with paying for everything we currently pay for.”

— **Stephanie Halverson, worker; Survey Details row 63**

“I cant support my residents more because I have to live so far away because Ithaca isnt sustainable at Racker’s wage”

— **Kristen Keryk, worker; Survey Details row 103**

Direct support for higher wages

Some respondents explicitly called for a higher county minimum wage or a wage tied to the local cost of living.

“Cost of living continues to rise and the Tompkins county minimum wage needs to be a living wage - raised to \$25/hour”

— **Rosemary Batt, community member/retired; Survey Details row 68**

“Increase minimum wage”

— **Katie, worker; Survey Details row 94**

“Higher is better. Workers need to be paid more, not less.”

— **Anonymous respondent, worker; Survey Details row 80**

Employer and organizational concerns

Business owners and organizational representatives raised concerns about payroll costs, healthcare benefits, staffing, operating margins, cross-county competition, relocation, and publicly funded reimbursement rates.

“Lastly, 100% of our business revenue is generated outside of Tompkins County. 90% of our business is outside of New York State. We are in Tompkins County because we want to be - not because we have to be. A move in the minimum wage will force us to move the burden of healthcare from the business (we currently pays 75% of the premium) to the employee to recoup the additional wage expense, or we will relocate some or all of the business out of Tompkins County.”

— **Tony Eisenhut, business owner; Survey Details row 9**

“I’d much rather see our local government trying to figure out how to lower our taxes and high rents than increasing our minimum wage.”

— **Emily Russell, business owner; Survey Details row 31**

“Raising the minimum wage can lead to layoffs of people who have seniority and are not making much more but are making more than the minimum.”

— **Anonymous respondent, worker; Survey Details row 57**

“I support a statewide increase, but a county level increase will drive jobs out of the county. A 30 minute drive is cheaper then a wage increase”

— **Anonymous respondent, key manager of local employer; Survey Details row 59**

Conditional and complementary approaches

Several comments rejected a simple either-or framing. Respondents recommended pairing wage policy with public funding, housing measures, childcare support, or other interventions.

“There is a real need to ensure that the work they do is fairly compensated. However, I believe the solution should be nuanced.”

— **Charlene Santos, community member; youth-employment experience; Survey Details row 33**

“If policymakers are committed to increasing wages, that commitment should be matched with increased public or grant funding for youth employment programs.”

— **Charlene Santos, community member; youth-employment experience; Survey Details row 33**

“Our housing cost inflation is largely an on-purpose outcome of anti-housing zoning rules..”

— **Tom Clavel, community member; Survey Details row 105**

“Cost of living, specifically housing, needs to be addressed, not just wages. It seems inequitable to put the burden of exorbitant housing costs on the shoulders of small and medium-sized locally owned businesses, while not regulating the landlords and creating more truly affordable housing.”

— **Anonymous respondent, worker; Survey Details row 58**

Table B2. Substantive Quotes

Respondent	Perspective	Evidence topic	Row	Cell
Hollie Harnas	Worker	Credit-card use for food and utilities	29	L29
Mackenzie Walsh	Worker	Four people struggling with \$2,000 rent	46	L46
Liane Moran	Worker	Part-time \$21 wage insufficient for local housing	48	L48
Marissa	Worker	\$500 monthly rent increase over three years	92	L92
Anonymous	Worker	Minimum-wage job cannot cover Ithaca rent	84	L84
Anonymous	Worker	Paycheck-to-paycheck despite earning above minimum	85	L85
Stacy	Worker	Wage compression and direct-care responsibility	91	L91
Stephanie Halverson	Worker	Housing affordability and Racker wages	63	L63
Kristen Keryk	Worker	Living far from work because of wage level	103	L103
Rosemary Batt	Community/ other	Express support for \$25 living wage	68	L68
Katie	Worker	Direct request to increase minimum wage	94	L94
Anonymous	Worker	Direct support for higher wages	80	L80
Tony Eisenhut	Business owner	Relocation and employee-benefit concerns	9	L9
Emily Russell	Business owner	Prefers tax and rent interventions	31	L31
Anonymous	Worker	Layoff and wage-compression concern	57	L57
Anonymous	Key manager	Statewide rather than county increase	59	L59

Respondent	Perspective	Evidence topic	Row	Cell
Charlene Santos	Community/ other	Youth-program access and matching funding	33	L33
Tom Clavel	Community/ other	Housing and zoning policy	105	L105
Anonymous	Worker	Housing must be addressed alongside wages	58	L58

Appendix C. Summaries of convenings and focus groups

First convening: Launch Event

Tuesday March 24, 2026

This took place at Tompkins County Whole Health on Graham Road, near Ithaca airport. There were 50 people who registered and/or signed in. David Bateman (Cornell University Government Department), Greg Mezey (Tompkins County Legislature), and Ian Greer (Cornell University ILR Ithaca Co-Lab) introduced the study and the session. David Bateman asked the audience what they'd like to get out of the study and what the main topics that should be covered should be. Answers fall into three buckets.

How should the study be conducted?

Make it responsive to lived experience, but also include quantitative data. Testimony in convenings and focus groups, and other written comments submitted, are all “data” for this study.

Provide structure in the convenings, so it is clear what we are trying to find out. Avoid having “gripe sessions.” We already know that some people want a minimum wage increase and others oppose. Deeply held beliefs come into play. People should speak openly about their opinion. How do we make this informative beyond that? Having clear prompts and written agendas are one way to get there.

There is a difference between the County minimum wage study (being launched with this event) and the living wage calculation and reports. It is an open question whether there will be a countywide minimum wage and what level it would be.

Include people who can't make it to convenings. Participants in the launch event were disproportionately employers, rather than workers; take into account working hours. There aren't enough convenings to include all affected people in the county, and the convenings aren't targeted at specific communities. No indication on the work plan of involvement by Black community organizations. Rural vs urban workers; rural vs urban business; this does not capture the diversity of the county. Marginalized people who need to be consulted include rural workers, temp workers, delivery workers, part-time workers, workers in small businesses, BIPOC workers, queer workers. Conduct focus groups for particular sectors and communities, which means the research team needs to visit community organizations and build trust. After doing the convenings we will have a better idea of which focus groups to do.

Conduct convenings in locations that people can easily reach. Do not require online registration. Offer online participation via Zoom. Offer transportation, provide parking passes if it is on Cornell campus. Public libraries are a good place, especially in rural areas. Schedule convenings well in advance.

The research team is deferring to the stakeholders to make many of these decisions – time, date, venue, whether it's hybrid or in-person only, whether there's childcare, etc.

What topics should be included?

Impacts on workers. How does it affect racialized disparities? How many workers are affected by a minimum wage increase? Does it drive up tuition in childcare centers, making it harder for parents to go to work? Does it prevent teenagers from getting their first job? Does it mean seniors won't be hired? Does it mean marginalized people won't be hired or will be the first to have their jobs cut?

Impacts on overall compensation. How is the "market wage" different from the "living wage" or "minimum wage"? Wage compression. Public benefits: what do we know about "cliffs"? Employer provided benefits: will employers reduce their value to pay for wage increases?

Impacts on businesses. Most of the discussion was about small local businesses, but there was also discussion of export-oriented manufacturers and big box stores. Can they afford a minimum wage increase? How does it affect employers that already pay well over the minimum wage? Those competing in international product markets? How do they adjust? Reducing employer contributions for benefits? Layoffs? Not hiring? Price increases? Moving to another county or state? Which businesses can move and which ones can't? Would they stop operations? Can the County attract employers who can pay higher wages?

Impacts on social services and nonprofits. How do we make them whole, when their funders do not pay for wage increases? By taxing the rich?

What about other communities that have pursued this? Ones that are comparable to Ithaca, i.e. small, isolated places?

Related issues: housing, homelessness, public safety, affordability, taxes.

Include negative and unintended consequences.

What should the policy that results be?

Is a countywide minimum wage legal? How can it be enforced? Will NYS DOL be involved? Do we collaborate with them? Is there an administrative burden? Will it apply to Cornell? Will the county end up in an expensive legal battle? The research team has been instructed not to explore these issues in the convening, and the County will deal with them once it has decided whether to pursue a countywide minimum wage.

What should the level be? This is not pre-programmed. Should it be the "living wage"? Will it consider the value of employer-provided benefits such as healthcare, housing, and retirement? How will it be adjusted? CPI? How often will it be adjusted? The methodology should be transparent, and include limitations to the data.

Should there be different levels for different groups? Should it be lower for young people living at home? What about tipped workers?

Second convening: Data and research

On April 8, 2026, there was a 3 pm meeting at the ILR School, Cornell University, with a Zoom option to talk about some of the data sources that are used to track wages and cost of living in Tompkins County. There were roughly 25 people in attendance, roughly half on Zoom and half in person. They included three county legislators, Iris Packman, Judith Hubbard, and Veronica Pillar. The facilitator was David Bateman. Ian Greer and Russell Weaver from the ILR School presented, as did David West the County's Housing and Community Development Director and Tom Knipe Director of the Ithaca-Tompkins County Transportation Council. Judith Hubbard prepared comments and questions.

David Bateman introduced the process and scope of the convening and noted that the purpose of these convenings is to produce research to inform decision-making to the county legislature.

Ian Greer introduced the topic. Anna Kelles and Pete Meyers asked him in 2018 to feed some data into the minimum/living wage discussion, which led Rusty Weaver to get involved, and ultimately led to this project. The county asked for methods to set the minimum wage level and adjust it from year to year. The minimum wage level can be set in relation to workers' wages (the EU's guideline is 60% of median wages), the cost of living (a living wage calculation), or a politically acceptable round number (some amount in addition to the state minimum wage). An annual report from the National Employment Law Project shows what different cities, counties, and states are doing around the country – minimum wage levels, methods of adjusting them (mostly CPI), and differences by business size, industry, tipped workers, etc. But the core discussion in Tompkins County is about the relationship between wages and the cost of living. Rusty Weaver will talk about the living wage calculation, which captures many drivers of cost-of-living increases, David West will talk about the largest item (housing), and Tom Knipe will talk about the second-largest item (transport).

In the Q&A it was pointed out that the assumption of a 40 hour week is not realistic; many people work part time. And funders of public services and social services, especially at the state level, do not take living wage into consideration in their funding formulae.

In the Q&A there a few points were made about how to design a minimum wage policy. Should it be adjusted using CPI? Rusty notes that CPI is not based on local data; so if the problem is the cost of living in the county, CPI won't capture it. He also notes that linking the minimum wage to CPI means that minimum wage increases always come later than increases in inflation.

Rusty Weaver discussed the data on the living wage reports. The methodology has remained similar for 30 years – it is a basic needs budget for a low-income individual in a one-person household based on expenditure data for 9 categories – housing, transportation, food, healthcare, communication, recreation, taxes, etc. Childcare has not been included in the headline number, but we have an addendum on full-time tuition at three centers for three different kinds of kids. Rusty uses federal definitions of a low-income individual used to determine eligibility for benefits, which we use to adjust down spending data. We arrive at a

living wage of \$25.08. It's slightly lower than the median wage, which is \$27.09 according to BLS OEWS program.

Increases to the living wage number reflect increases in the cost of living. In 2023 it was 18.45, in 2025 24.82, and in 2026 25.08. The 2026 number is just over \$52,000 annually. Housing costs account for most of these big jumps, but the jump from 2023 to 2025 reflects a lag in the data, which was picking up 9% inflation in 2022.

The research team estimates of the size of the low-wage workforce using five-year estimates from ACS, which put the median wage closer to the living wage number. (We use five-year estimates due to small sample sizes in one-year estimates.) They also show us disparities by race, gender, and industry. If we exclude people in "group quarters" (such as college dorms) we find that there are about 48,000 workers living in the county, and just under half of them are making below the living wage. About two-thirds of Black workers are making below the living wage; the share of white workers making less than a living wage is slightly under half.

In Q&A someone asks what would happen to these estimates if we looked at in-commuters. Is this an undercount or overcount of workers who would benefit? Rusty says that we know from LODES and ACS that there are thousands of in-commuters, and in the ACS dataset you can see both where people work and where people live, allowing us to estimate this. (NB from IG: the county has about 12,000 net in-commuters.)

David West presented data from the 2024 housing snapshot. The County uses it to assess progress in meeting goals for building affordable housing in its 2017 housing strategy. 53.8% of units in the county are owner-occupied and 46.2% renter occupied. 59% of renters pay more than 30% of their income in housing costs (making them housing burdened), and 35% pay more than 50% (severely housing burdened). These numbers are lower for owners, in part due to differences in measurement (repairs and upgrades of owner-occupied units aren't included), but also because low-earners are less likely to get a mortgage. There is a racial disparity in housing tenure and in homeownership; white people are less likely to rent than people of color. Adjusted for inflation, rents increased in 2014-24 by 31.8% for studios, 13.9% of two bedroom apartments, and 17.5% for one-bedroom apartments.

The cost of housing has gone up for many reasons. Demand is also outstripping supply for all units. The greatest need is for smaller units due to demographic changes – household sizes are falling, people over 65 are the only age group that has been growing, and younger people too seem to be less and less interested in living together in a large unit. High rents in newly built housing are driven in part by the increasing cost of construction. Net input costs increased substantially during the pandemic and remain high. Homeownership is largely out of reach for low earners. Our homes are substantially more expensive than those in neighboring counties (though the market is slowing a bit). They did calculations to find out whether a median-wage worker could afford a median-priced house and found that they would need \$1688/mo on top of their income for the house to be affordable.

Someone asked why we don't separate out student housing in such analyses; isn't the driver of rent increases in the data just the student housing market? The answer is that the market is not as separated as we might think, students are integrated throughout the housing market. Rusty notes that if we could exclude students from the expenditure data, the living wage would go up, because students spend less than most other people.

Tom Knipe presented a mapping tool that includes both housing and transportation. The H&T Index from the Institute for Neighborhood Technology defines affordability as paying less than 30% of income for housing and 15% for transportation costs. Housing affordability increases the further you go from Ithaca, but transportation affordability declines. If we look at them together, we see many rural areas that are also unaffordable and some urban areas that become more affordable.

Judith Hubbard provided questions and comments. Her first one concerned the income threshold and how median income can be \$72,000 in the HUD data when the estimates for all people earning wages was just above \$52,000. Rusty points out that these are calculated by two quite different studies. Her second concerned the causes of the increase in the living wage from 2023 to 2025. Was this because of a change in the methodology? Rusty points out that we back calculated to see what the result would have been the previous year, with a result that was a few cents higher. Using hyper-local data rather than national or regional data does push the living wage up a little, but the bigger factors were increases in housing and transportation costs (and the source of data on housing remained the same). Third she asks why housing burdendness did not increase more. David says that there are natural limits – before tenants reach 100% of wages spent on housing they move away or are evicted. Fourth, she asks about benefits cliffs, which she says are more severe due to changes in federal policy, and losses in income to the county from benefits if people are no longer eligible for SNAP, Medicaid, etc. due to high wages. Ian points out that this is the topic of a future convening, but that it might also be considered a good thing when income comes from wages rather than benefits. Judith points out that if wages go up, the median income could go up. That would affect how we adjust spending data, pushing the minimum wage number up. Rusty concedes that higher wages could lead to more spending and economic activity, economic growth that could be mildly inflationary. Judith asks about why there are different minimum wage levels for different groups, like higher for fast food, lower rates for small businesses, or subminimum wages for tipped workers. Ian says it's determined by politics, and there is normally some rationale. Fast food, for example, is a low-wage industry considered able to easily absorb the cost of minimum wage increases; but Fight for 15 was a movement for a minimum wage increase centered on fast food workers.

Third convening: Tompkins County Business Community

On the morning of April 14, 2026, the Cornell ILR Ithaca CoLab research team held the **second in a series of public convenings** on a countywide minimum wage, this one focused specifically on the local business community. This session took place in the Downtown Ithaca Conference Center and brought together Professor Justin Bloesch to talk about the labor economics research on business impacts with employers from a range of sectors. As facilitator Professor David Bateman framed it, this convening was about whether the county should set a minimum wage above the state floor — a decision that remains the legislature’s to make. This report summarizes what stakeholders said about how that decision would affect local businesses.

Who Was in the Room

- 30 people in all
- Organizations supporting business: Chamber of Commerce, Downtown Ithaca Alliance,
- Employers in finance, insurance, real estate, higher education, K-12, social services and arts
- Labor and worker advocates: Representatives of two unions
- Research presentation by Justin Bloesch
- County legislator Veronica Pillar
- The research team: David Bateman, Ian Greer, Adolfo Romero, Casey Platkin and Wen Li Thian

What Participants Said

- **Professor Justin Bloesch presented about the research on minimum wage effects on business.** Estimates of how minimum wage increases affect employment effects are “all over the place”, with some finding positive employment effects and others finding effects, and most finding small effects. The impact is greater in “tradeable sectors” (e.g. farmers and manufacturers serving markets outside the county) than “non-tradeable sectors (e.g. service industries serving local markets in Tompkins county). The latter industries adapt to minimum wage increases by passing the cost onto customers and funders in the form of higher prices; this is difficult for businesses whose competitors pay lower wages. He noted that the dominant sector in the county is higher education, so he would not expect a major impact on employment. Moreover, price increases are redistributive, not mainly paid by low earners, who benefit more in terms of wages than they will lose in higher prices.
- **Wages are only one part of the compensation package.** Researchers and policymakers should consider non-wage compensation, such as retirement and healthcare. One employer argued that this is timed badly due to recent increase in the cost of healthcare. Another employer asked about how minimum wage legislation could consider other benefits such as meals and lodging. Prof Bloesch cites a study that finds evidence of employers reducing fringe benefits in response to minimum wage increases, but it is a small effect.
- **What do we know about the cost of living? What is driving up housing costs?** A representative of a real estate company argued that a minimum wage increase would drive up the cost of doing business, thus affecting housing costs.

- **What is the difference between the adaptability of different businesses?** Nonprofit social services agencies and rural school districts talked about how they would find the funds. Government-funded social services depend on reimbursements for services, and school districts rely on property taxes. Increasing taxes in rural areas is particularly difficult. Small business is already struggling, especially in rural areas, and they might find it especially difficult to adapt.
- **What is the interaction between minimum wage and other local labor laws, such as just cause in the City of Ithaca?**
- **How would a minimum wage affect the local labor market?** There might be more commuting into the county so that workers can take higher-cost jobs. If this is the case, then local workers may have more competition from commuters. This could lead to longer spells of unemployment. Moreover businesses might relocate to adjacent counties to avoid paying a higher wage. Prof Bloesch noted that there is little research on the effects of minimum wage increases on business relocation, but he notes that our region is less densely populated than some that have local minimum wages (like Southern California and the Puget Sound region), so we would expect less mobility here.
- **For business, there is a difference between a slower increase and a more rapid one.** Prof Bloesch pointed out that we know more about what happens when there is a rapid increase, because that is a cleaner case to study, but economists expect less of an effect with a slower, phased in increase.
- **What would the effects would be of a modest minimum wage increase (say to \$18) on businesses already paying above the minimum wage?** Prof Bloesch says it would be small. Two employers talk about compression. One talks about workplace culture and morale are affected by minimum wage increase. One employer reported narrowing student pay differentials to \$1 per hour. Addressing compression is an additional cost.
- **Stakeholders pointed to examples of reducing staff in response to a minimum wage increase.** One employer calculated that increasing the minimum wage to the living wage level would cost the same as 2.5 Full-Time Equivalents. This means that people have to work harder, which has led to injuries. There is a recent study measuring the increase in injuries associated with minimum wage increases. Another noted that employers have cut staff in order to pay a living wage.
- **Would there be different minimum wage levels or tiers for different groups of workers?** Some employers rely on student workers, especially higher education institutions. One participant asked whether her teenage children really need higher wages when they are living at home. Another participant pointed out there may be fairness problems with paying younger workers lower wages.

By the Numbers, From the Room

- The applicable state minimum wage in 2025 was \$15.50, and the median wage was \$27.95. This means the minimum wage was 55.5% of median.
- Elsewhere in the US the minimum wage ranges from as low as 30% of median to above 60%. France and the UK are in the 60%-65% range.

- The median finding from studies on employment effects is an Own Wage Elasticity of $-.13$, meaning that a 10% increase in minimum wage leads to a 1.3% decrease in employment.
- One school district in the room estimates that a \$1 increase in the minimum wage costs close to \$100,000 or 1.3% of the tax levy.

Quotes from the Room

I find it interesting that the study talks about the less strong businesses going bankrupt or having to close their doors and the employees finding work elsewhere. I would argue that in a community like [ours], we probably have businesses starting up that are very much struggling to make it, but they're carrying a profit margin and they're content with that profit margin. It was perplexing to me that that the study just said, well, they'll just shut their doors and go elsewhere. I can tell you the impact on the increase of minimum wage was two and a half full-time equivalents. . . So we're asking our folks to quite literally do more with less. And they are stressed, they are in a hurry, and they are hurting themselves. That is something that I can see, um, directly.

For the County to Consider

- Employers report considerable costs of minimum wage increases and considerable difficulty adapting.
- Research shows modest minimum wage increases do not have major overall effects on employment.
- Legislators can reduce the difficulty for employers through an intelligent approach to the speed of phasing in a minimum wage, varying the rate for specific employers and groups of workers, considering non-wage compensation, and assisting publicly funded employers in raising funds to cover the cost of the increase.

Employers are deeply concerned about the minimum wage increase, in combination with other factors driving up the cost of doing business. Although a modest minimum wage increase would not affect overall employment levels much, this does not mean it does not affect local business much. Legislators should consider their concerns in deciding on a minimum wage policy.

Fourth convening: Lansing Business Alliance and Farm Bureau

On the evening of April 14, 2026, the Cornell ILR Ithaca CoLab research team held the **third in a series of public convenings** on a countywide minimum wage. This was the second convening focused on the local business community. It took place in the Lansing Community Center and was organized with the Lansing Business Alliance and the Farm Bureau. It brought together Professor Justin Bloesch to talk about the labor economics research on business impacts with employers from a range of sectors. As facilitator Professor David Bateman framed it, this convening was about whether the county should set a minimum wage above the state floor — a decision that remains the legislature’s to make. This report summarizes what stakeholders said about how that decision would affect local businesses.

Who Was in the Room

- Circa 25 people in all
- Leaders of local organizations supporting business: Chamber of Commerce, Farm Bureau, Lansing Business Alliance (some of them also representing their own businesses). Also, Ithaca Area Economic Development.
- Representatives of specific employers: farming, manufacturing, and local government.
- Research presentation by Justin Bloesch
- County legislator Mike Sigler
- The research team: David Bateman, Ian Greer, Adolfo Romero, Casey Platkin and Wen Li Tian

What Participants Said

1. **Professor Justin Bloesch presented about the research on minimum wage effects on business.** Estimates of how minimum wage increases affect employment effects are “all over the place”, with some finding positive employment effects and others finding effects, and most finding small effects. The impact is greater in “tradeable sectors” (e.g. farmers and manufacturers serving markets outside the county) than “non-tradeable sectors (e.g. service industries serving local markets in Tompkins county). The latter industries adapt to minimum wage increases by passing the cost onto customers and funders in the form of higher prices; this is difficult for businesses whose competitors pay lower wages. He noted that the dominant sector in the county is higher education, so he would not expect a major impact on employment. Moreover, price increases are redistributive, not mainly paid by low earners, who benefit more in terms of wages than they will lose in higher prices.
2. **There was also much worry about investment in the county.** Is it possible to study whether investors might prefer to locate work in neighboring counties? This seems particularly important given our relatively weak transportation infrastructure. Prof Bloesch noted that there is not much research about that. One speaker noted that Tompkins County does not have strong transportation infrastructure to begin with, and is already disadvantaged in attracting investment. Numerous speakers discussed high taxes as a problem. One speaker talked about the need to encourage entrepreneurship, and

another was worried about damaging retail in rural places, which is already in decline, which affects the availability of food.

3. **There was considerable discussion about economic activity near the boundaries of the county.** One speaker noted that a farmer cannot move thousands of acres from one county to another, but that farm workers are mobile and sometimes work across county lines. The research team could not get good data on the local economies close to the county border, as economic activity is concentrated in the center of the county in and near Ithaca, but there are many studies that compare employment in adjacent counties in different states with different minimum wage levels, which generally find little or no effect on overall employment.
4. **Several speakers argued that the county should prioritize tradeable industries.** The issue with tradeable industries is they cannot increase prices in response to increases in costs. Manufacturing provides good jobs with benefits and opportunities for progression, well above minimum wage or living wage. Agriculture provides summer jobs for young people. Costs are especially driven up for labor-intensive forms of farming, such as vegetables. Both bring money into the county. Participants saw a countywide minimum wage as a threat to these industries and the benefits they provide to the community, including jobs but also quality of life more broadly. Other speakers mention food deserts in rural places and concerns about retail stores closing.
5. **Many speakers were concerned that taxes would increase to pay for wage increases in schools, local government, and nonprofits funded by local government.**
6. **Do per diem rates for federal workers reflect a higher cost of living in Tompkins County?** The answer is yes, they are among the highest in New York State.
7. **It would be useful for business to have some idea of how much of an increase the county is considering.** Five cents would be a very different proposition from five dollars.

By the Numbers, From the Room

- The applicable state minimum wage in 2025 was \$15.50, and the median wage was \$27.95. This means the minimum wage was 55.5% of median.
- Elsewhere in the US the minimum wage ranges from as low as 30% of median to above 60%. France and the UK are in the 60%-65% range.
- The median finding from studies on employment effects is an Own Wage Elasticity of $-.13$, meaning that a 10% increase in minimum wage leads to a 1.3% decrease in employment.

Quotes from the Room

I just wanted to say that this connects me as well, that there's huge uncertainty right now in the economy right now. If anybody's paying attention, this is just another stressor. If this goes through, depending on how high the minimum wage is, it would be an existential threat. And I'm not saying that lightly. Also, I already have stopped hiring them at the entry level, people with very little experience, unfortunately, high school kids. And it's because we are actually affected

by what's called the adverse wage rate for H-2A workers. So our minimum wage on our farm is \$18.83. And it's been going up almost a dollar an hour every year. And at some point, we said we can't hire people without experience. At this point, we can't hire any non-DHTA workers. Other than that, I think everybody else mentioned a lot of the same stuff. One last thing. One of the things that made my business grow was deciding to hire people. Having a minimum wage like this would make it so that I would have never taken that first step. and RFR would be on all standards.

80% of our cost of goods sold goes to labor to service the pharma, biotech, and medical device industry. If this were to go in, future growth would happen outside of the state. And over the period of our current leases, we would make a determination whether or not the legacy business would remain here. So just for the record.

For the County to Consider

- Research shows modest minimum wage increases do not have major overall effects on employment. But they have a greater effect on the industries represented in this convening, which are “tradable” and compete on markets outside of the county.
- Employers report considerable costs of minimum wage increases and considerable difficulty adapting. This adds to an existing cost burden of taxes, energy, and regulation.
- Much of the discussion was about valuing manufacturing and agriculture, and real benefits that they provide.
- There was a concern about adding complexity to the confusing patchwork of wage rules.
- A minimum wage increase may lead to costly litigation and uncertainty for employers.

Employers are deeply concerned about the minimum wage increase, in combination with other factors driving up the cost of doing business. The concerns of business are based on their own very real experience. Legislators should consider their concerns in deciding on whether to pursue a minimum wage policy and how it is designed.

Fifth convening: Care Economy

On April 21, 2026, the Cornell ILR Ithaca CoLab research team held the fifth in its series of public convenings on a possible Tompkins County minimum wage, this one focused on the care economy. The session was hosted at the Child Development Council and organized with the Human Services Coalition of Tompkins County. It opened with a research presentation by Anne Marie Brady and Zoë West of Cornell ILR on what happens to childcare when minimum wages rise, followed by data presentations from the Human Services Coalition and the Child Development Council, and then open discussion.

Who Was in the Room

17 Participants in all

Human Services Coalition and Child Development Council

Four childcare providers

Three nonprofit agencies delivering human services and disability services

Department of Social Services

Legislator Iris Packman

Research team: David Bateman (facilitator), Ian Greer, Anne Marie Brady, Zoë West, Adolfo Romero, Wen Li Tian

What Participants Said

1. **The research presentation set out both sides of the evidence.** Anne Marie Brady and Zoë West reported that where minimum wages have risen, childcare workers' earnings increased, job performance improved, turnover declined, and employment levels were not reduced. They also reported on the costs: providers commonly raised prices, subsidized enrollment fell modestly, and some providers increased enrollment without adding staff, raising child-to-staff ratios. They connected the need to increase wages to child outcomes: increased household income has a positive causal effect on children's cognitive, social and behavioral outcomes and school achievement, with the largest effects for children from low-income households.
2. **Seattle was presented as the closest thing to a natural experiment.** Seattle's 2014 law phased in a \$15 minimum, affecting roughly 3,000 childcare employees serving about 18,000 children. By the end of implementation 90 percent of centers had raised prices, and over 70 percent had adjusted their business strategy — most commonly by raising prices, second most commonly by reducing hours or headcount. Some reduced subsidized enrollment, and directors noted state subsidies had not risen quickly enough to match. The city responded: it increased city subsidies, offered a mitigation plan raising public contract reimbursement rates, and created childcare wage supplement funds, financed in part by a payroll tax on high earners. Seattle's minimum wage is now over \$21.

3. **The Human Services Coalition brought countywide survey data.** 81 agencies participated in the 2024 compensation and benefits survey, a 47 percent response rate. Most frontline workers in Tompkins County earn between **\$15 and \$22 an hour**. Fifty-four percent of organizations reported recruitment challenges and 41 percent struggle to hire entry-level program staff. The typical responding organization is small — about a \$1 million budget, half a million in payroll, a median of six employees. Around half of small and mid-sized organizations reported they could not afford benefits, and that this is getting significantly harder with no corresponding increase in revenue. She was direct about where the problem sits: the core challenge is not organizational unwillingness but a misalignment between wage expectations and public funding infrastructure.
4. **The Child Development Council reported additional data.** Tuition for infant care in a center runs **\$520 a week, over \$27,000 a year**; preschool in a center about **\$20,000**; infant care in a family program about \$17,000; preschool in a family program about **\$15,000**. A family childcare provider working in her own home makes roughly **\$21 an hour** across 52 weeks and a minimum of 50 hours, often 12-hour days, plus the shopping, the books and the cleaning; a group family provider about **\$22.70**.
5. **Affordability for families is already double the federal standard, making price increases not feasible.** U.S. Department of Health and Human Services recommends no more than **7%** of household income go to childcare. In New York State it costs on average around **14%**; in Tompkins County it is **14%-19%** depending on the child's age.
6. **Providers who fought their way to living wage status have lost it and fear becoming minimum wage employers by default.** Two providers in the room had been living wage employers; at one of them, half of staff hold bachelor's degrees and could earn roughly double as public-school teachers.
7. **Compression here is an argument about credentials and care quality, not about recruiting advantage.** Bridgid Beames described teachers with bachelor's and master's degrees, fifteen and twenty years in, earning \$23 or \$24 an hour, against new hires straight out of high school. Sherri Koski of the Ithaca Community Childcare Center drew the consequence: "If the minimum wage is, I'm just gonna say \$25.08, and the person with the high school diploma is coming in at \$25.08 — and as presented in the research, if you have a bachelor's degree you're gonna provide higher quality care... I'm not gonna be able to pay them much more than \$25.08 an hour. And so what is the incentive then to go back for that degree?"
8. **Cornell Cooperative Extension named the structural position of the whole sector.** Rob Brown described the mission sector as "the privatization of the public good" — services that he believes should be publicly provided and publicly assured, delivered instead by nonprofits under funder constraints. He identified three consequences. Funders will pay program wages but not overhead: "I'll make you a grant that'll pay whatever the minimum wage is for your program staff, but I'm not gonna cover overhead

at all. So your administrative staff are on their own, even though they're the glue that holds it together." The sector is expected to accept what he called "spiritual wages." And the gap between paper wages and real ones is large: from his time managing the Finger Lakes Southern Tier Workers' Rights hotline, the nonprofit sector was **second only to food service in wage theft cases** — food service 34 percent of cases he handled, nonprofits 15 percent. "Many of my clients on paper were making well above the minimum wage, but in practice were making well less — even before you consider the unpaid overtime."

9. **Disability services described the Medicaid mechanism and what happens when it fails.** Althea Porter of Challenge Workforce Solutions reported that 40 percent of her staff earn below the living wage and that the organization depends on Medicaid reimbursement. "When the Medicaid reimbursement rate doesn't match the minimum wage increase, you see a reduction in services" — she cited a 15 percent reduction, to a highly vulnerable population. Turnover for employment specialists in her sector runs about **55 percent**, comparable to food service, and her staff are subject to Justice Center oversight governing their conduct outside work as well as in it. Her summary of the risk: "One in five agencies that provide human services work will close. They'll just stop, because they can't staff it."
10. **The Department of Social Services raised a labor-market concern and a benefits cliff.** Commissioner Brittanie Earle noted that DSS already draws staff from surrounding counties because it pays more than comparable agencies: "I see a huge percentage of my staff drive anywhere from 45 minutes to an hour and a half because our wage is so much higher." Her worry was that a county increase would intensify in-commuting and displace local residents from those jobs. She also reported 50 families on the childcare subsidy waitlist, 40 of them new applicants, ranked by federal priority, and warned that a wage increase could push vulnerable families over eligibility thresholds and off that list.
11. **Elder care was raised as the sector missing from the conversation.** Aly Evans of Foodnet Meals on Wheels argued that childcare had dominated the discussion and that senior and elder care needed to be brought forward on its own terms, as an expensive and growing need the country is not prepared for. Zoë West noted that New York has a statewide has a sector-specific, Medicaid-funded minimum wage for home care that lifted the floor for that workforce. Evans' qualification mattered — not all elder care is Medicaid-eligible, so that route does not extend automatically.
12. **Participants pointed to New Mexico as a model worth studying.** Heather Mount reported that New Mexico made childcare providers Medicaid-eligible statewide, and that the resulting change was large enough that the state has since found a way to fully fund early childhood care for much of its population.
13. **The word participants kept returning to was "systems."** Bridgid Beames: "I do believe it is a systems approach that we need to take, because just taking action with

raising the minimum wage without taking action in other areas is going to cause stress on a system that's already stressed." Sherri Koski asked whether there was any mechanism to capture revenue from those profiting from the high housing costs that drive the living wage calculation — "we don't have the taxes. Where's the money gonna come from?" Aly Evans asked that whatever is decided, the treatment of wages versus benefits be made "crystal clear" to employers and employees alike.

By the Numbers

- **81 agencies** responded to the Human Services Coalition's 2024 survey (47% response rate); most frontline workers earn **\$15–\$22/hour**
- **54%** of responding organizations reported recruitment challenges; **41%** struggle to hire entry-level program staff; about **half** of small and mid-sized organizations cannot afford benefits
- Infant care in a center: **\$520/week, over \$27,000/year**. Center preschool about **\$20,000**; family program preschool about **\$15,000**
- Family childcare providers earn roughly **\$21/hour**; group family providers **\$22.70** — across 52 weeks, minimum 50 hours, often 12-hour days
- Childcare affordability: federal standard **7%** of household income; New York about **14%**; Tompkins County **14–19%**
- Removing health insurance from one center's budget would free **\$75,000/year**
- **40%** of Challenge Workforce Solutions staff earn below the living wage; employment-specialist turnover runs about **55%**
- Nonprofits ranked **second only to food service** in wage theft cases handled by the regional workers' rights hotline (food service 34%, nonprofits 15%)
- Seattle: **90%** of childcare centers raised prices; **70%+** adjusted business strategy; about 3,000 employees and 18,000 children affected

Quotes from the Room

"It's safe to say that the only people who are really making a living wage in any childcare program are your leadership roles . . . What childcare programs are charging for childcare does not cover the true cost of childcare."

"There's the idea around our sector that our employees should be gratified to receive a higher share of spiritual wages than cash wages, because we're serving the public good. If I wanted a vow of poverty, I could have become a nun — if there was an order that would take me. I don't. I work a job in the sector to take care of my household."

"Our school is a canary in the coal mine, because we don't have that extra cushion of grants — and we're seeing less and less out there of that. We've been a living wage employer up until the \$18.45, and then we lost our momentum. We were really proud of that. It's just impossible to continue at this point."

“I’m not gonna be able to pay them much more than \$25.08 an hour. And so what is the incentive then to go back for that degree, with a high amount of stress when you walk in that door every single day?”

“When the Medicaid reimbursement rate doesn’t match the minimum wage increase, you see a reduction in services... One in five agencies that provide human services work will close. They’ll just stop, because they can’t staff it.”

“If we were to take health insurance out of the equation [using New Mexico’s approach of using Medicaid funds], my organization immediately has \$75,000 a year available to fund other areas of need.”

For the Legislature to Consider

- **Any increase reaching this sector requires a matching answer on reimbursement.** Childcare subsidy in Tompkins County is fully state-funded; the county allocates none. The county’s levers are advocacy at the state level and the terms of its own service contracts — which several organizations in this room hold.
- **Study Seattle’s full package, not only its ordinance.** Increased city subsidies, a mitigation plan raising public contract reimbursement rates, and dedicated wage supplement funds are what made the increase survivable for childcare there.
- **Investigate the Medicaid-eligibility route.** New Mexico’s decision to make childcare providers Medicaid-eligible and New York City’s Medicaid-funded sectoral minimum for home care are the two concrete models participants named; one provider quantified the effect at \$75,000 a year for a single center.
- **Treat compression here as a service-quality question.** The concern is that a flat floor erases the wage return to a degree that the research links to better care. That argues for attention to how a policy interacts with credential ladders, not against the floor.
- **Recognize that the tuition channel is closed.** At 14 to 19 percent of household income, childcare here is already at roughly double the federal affordability standard; wage costs passed to tuition come out of the same households the policy is meant to help.
- **Address the subsidy benefits cliff.** The Commissioner of Social Services warned that a wage increase could push vulnerable families over federal priority thresholds and off a waitlist that already runs 50 families deep.
- **Do not let elder care fall out of the report.** It was raised here as the least examined part of the care economy, and the Medicaid models that help childcare and disability services do not fully cover it.
- **Be explicit about the treatment of benefits.** Participants asked repeatedly that any rule state clearly what counts toward the wage and what does not.

The care economy is the sector where the case for higher wages and the difficulty of paying them are both strongest, and where both are held by the same people. Every provider in this room supported paying their staff more, and every one described an organization that cannot do

it from its own resources: tuition already at double the federal affordability standard, reimbursement rates set in Albany, and grants that pay for program staff but not the people who hold the organization together. Two had reached living wage status and lost it. These are not opponents of a minimum wage increases, but rather a warning that in this sector the wage floor is set by public funding decisions, and that raising the statutory floor without moving reimbursement rates would be felt as fewer childcare slots, larger caseloads, higher ratios, and the closure of organizations.

Sixth convening: Public Benefits

On the afternoon of April 21, 2026, the Cornell ILR Ithaca CoLab research team held its sixth public convening on a possible Tompkins County minimum wage, this one on public benefits and welfare. It followed the Care Economy session at the same venue that morning. Professor David Bateman facilitated; Professor Ian Greer opened with a research. The session set out to answer five questions: what kinds of jobs do benefit recipients hold; how do public benefits support people in work; how do people escape poverty; where are the benefit cliffs; and how does all of this change under concurrent work requirements.

Who Was in the Room

- **13 participants in all**
- **Department of Social Services**
- **Human services, elder nutrition, and re-entry services, including the Human Services Coalition and Child Development council**
- **Two representatives of local businesses**
- **Elected officials, state assembly staff, and county administration**, including County Legislators Iris Packman and Veronica Pillar
- **Research team:** David Bateman (facilitator), Ian Greer, Anne Marie Brady, Zoë West, Adolfo Romero

What participants said

1. **The research established the scale of the problem.** Ian Greer presented simulations run across seven scenarios, from a 10-cent increase up to \$3.10, using data for upstate New York. The headline finding: **96 to 97 percent of affected low-wage households come out ahead; 3 to 4 percent experience a benefit cliff.** In absolute terms that is roughly 17,000 to 22,000 households across upstate New York. **The number of households facing cliffs stays roughly constant no matter the size of the increase so the share falls as the increase gets larger.** A 10-cent increase raises wages for about 576,000 upstate households; a move to \$15 raises wages for about 821,000. But roughly the same number hit cliffs in both scenarios.
2. **The households at risk are identifiable and specific.** Those most likely to face a cliff have at least one child under six and claim multiple benefits, especially Medicaid and housing vouchers. Differences by race, gender and marital status exist but are smaller than the effect of young children and multiple benefit claims. Greer flagged two limits: the simulation excluded childcare vouchers, because county rules were not standardized in 2021. Among cliff-affected households, the Medicaid loss is the one without a good substitute: those who lose it do not get comparable coverage, and there are cuts coming that will lead people to lose healthcare regardless of minimum wage increases.

3. **The Commissioner of Social Services walked the room through a single household.** A single parent with two children earning roughly \$4,500 a month gross is eligible for Medicaid and SNAP, and sitting right at the edge of Essential Plan eligibility, which carries monthly premiums. Thirty percent of that income would be **\$1,352 a month** for rent, "which is what they say you should spend." But this is not achievable in Ithaca for a family of three: "They're not really going to be living in anything for \$1,300 a month. And if they get kicked off a housing voucher, or they get kicked off SNAP or Medicaid, then they're making a decision about where do they live."
4. **DSS staff described benefits as the thing that makes work possible, not an alternative to it.** Many DSS clients are not minimum wage earners, but still depend on childcare benefits without which they could not work. She described the same for HEAP, at around \$1,100, and the difficulty of getting cooperation from landlords. Her summary of watching households navigate the thresholds: "nerve-wracking to watch."
5. **One concern was that there could be less hiring of disadvantaged job seekers, for example, people with criminal records.** One speaker noted that African American residents are 4.4 percent of the county population and 25 percent of arrests, and that 10 to 15 percent of the re-entry population that seeks assistance is ready for employment. Hiring people with lived experience, he said, requires committing to supporting them and accepting that they make mistakes. Even with a minimum wage increase that benefits most of the community, we have to support people on the margins.
6. **Should increases be slow or gradual?** One participant argued that for cliff-exposed households a slow increase is the *worse* option, because a slow rise pushes them over eligibility thresholds without generating enough income to replace what they lose, whereas a rapid increase ("rip the band-aid off") closes the gap for many. Another participant argued that a rapid increase would "create such a gap that people would not have that opportunity to get that higher wage job." Another view was that if the county does move quickly, it should plan support for those who will struggle most, particularly case management and financial literacy.
7. **An employer-side benefit interaction surfaced that had not appeared in any other session, namely Healthy New York, one of the largest state-sponsored employer health plans.** To qualify, **30 percent of an employer's staff must earn below a state threshold of about \$55,000.** A wage increase particularly once compression pushes wages up across a payroll, or once overtime is counted could push employers out of eligibility for a plan she described as affordable with decent coverage. Another participant noted that an immediate jump to the living wage would land around \$52,000 to \$53,000 a year, still under that threshold.
8. **Cross-county commuting was raised as both a local and a regional equity problem. 44 percent of her DSS staff commute from outside Tompkins County,** because Tompkins pays more than neighboring counties. Another service provider noted

that neighboring counties train people, who then take jobs in Tompkins County for higher pay. Her concern was that a higher county minimum would intensify that pattern.

9. **Participants asked what the county would do with the money it saved from fewer benefits payments.** It would free up caseworker time, and there would be more resources for case management, but much of the value of the benefits would go back to the state.
10. **Alternatives came up briefly.** One participant described participating in a guaranteed income program, which helped with paying bills and did not push her off benefits. Asked about other models, Greer described Germany: strict dismissal regulation, half the workforce under collective agreements and the rest covered by a minimum wage, a comprehensive means-tested system oriented toward finding work, and subsidized "make-work" programs for disadvantaged workers. In Germany labor force participation rising while in the United States' has fallen.

By the Numbers

- Benefit cliff simulations covered **seven scenarios**, from a **\$0.10** to a **\$3.10** increase, using 2021 upstate New York data
- **96–97%** of affected low-wage households gain; **3–4%** experience a benefit cliff roughly **17,000–22,000 households** upstate, a number that stays broadly constant regardless of the size of the increase
- Households receiving a wage increase: about **576,000** at a 10-cent rise, about **821,000** at \$15
- Among cliff-affected households: **68%** involve SNAP, **86%** the Earned Income Tax Credit; Medicaid and housing vouchers are the benefits people are most prone to lose
- Most exposed: households with **at least one child under six** and **multiple benefit claims**
- A single parent with two children at **\$4,500/month** gross sits at the edge of Essential Plan eligibility; 30% of that income is **\$1,352/month** for rent
- **Healthy New York** employer plans require **30% of staff** to earn under about **\$55,000**

Quotes from the Room

"Wouldn't it be worse if we phased in a minimum wage for the poorest people? Because if we phased it in, they're definitely going to hit the cliff. If we rip the Band-Aid off, then they'll be more stable with a higher wage that could automatically and immediately fill the benefits gap."

"You have to commit if you want to hire people with lived experience, because you have to commit to a system that allows them to make some mistakes... So that's my biggest concern if you increase the prices, you're gonna decrease the opportunities."

"They're not really going to be living in anything for \$1,300 a month. And if they get kicked off a housing voucher, or they get kicked off SNAP or Medicaid, then they're making a decision about where do they live."

For the Legislature to Consider

- Compared to the number of households that benefit from minimum wage increases, the number of households facing benefits cliffs is small.
- Slow minimum wage increases mean more benefits cliffs.
- Target support at groups most likely to be affected – families with single earners, at least one child, claiming multiple benefits, especially Medicaid and housing supports.
- Pair the wage with hiring supports for marginalized workers.
- Anticipate the take-up problem.
- Acknowledge the effect on neighboring counties

Benefits cliffs are real, and there is a dilemma. An estimated three to four percent of affected low-income households lose more than they gain, while ninety-six to ninety-seven percent come out ahead. Moreover, the percentage that benefit increases with more rapid increases in the minimum wage. This does not settle the question about that 3%-4% of households, disproportionately parents of young children losing Medicaid or a housing voucher, and for whom no wage increase substitutes for coverage. Nor does it answer the objection that raising the price of labor makes employers less willing to take a chance on someone leaving incarceration, homelessness, or addiction. Both of those are arguments for accompanying measures case management, hiring supports, transitional placements, changes to benefits rules, and advocacy on Medicaid.

Seventh Convening: Youth Employment

On April 28, 2026, the Cornell ILR Ithaca CoLab research team held the sixth in a series of public convenings on a possible Tompkins County minimum wage, this one focused specifically on youth employment. Convened by Tompkins County Workforce Development, the session brought together youth-program administrators, a small business owner, a union representative, a workplace-safety advocate, and researchers, and a county legislator. As facilitator Professor David Bateman framed it, this convening was “not about the living wage” but about whether the county should set a minimum wage above the state floor — a decision that remains the legislature’s to make. This report summarizes what stakeholders said about how that decision would affect young workers, roughly ages 14–25, and the organizations that employ or train them.

Who Was in the Room

- Representatives of the Workforce Development Board and Tompkins Workforce New York
- Six leaders of youth employment programs.
- One small business owner
- Three community activists
- The research team (Ian Greer, David Bateman, Adolfo Romero, Wen Li Thian, Casey Platkin)
- Tompkins County Legislator Veronica Pillar

What Stakeholders Said

- Nearly everyone favors higher wages for young workers in principle — but funding structures create real tension. Program budgets are often 95 participant and staff wages, and have been frozen in recent years. Federal and state funding for workforce development has been frozen for decades. One summer program has shrunk from about 220 to roughly 165 teens a year, driven by rising labor costs, not falling demand; the program still receives 300-plus applications. Another went from serving 14 youth to 9 under the same grant. Both said they support raising wages and would raise their own pay to stay competitive, but only if funding for youth programs rises too. Speakers called for a county workforce funding collaborative and fuller use of existing state grants, such as GIVE, which several felt were underused for youth-specific hiring.
- A small employer said a county wage above the state floor could end her ability to hire teens at all. One said half their staff are 14- to 16-year-olds on their first job, and are not paid out of grants; they “could not” absorb a wage above the state minimum; the likely result would be closing entirely or hiring only adults.
- Youth of color and rural youth face compounding barriers that a wage increase alone won’t fix. One described young Black and Latino graduates struggling to find entry-level jobs with benefits, and rural youth blocked by unreliable transportation and lack of cars

from apprenticeships and union training programs. Without paid internship pipelines into healthcare and technical fields, we will see a “permanent underclass”, and any report on the minimum wage must also address training, outreach, transportation, and childcare access.

- Raising the wage floor may also affect the “ladder” young workers climb — stakeholders disagreed on how much. Budget-pressured employers may prioritize adults over teens, intensifying competition for the entry-level jobs younger workers rely on. A labor activist pushed back directly — entry union jobs already pay close to \$24/hour with benefits — arguing, *“if we raise the floor enough, we don’t need a ladder.”* A youth “training wage” was suggested, but this might reduce the incentive to work.
- Job quality and safety, not just the wage level, were recurring concerns. Low-wage jobs are disproportionately hazardous, and that paying more pushes employers to invest in safer workplaces. He was clear that funding struggles at nonprofits like his should not be used as an argument against paying young workers a living wage.
- Outside research suggests employment effects are real but concentrated, and Tompkins’ economy may be somewhat insulated. Citing external research, Ian Greer said estimates vary widely, but a common benchmark is roughly a 1 percent rise in unemployment for every 10 percent minimum wage increase, with job losses concentrated among the most marginal employees. He noted Tompkins County’s reliance on higher education and healthcare employment may make it less exposed than other local economies, and pointed to research showing wage increases can improve employment outcomes for workers re-entering the workforce.

By the Numbers, From the Room

- Workforce Development served 137 youth last summer (Hispanic 14, Indigenous 4, Asian 10, Pacific Islander 1, White 47, unknown/other 20).
- City of Ithaca’s YES program has shrunk from about 220 to 165 teens per summer despite 300-plus annual applications and a waitlist of 50-plus every year; participants earn the state minimum wage over 120 hours, about \$2,000 for the summer.
- Coddington Road Community Center’s youth grant used to cover 14 participants; it now covers 9, with the center absorbing all administrative costs and 40 percent of program costs itself.
- County legislature funding increases for youth services have fallen to 0–3 percent in recent years, down from a historical 9–10 percent.
- Youth unemployment runs roughly double the rate for other age groups, with about one in three young workers unemployed, per a 2021 Workforce Development Board study
- Union entry-level wages (UAW Local 2300) run close to \$24/hour with benefits — offered as a comparison point for what a “good” entry job can look like.

Quotes from the Room

“I’d hate to see our struggles leveraged against paying a living wage to youth who need it, to adults who need it.”

“It’s a very scary thing to think about, paying more than what’s already being discussed, for kids who are still living at home and are being supported by parents.”

For the Legislature to Consider

- Pair any youth-related wage increase with matching increases in youth program funding — several providers said funding, not opposition to higher pay, is what would force them to serve fewer teens.
- Determine whether a training wage or age-based wage tier is legally available to the county, and whether it would help or blunt youth participation.
- Recognize that small, ungranted employers like family farms face a different cost structure than subsidized nonprofits; a single wage floor may affect them very differently.
- Address transportation, childcare, and training-pipeline access alongside wages — barriers raised repeatedly for rural youth and youth of color.
- Improve coordination and marketing of existing youth funding, such as the GIVE grant and other state workforce dollars

Stakeholders broadly agreed that young workers deserve higher pay, but disagreed sharply on how a county minimum wage increase gets there. Program administrators warned that without new funding, a higher wage floor means fewer youth served; a small farm employer warned it could end teen hiring altogether; and worker advocates argued funding pressure should never be a reason to keep youth wages low. The clearest point of agreement was that wages are only one lever — transportation, childcare, training pipelines, and youth program funding all shape whether young people in Tompkins County can find and keep good first jobs.

Eighth convening: Workers

On the afternoon of May 21, 2026, the Cornell ILR Ithaca CoLab research team held the eighth and final public convening, this one at the Tompkins County Public Library. This convening opened with no research presentation. Facilitator David Bateman explained why: prior convenings had drawn heavily from employers and service providers and relatively few workers, so the team cleared the agenda to hear directly from wage earners. Ten \$25 prepaid debit cards were made available to compensate low-wage workers for testifying outside their working hours; participants attested to their eligibility on a sign-in sheet. Pete Meyers, co-founder of the Tompkins County Worker Center, and Ian Greer of Cornell ILR opened with brief remarks; County Legislators Iris Packman and Veronica Pillar (joining remotely) also attended and spoke.

Who Was in the Room

- Workers: A retail manager, a food service worker, a UAW member working at the Tompkins County Public Library, two UAW members working at Cornell, a retired longstanding labor activist, an emeritus professor, a Cornell student, a program director at a local nonprofit, and the coordinator of the Tompkins County Worker Center
- Research team and facilitators: David Bateman (facilitator, Cornell), Ian Greer (Cornell ILR), Adolfo Romero (Cornell ILR Ithaca CoLab)
- County legislators: Iris Packman and Veronica Pillar

What Participants Said

1. **Even well above the current minimum, pay does not cover the basics.** A UAW member working at Cornell, put the arithmetic plainly: her rent already exceeds what she takes home in a month, and she called \$16 an hour “very, very low” and doubted \$25.08 — the living-wage figure used throughout the study — was “high enough,” even for her, a worker with a second job. Another participant, describing coworkers across retail, said that “people are not getting by”: no emergency fund, mounting debt, no ability to save, rent routinely above half of income. Another worker now earning \$27.70 an hour under a union contract — the first living wage of his career — said he and his fiancée together work four jobs and delayed marriage because of the cost.
2. **Workers close the gap with time, not just money — and some are giving up plans to do it.** One recent Cornell graduate working food service at minimum wage was admitted to graduate programs in astronomy and turned them down: he is “breaking even” with his cost of living and cannot save toward tuition. Another argued that the discipline low pay demands — bargain shopping, deferred dental and car repairs, chronic stress — is capacity subtracted from everything else: with a living wage, he said, people “could put that time and energy towards friendships, towards thinking about their future, towards networking... towards saving,” instead of living under what he called a “dark cloud.”

3. **A pay-structure change can cut income without a word of notice.** A UAW member at TCPL, described an earlier hospitality job that shifted from straight minimum wage to a tip credit two or three years in: the tips stayed the same, but take-home pay fell because the employer began counting tips toward the minimum wage. “It was not communicated to us directly,” she said. “It was something that I figured out” — only by comparing paychecks. She urged attention to tip-credit practices specifically, regardless of what happens to the headline minimum wage.
4. **Workers talked about problems at work – turnover and safety.** One worker argued that constant turnover costs businesses far more than a wage increase would, in training and in the frequency with which new, inexperienced hires get injured; he contrasted it with a small business that pays a living wage and has kept the same staff for years. A UAW member at Cornell, described two coworkers losing fingers on the same type of machine: “Cornell has money. This doesn’t happen because of a lack of money for people to work safely.”
5. **Asked directly whether losing benefits worried them, most workers said no.** One worker said he sees coworkers turn down extra hours and promotions to stay under benefit thresholds — a trap, not a rational choice — and welcomed a wage high enough to make that calculation unnecessary. Another described a friend, born and raised in Ithaca and working at minimum wage, for whom applying for food assistance was “an ordeal,” and argued that a higher local wage would be more stable than benefits that can be cut by state or federal “austerity practices” outside the county’s control.
6. **Workers were skeptical of carve-outs, including for young people, drawing on their own experience.** Iris Packman asked directly about a youth sub-minimum wage, since employers had said they could not afford to hire teenagers at a higher rate. One worker, whose first job as a teen paid \$5.60 an hour, answered: “I would really rather not have had this position, and I don’t think I would have had to if my parents were earning a living wage.”
7. **Effects reach past the paycheck, into housing, community, and equity.** One worker cited housing research finding 57 percent of local renters cost-burdened. Another connected low pay to a 20 percent drop in Commons foot traffic over the past year and the closure of a downtown music venue, and argued that low pay compounds racial inequity, since the coworkers he knows who own homes inherited them from families able to buy decades ago — an option not available to immigrants and newer residents. A third worker described losing music venues as a loss of the communities that helped him feel part of Ithaca outside his Cornell circle.

Quotes from the Room

“Sixteen dollars is a very, very low [wage]. And I don’t even think twenty-five is high enough.”

“[Deduction of tips] was not communicated to us directly. It was something that I figured out.”

“This is not the first time this machine... Cornell has money. This doesn’t happen because of a lack of money for people to work safely.”

“I would really rather not have had this position, and I don’t think I would have had to if my parents were earning a living wage.”

For the County Legislature to Consider

- Workers should know in advance, in writing, when and how tips will be counted toward the minimum wage, separately from any change to the wage floor itself.
- Weigh the turnover, training, and injury costs of low pay against the direct cost of a wage increase; workers in this session made that case about their own workplaces, unprompted.
- Treat worker reaction to benefit-cliff modeling as reassurance, not a red flag: participants were not troubled by the 2–4% exposure figure and preferred wage income to benefit dependency.
- Approach youth sub-minimum carve-outs with the caution that former child workers themselves recommended.
- Recognize that housing and transportation costs — the 57% rent-burden figure, and commuting costs that erode any savings from cheaper outlying rent — compound whatever the Legislature decides on the wage floor and may need separate attention.

This was the county study's last and most direct worker session, held because seven prior convenings had heard mostly from employers. What it added was not a new number — \$25.08 recurred here as it has throughout the study — but a first-person account of what the gap costs beyond the paycheck: a graduate program deferred, a marriage delayed, fingers lost on a machine nobody fixed, a pay cut discovered only by checking a paystub. Workers earning \$16 an hour and workers earning \$27.70 an hour used the same word for the current floor: not enough. The Legislature now has that testimony alongside the rest of the study's record.

First Focus Group: Human Resource Management Community

On June 11, 2026, the Cornell ILR Ithaca CoLab research team held an online focus group with human resource professionals from across Tompkins County, organized with the Society for Human Resource Management's Tompkins County chapter. This was the largest of the supplemental focus groups and reached the widest range of sectors in the study — banking, insurance, higher education, K-12, municipal government, public transit, hospitality, nonprofit human services, research, and manufacturing. There was no research presentation; the purpose was simply to drill down into the implications of a countywide minimum wage for human resource management. As in the manufacturers' session three days earlier, the research team proposed a hypothetical increase of \$2, from \$16 to \$18 an hour, to make the discussion concrete. Facilitator Ian Greer stated that he had invented the figure, which is **not a proposal**.

Who was in the Room

- 25 participants
- Financial services
- Higher education
- Local government and public transportation
- Healthcare and human services
- Hospitality
- Manufacturing
- The research team: Ian Greer (Cornell ILR), Matt Vidal (Loughborough University), Sean O'Brady (McMaster University), and Adolfo Romero (Cornell ILR)

What Participants Said

1. **For multi-county employers, the first problem is administrative.** Several organizations present, across multiple counties. A countywide minimum becomes “quite a manual juggle” — whether to apply the higher rate across the organization or manage it location by location — carrying not only payroll cost but the compensation costs that follow, including insurance and 401(k) match.
2. **Wage compression dominated, and Living Wage employers described it as already happening.** In bargaining with unions, compression is driven by holding entry pay at the living wage while the rest of the scale stays put. One participant reported that is hard to make a step up into supervision attractive once the gap in compensation narrows.
3. **Participants confirmed the recruitment case at entry level and rejected it above.** Asked whether higher pay eases recruitment — the standard business case for a living wage — one was explicit that it does: “for your entry level, for those starting jobs, for sure. You're bringing in more. We've experienced that.” This only succeeds everyone above must then be adjusted to contain compression.

4. **Several expected the increase to be inflationary and to displace rather than solve the problem.** Raising wages raises the cost of living around them, which could prompt higher earners or businesses to relocate, pushing up the price of everything, “even down to the food they buy.”
5. **Nonprofit and publicly funded employers described the session’s most consequential mechanism: fixed labor budgets convert wage increases into headcount cuts.** When the minimum wage rises, the dollars available for labor hours often do not: “we just get to use it on fewer people.” In one case, holding the labor dollar constant in the past contract year meant dropping two and a half full-time equivalents *per shift*, across first and second shift, seven days a week. This has produced a marked increase in minor on-the-job accidents on her workers’ compensation and OSHA filings. This is particularly important in government-funded work for which reimbursements do not keep up with wages.
6. **For public and nonprofit services, the adjustment channel is service cuts, not prices.** “When we can’t afford wages and we can’t afford benefits . . . that means cutting services. That means cutting bus services.” Participants agreed the pattern applies across the nonprofits present, a substantial share of the room.
7. **Reducing benefits was described as unworkable or undesirable.** Pairing a wage increase with a reduced 401(k) contribution would be received as “squeezing the balloon.” A higher employee healthcare premium would land badly alongside every other rising cost. In a unionized environment benefits cannot be easily negotiated down, and that an employer trying to hold total compensation flat would have to take something from the whole organization, not only from workers receiving the increase. In the public sector, state retirement contributions are calculated on gross wages and rise automatically, and elsewhere FICA rises automatically.
8. **Several argued the increase could be self-defeating for the workers it targets.** Higher bus fares, higher food prices, longer walks to the bus stop, so “it does just come straight back to that person.” Cuts to public transportation in response to its own wage costs, would make it hard for workers at other employers to get to work; at one employer, 85% of workers use public transportation.
9. **Judith Drake questioned the premise from the opposite direction.** Tompkins County is already viewed as a good place to come to work and has weathered past economic crises better than neighboring counties. If all municipalities move together, taxpayers absorb the cost, on top of prevailing-rate obligations public entities already carry.
10. **On benefits cliffs, employers reported workers actively managing hours downward.** The issue arises most in hospitality and among part-time staff, and that employers observe workers “self-selecting to reduce their overall hours” because a wage

increase does not exceed the value of the benefit they would lose. This corroborates from the employer side what workers described directly in other sessions.

11. **Technology is not an available lever for most organizations here.** For some employers technology to become more efficient is too expensive; for others that could use AI to streamline processes there are security problems.
12. **Everything, participants said, depends on the number.** Asked whether anyone dissented from the view that an increase would end up worse for low-wage workers, the only substantive qualification was Galucci's: the answer depends entirely on the size. Fifty cents and seven to ten dollars are different conversations, and at the smaller end she expected organizations could find offsets.

Quotes from the Room

"If we're operating with X number of dollars for wages, a lot of times that number doesn't really change just because the minimum wage went up... We just get to use it on fewer people." —

"I've had a huge increase in just small, minor accidents... because we're kind of like, making them rush. When you have to kind of make them do more with less people, then that liability also goes up."

"When we can't afford wages and we can't afford benefits at TCAT, that means cutting services. That means cutting bus services."

"I think it does for your entry level, for those starting jobs, for sure. You're bringing in more. We've experienced that... But if you're experiencing any compression, it's that ripple effect." —

"I don't think that would be received well. [Reducing fringe benefits to pay for wage increases]. It would feel as though it is what it is, which is squeezing the balloon. And it would feel as though we're taking something away."

"While the income is going to raise for that person, it's going to kind of just even out because, okay, the bus fare is higher... It does just come straight back to that person."

"Tompkins County is already a place that people strive to come work... So would this create — I'm just thinking, what are we trying to fix, if we're already looked at as a good location to come to?"

For the Legislature to Consider

- **Couple any increase with reimbursement-rate advocacy.** The most concrete harm described here arises specifically when the wage moves and Medicaid, Access-VR and comparable state rates do not.

- **Treat wage policy and transit funding as one decision.** The strongest argument against an increase in this room depends on TCAT cutting service — a budget choice the county participates in.
- **Compression is present, not hypothetical, and concentrates above the floor.** It bites hardest on supervisory and mid-level roles.
- **Do not assume benefits will absorb the cost.** State retirement, employer FICA and employer-paid insurance rise automatically with wages, and unionized employers cannot reduce them.
- **Do not assume a uniform productivity response.** Manufacturers can automate. Care providers, transit, regulated financial institutions and home daycare cannot.
- **State the multi-county coverage rule explicitly.** Several large employers operate on both sides of the line and have not decided how they would respond.
- **Name a number early.** A participant told the team this was the first session at which any figure had been discussed, and that the conversation was better for it.

Human resource professionals from across the county's largest employers expect a countywide minimum wage to reach them mainly through compression and through the costs that attach automatically to wages, and they described unusually few channels for absorbing it. Those in banking, higher education and municipal government anticipate administrative complexity and gradual cost pressure. Those in nonprofit human services and public transit described something sharper: fixed labor budgets that turn a wage increase into fewer staff, heavier caseloads, more workplace accidents, and reduced services — including the bus service the county's own low-wage workers depend on to reach work. That argument deserves close attention, because it is the strongest case anyone in this study has made that an increase could work against its intended beneficiaries. It is also, on the participants' own framing, an argument about what must accompany a wage increase rather than about the floor itself. It turns on whether reimbursement rates, grant funding and transit budgets move at the same time as the wage — decisions in which the county legislature is a participant rather than a spectator.

Second Focus Group: Alliance for Manufacturing and Technology

On June 8, 2026, the Cornell ILR Ithaca CoLab research team held an online focus group with local manufacturers, organized with the Alliance for Manufacturing and Technology. This was one of the supplemental focus groups convened after the eight public convenings, in response to requests that particular issues be examined more closely — here, wage compression, benefits, recruitment, automation, and competition across county and state lines.

To make the discussion concrete, the research team proposed a hypothetical increase of \$2, from \$16 to \$18 an hour. Facilitator Ian Greer stated in the session that he had chosen the figure himself, because earlier convenings had shown participants could not evaluate the question in the abstract, and because framing it around the \$25.08 living wage would have anchored the discussion on a level no one expected the legislature to consider. **The \$18 figure is not a proposal.** This report summarizes what manufacturers said about how such a decision would affect their businesses.

Who Was in the Room

- **Alliance for Manufacturing and Technology** — a not-for-profit, partly state- and federally-funded, that assists small and mid-sized manufacturers and convened the group
- **Four manufacturers**
- **The research team** – Ian Greer (Cornell ILR), Matt Vidal (Loughborough University), Sean O’Brady (McMaster University), and Adolfo Romero (Cornell ILR)

What Participants Said

1. **An \$18 minimum would not directly raise pay at any employer in the room.** One starts at \$20, moving to \$22 after a three-month probation. Another starts at \$22 with no experience, higher with electronics experience. A third starts inexperienced workers at \$20 with a \$2 shift differential, so off-shift staff receive \$22 for all hours paid, including holidays and vacation. The final employer’s base is \$21.76, reaching the living wage through benefits. One participant’s assessment of a \$2 increase: it “probably wouldn’t affect this business except for when I go downtown and get pizza and lunch.”
2. **Their concern is wage compression and labor market position, not ability to pay.** This distinction ran through the session and is the most important thing in it. No one argued they could not afford \$18. They argued that raising the floor narrows the gap between manufacturing pay and entry-level service pay, eroding the advantage they use to recruit. If someone is making \$18 at a donut shop, an employer starting at \$20 or \$22 is “not far enough away from what you’re competing with.” If they had to start inexperienced workers at \$25 to \$27, “eventually we’re going to go out of business.”
3. **One employer has formalized a policy response to compression.** To keep up with living wage increases, one employer’s entire hourly range, lowest to highest, is under 2.5 to 1.

4. **Participants rested much of their case on being a tradable sector.** One described competing with a market where customers “can have stuff made anywhere. So if I get too expensive, they’ll go elsewhere.”
5. **Automation was the most-cited adaptation — and participants said it is already accelerating for reasons unrelated to wages.** An increase would “drive us to automate, to buy equipment that auto feeds or robots so that I don’t have to compete for people.” Asked whether \$2/hr justified equipment costs, one said it could, noting skilled CNC machinists are already nearly impossible to hire locally. Miller challenged the assumption that automation is expensive, describing an AI camera installation that took ten minutes and a fraction of the prior year’s cost. One employer dissented, arguing that there is important skilled work that can’t be automated without sacrificing quality.
6. **Process improvement offers no slack, because it is already continuous.** Continuous improvement, value stream mapping, lean training and ISO requirements are standard practice regardless of wages. Manufacturers are “always looking for ways to save money because margins are very tight as a rule,” and “it’s not like you’re going to come squeeze some more out of it that way.” An increase would not create new savings but would reorder priorities, moving a project from a five-year horizon into the current year.
7. **Benefits are where several would look for savings, and county lines raise a practical question.** One firm reviews benefits annually and an increase could affect them, and another said the firm “most likely will have to pass more of the cost onto our employees.” One reported already having moved from fully covering vision, dental and health insurance to charging a modest share, and seeing some employees drop coverage. One employer with many who live outside the county and asked how a countywide rule would apply; the research team confirmed minimum wages attach to where work is performed.
8. **Workforce availability, not wage cost, is the industry’s stated top problem.** In independent surveys administered to manufacturers by the Alliance’s federal funder, the number one business issue named has been workforce every year for five to six years. Participants described a perception problem — manufacturing is seen as “dirty, dull and dangerous” — and younger workers are “less interested in benefits than they are in cold hard cash.” One argued that direct-to-work training programs failed to produce hires; another noted that union apprenticeships have been “wildly successful.”
9. **The manufacturers saw no business case for a higher minimum; the other brought a case study.** One said the minimum wage “should be for students and transient jobs,” while noting with pride that he starts at \$22 and has many employees earning \$50,000 to \$80,000. Another said a donut chain paying \$18 would not take her staff, because it would not match her benefits, shift differentials or overtime.

By the Numbers, From the Room

- Starting wages ranged from **\$20 to \$22** against a state minimum of \$16 — a premium of 25 to 38 percent over the current floor, and 11 to 22 percent over the \$18 discussion figure.
- **Workforce** has been the most-cited business issue in the Alliance’s manufacturer surveys for **five to six consecutive years**.

Quotes from the Room

“If somebody else is making \$18 at Dunkin’ Donuts, you’re gonna have to increase your entry level, whether it’s 20, 22 — it’s not far enough away from what you’re competing with... It’s no longer, I make a lot more than minimum wage. Now it’s like make two bucks more than minimum wage.”

“When we have to start paying \$25, \$26, \$27 an hour to start for people who have absolutely no experience or background, eventually we’re going to go out of business because we’re not going to be able to be competitive in our field.”

“You drive us to automate, to buy equipment that auto feeds or robots so that I don’t have to compete for people... Good or bad, it’s driving automation.”

“Anybody that’s trying to raise a family and have a life, you want them to make as much as they can, and I’m proud of that fact that I do... I still feel like the minimum wage is jobs that should be students and transit type jobs.”

“We didn’t lose any business for [the minimum wage increase]... And it didn’t actually affect our ability to hire, which we had been worried that it would”.

For the Legislature to Consider

- **Weigh these concerns as claims about competitive position.** An \$18 floor imposes no direct payroll cost on any manufacturer in this session.
- **Expect this sector to be more affected than the county’s dominant sectors.** These are tradable-sector employers and therefore less able to adjust through price increases.
- **Be explicit about non-wage compensation.** Two of four said they would pass more benefit cost to employees; without clear rules, part of the wage gain will be offset where employers have discretion.
- **State the coverage rule for cross-county employees plainly.** Several of these firms employ commuters from Tioga, Broome and Cortland.
- **Do not average away the dissent.** The one Living Wage certified participant reported outcomes from a comparable increase that the other three did not expect.

Manufacturers in Tompkins County already pay well above minimum wage, and several are visibly proud of it. However, raising the minimum wage narrows their wage advantage over retail and food service, in an industry that struggles to attract workers. They expect to respond through compression adjustments, faster automation, and reduced employer contributions to

benefits, and they were candid that the efficiency channel is already exhausted. These concerns rest on real competitive exposure and should shape the phasing and benefits provisions of any policy. The session did not produce a united employer view: the one participant operating under a living wage standard reported that a comparable increase elsewhere left her business better positioned rather than worse.

Third Focus Group: Workers at the Franziska Racker Centers

On June 9, 2026, the research team held a focus group at Racker's Wilkins Road offices in Ithaca. Racker is one of the county's largest providers of services for people with developmental disabilities and their families. This was one of the three supplemental focus groups organized specifically to reach wage earners who had been underrepresented in the public sessions. The session was facilitated by Shaienne Osterreich (Ithaca College), Pete Meyers (Tompkins County Worker Center), and Adolfho Romero (Cornell ILR Ithaca CoLab). It ran about an hour and fifteen minutes at the lunch hour, and Racker compensated staff for their time — a fact several participants remarked on. To make the discussion concrete, the research team asked what a \$2 increase, from \$16 to \$18 an hour, would mean. **That figure was chosen for discussion and is not a proposal.**

Who Was in the Room

- **~18 Racker staff** attended, plus three facilitators. Tenure in the room ranged from three months to thirty-one years, with several participants at eight, nine, ten, twelve, eighteen and twenty-two years.
- **Direct support professionals and senior DSPs** from four houses across the agency
- **Assistant team directors and team directors**
- **A licensed practical nurse**
- **Human resources staff**
- **Program support and administrative staff**
- Facilitators: Shaienne Osterreich (Ithaca College), Pete Meyers (Tompkins County Worker Center), Adolfho Romero (Cornell ILR Ithaca CoLab)

What Participants Said

1. **Wages do not cover housing, and everyone in the room already earns above the minimum.** Participants said no rental units under \$1,200 were “halfway decent.” One senior DSP summarized the response: “Pretty much everybody either has a second job, a third job, or works overtime — constantly, every week. Just to pay for their housing.” A licensed practical nurse with eighteen years’ service described how first paycheck of the month previously covered her rent, but this is no longer the case.
2. **Transportation was the most-discussed subject in the session – it is expensive and precarious.** Participants described staff sharing a single vehicle with a spouse, spouses driving them to a shift and then commuting an hour in the opposite direction, and staff paying for rides to work. A team director gave the arithmetic: “Getting an Uber from Ithaca to Trumansburg to try to make your shift — you might as well not work the shift. But they’re trying to keep their job.” Gas was cited at \$4.50 to \$5.50, and participants noted that commuting distances are not incidental: staff live far out because that is what they can afford. One participant travels from Cortland to Trumansburg,

sometimes more than once a day, to cover a house. Another participant described a colleague who lost her job because it was impossible to get to her shift on time.

3. **Supervisors are subsidizing their own staff out of pocket.** An assistant team director with nearly ten years at the agency described the previous winter's staffing shortage: "The team directors were out of their own pocket paying for gas money. I myself picked up a staff who was struggling financially. She was hungry — at least two dozen times over the winter — just so she could get to work." A colleague representing Tioga County sites described staff for whom the meal at work is all they eat.
4. **Annual raises are absorbed by health insurance.** "It seems like we get a tiny little increase in our pay every year, our health insurance goes up and it covers less, and our deductibles are ridiculous," one senior DSP said. "And if anybody has any kind of health problems in your family, even if you have good insurance, that still doesn't work." On flexible spending accounts: "You have to have money to put in that. We don't have money to put in that with what we make." One long-tenured participant reported being priced out of the employer plan entirely at 65 because of its interaction with Medicare.
5. **Workers absorb costs the job should carry.** Participants described DSPs paying out of pocket for things residents need, and doing documentation at home, sometimes unpaid, because the shift itself has to go to the people they support: Several described using personal phones for the agency's program system — "as far as I'm concerned, Racker should be covering those phones, because they're all using their own phones to do the job" — and noted that when a DSP's phone breaks, "they'll go months until they can save up again."
6. **Low pay degrades the care itself.** "Just imagine, as this gets harder and harder for us and anybody else trying to support people who are struggling, we start struggling more," one DSP said. "It's this terrible feedback loop of struggling financially, then struggling with mental health stuff, and then trying to support people who need us to show up and be present." A team director said, "we shouldn't have to compromise the quality of care and the quantity of staff that we have to give the care, based on the fact that they can't afford to essentially work. That concept to me just doesn't make sense."
7. **Asked directly about a \$2 increase, the room said yes — and said more would be better.** A team director gave the fullest answer: "In general, yes, \$2 helps. More would be better... Of course it matters. Everything matters. Every cent matters. We have more staff — that's great. It provides more assistance to the folks that we support, and that's what we need. That's why we're here."
8. **Workers raised compression and still wanted the raise.** A participant recalled a previous agency increase: "Racker did that one year. They raised the minimum wage, and it was just for the people coming in. And people coming in were actually making more money than the people that had been there for years." Her question to the

researchers was whether a county increase would reach existing staff or only new hires. She did not offer this as a reason against the increase.

9. **Workers discussed the problem of turnover.** “There’s a high turnover, particularly for DSPs, so we’re constantly spending all this money on training and training and training,” one participant said. “Think about if we had a little more money and we recruited people who are high quality, great workers who are going to last a long time. Then we cut back on the training. We cut back on all the chaos that it creates when you have new people come in and new people leave.”
10. **Participants located the problem in public funding, not in their employer.** A team director made the sharpest point in the session: staff at state-operated OPWDD programs earn roughly \$12,000 more than nonprofit staff doing comparable work. “It’s different — state-funded versus our nonprofit.” Several participants defended the agency directly. One with eighteen years’ service: “There’s a reason I’ve been here 18 years. Racker does try really hard with us to do what they can.” Another noted that a coming state rate increase would reach Racker staff, while “I know people who work other places, and the staff won’t see it.”

By the numbers

- Cheapest local studio cited: **\$900/month**; “nothing under \$1,200 that’s even halfway decent”
- Vehicle repair cited: **\$1,000** for underside work — “an entire paycheck”
- Gas price cited: **\$4.50–\$5.50** per gallon
- Premium for medication and G-tube certification: about **\$0.50/hour**
- Gap between state-operated (OPWDD) and nonprofit DSP pay: about **\$12,000/year**
- Times one supervisor drove a hungry staff member to work last winter: **“at least two dozen”**

Quotes from the Room

*“I’ll be the first person to be like, we’re underpaid. It doesn’t matter what position — we’re underpaid. We’re a nonprofit.” — **Team director, eight years at Racker***

*“Pretty much everybody either has a second job, a third job, or works overtime — constantly, every week. Just to pay for their housing, that’s like \$900, and that’s a cheap one.” — **Senior direct support professional***

*“Getting an Uber from Ithaca to Trumansburg to try to make your shift — you might as well not work the shift. But they’re trying to keep their job.” — **Team director, salaried***

*“The team directors were out of their own pocket paying for gas money. I myself picked up a staff who was struggling financially. She was hungry — at least two dozen times over the winter — just so she could get to work.” — **Assistant team director, ten years***

*“We have to have second jobs. And then if we have kids, it’s actually insane... It’s just not sustainable. It’s not sustainable at all.” — **Direct support professional***

*“It’s this terrible feedback loop of struggling financially, then struggling with mental health stuff, and then trying to support people who need us to show up and be present.” — **Direct support professional***

*“I feel like we shouldn’t have to compromise the quality of care and the quantity of staff that we have to give the care, based on the fact that they can’t afford to essentially work. That concept to me just doesn’t make sense.” — **Team director***

*“There’s a reason I’ve been here 18 years. Racker does try really hard with us to do what they can.” — **Licensed practical nurse, eighteen years***

For the Legislature to Consider

- **Treat the OPWDD pay gap as the benchmark.** Roughly \$12,000 separates state-operated from nonprofit pay for comparable work. Any county increase reaching this sector needs a matching answer on reimbursement, or it will be absorbed as reduced staffing rather than higher pay.
- **Ask how an increase reaches incumbent staff, not only new hires.** Workers here have already experienced a raise that went only to new hires and named it as the thing they would want handled differently.
- **Recognize that wage and transit policy are linked from both sides.** Employers testified that wage costs could force transit cuts; workers testified that transport failure already costs them jobs. These are the same problem viewed from two directions.
- **Note that the living wage figure excludes care costs.** For a workforce defined by care work and disproportionately carrying unpaid care at home, indexing to a figure that omits it will understate need.
- **Weigh non-wage costs the job currently pushes onto workers** — personal phones used for agency systems, documentation completed at home, and a fifty-cent differential for medication and G-tube certification.
- **Recognize what participation cost.** Workers attended only because their employer scheduled and paid for it, and still said colleagues could not get away. Future consultation should be designed around that constraint.

The workers who attended this session are not a transient low-wage workforce. They have stayed eight, ten, twelve, eighteen, and thirty-one years in demanding work they describe as meaningful, for an employer they defend. And they are working second and third jobs, driving each other to shifts, buying each other gas and food, using their own phones to do the agency’s documentation, and watching each annual raise disappear into health premiums. Asked what a \$2 increase would mean, they did not hesitate: it would help, more would be better, and — in the words of one team director — it would mean more staff, which means more support for the

people they are there to serve. The clearest message from this room is that the wage problem in the care economy is not a dispute between these workers and their employer. It is a question about what the public is willing to pay for care, and the legislature is one of the parties that answers it.

Fourth Focus Group: Workers at Southside Community Center plus individual testimony from community members

Between April and June 2026, Southside neighborhood residents shared their experiences with wages, housing, and the cost of living as part of the Tompkins County minimum wage research project. This report combines a **June 18 staff focus group** at Southside Community Center with **individual testimonies** collected at Southside Fest and through related outreach between April and June 2026. It is intended to give City of Ithaca officials a concise, direct account of what Southside residents said, in their own words, about how current wages affect their lives.

Who Was Heard

- Two Southside Community Center staff members earning \$16.60–\$18/hour
- Four other community members – a construction worker, a teachers' aide, a research assistant, and a former women's health worker.

What Southside Residents Said

- **Steady work does not guarantee a stable life.** Community Center staff reported wages of \$16.60–\$18/hour that one called “definitely not living wage.” The construction worker, who is currently couch surfing, said: *“It is ridiculous that landlords and other people who own things can sit back making money while working people are barely surviving.”* The teachers' aide put it directly: *“It is not that people are lazy. If a person works every day, eight hours a day, forty hours a week, they should earn enough to take care of themselves.”*
- **Housing is the sharpest pressure point.** Studio apartments in the area run \$1,400–\$1,600 a month. One Community Center staffer lives in income-based voucher housing and worried a raise could push her rent share higher. One community member, who built multi-million-dollar homes before a divorce left him without stable housing, said a living wage would let him *“afford to eat and have a place to sleep at the same time.”*
- **Caretaking raises the stakes.** One respondent works part-time in research while supporting family members who depend on her income. The teacher's aide noted that full-time work should support a worker “especially if they have children.”
- **Residents want higher wages, not deeper dependence on benefits.** One Community Center staffer lost SNAP eligibility after a household reassessment put her about \$200 over the threshold; another described public assistance systems as hard to manage and unreliable, since a missed certification can cut off benefits entirely. Even so, participants did not treat possible benefit loss as a reason to avoid raising wages. One said plainly that if workers made enough money, they should be able to pay for food without needing SNAP; another said she would rather rely on wages from an employer than on DSS.
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- **\$25/hour surfaces repeatedly as the level that means stability, not luxury.** Both Community Center staff and one of the other interviewees, independently, named \$25/hour as the wage that would let them save, manage bills, and help family, instead of, as the former women’s health worker put it, constantly “stretching to make ends meet.” The extra income would let her “help the people who rely on me” and would give her back time as well as money. Staff cautioned this only helps if prices for basic goods do not rise at the same time — they worried businesses could raise prices on necessities like toilet paper, soap, and clothing in response.
- **Higher wages would circulate back into the local economy.** On respondent, who is medically disabled and not currently in the workforce, described the community-wide effect: *“If people made more money, they would have more money to spend in the community... Even going to a state park can cost \$10 for the day.”* She previously earned about \$18/hour in women’s health and said that wage felt decent at the time because it came with benefits — but under current costs, even \$18/hour would not be enough for a single person without Social Security and assistance programs. She also raised a concern shared by others — that small businesses may need a fair transition period to adjust to higher labor costs so jobs are not lost in the process.
- **Transportation and mobility limit opportunity.** Reliable transportation determines which jobs, appointments, and errands are possible. One staffer depends on a single bus route serving her area and said more service would help; the other described a car not as a luxury but as a tool for independence — a way to stop depending on buses, rides from friends, or other people’s schedules.
- **This is a countywide concern, not a niche one.** One respondent, who moved from a state with a \$7.25 minimum wage, pushed back on the idea that “minimum wage” is only a concern for teenagers or marginalized groups: *“If you help people who are the most marginalized, you are able to help the entire community. People should be able to work, put their labor into something, and come back out of it living, literally being able to live.”* The teacher’s aide connected the same pressure to organized labor, noting that low pay and difficult conditions are part of why he and his co-workers are pursuing unionization.

For the County to Consider

- Set a wage floor that closes the gap between full-time work and the actual cost of living. Participants pointed to figures well above the current minimum, with \$25/hour repeatedly named as the level that shifts households from survival to stability.
- Coordinate wage policy with benefit-cliff design, so a raise does not quietly cost workers SNAP, housing subsidies, or other support they still need.
- Pair any increase with a transition period or support for small businesses, and monitor price increases on basic necessities so wage gains are not erased at the register.
- Continue investing in housing affordability and transit, which Southside residents identified as the two constraints most likely to blunt the benefit of a higher wage.

Southside residents are working, raising families, caring for relatives, and contributing to community institutions and current wages still leave them unable to reliably cover rent, food, transportation, and basic stability. Their testimony supports a local minimum wage that closes the gap between full-time work and the real cost of living in Ithaca, paired with attention to housing costs, benefit cliffs, transportation access, and a fair transition period for small businesses.

Fifth Focus Group: Students at TST Boces

On June 10, 2026, the Tompkins County minimum wage research team met with roughly 25 students and several teachers at a Tioga Street classroom run by Tompkins Seneca Dundee (TSD) BOCES. This was the **most diverse multicultural group** the project has spoken with, drawing participants from Mexico, several African nations, the Middle East, Korea, Ireland, and other Spanish-speaking countries, alongside one U.S.-born participant. The classroom was framed by the principal as a safe space where no one should feel watched by government; the session was not recorded and no names were collected. Please note that the testimony below are the opinions of the adult education students and not the opinion of TST BOCES.

Who Was in the Room

- Roughly 25 adult ESL students, three teachers, and the BOCES principal
- Nearly all participants were immigrants or refugees; countries named in discussion included Mexico, several African nations, countries in the Middle East, Korea, Ireland, and other Spanish-speaking countries
- One participant, the only U.S.-born speaker in the room, was working toward a GED

What Participants Said

1. **A small raise carries outsized weight when wages cross borders.** Several participants convert local wages into what they mean back home. One noted that an extra \$2/hour over a full workweek adds up to roughly \$320 a month — “a regular worker’s wage” in Mexico. Others described sending money to fathers or families in African countries, saying even modest increases would let them support relatives more easily.
2. **Rent already consumes most of a minimum-wage paycheck.** One participant pays \$850 a month in rent and estimated that a \$16/hour income covers only “the minimum things.” A teacher described riders on the Ithaca bus, some employed, living in what he called “real poverty,” traveling into town for medical appointments and Loaves & Fishes.
3. **A raise could trigger a Medicaid cliff — and students are already weighing it.** Several noted that minimum-wage jobs currently qualify them for Medicaid, and asked directly whether a wage increase would push them over the threshold before they could actually afford better coverage. One pointed out that even \$30/hour buys “not great” private insurance, leaving a gap where a raise could cost more in coverage than it gains in pay.
4. **Higher pay was framed around stability and dignity, not luxury.** Participants described wanting to build a house and start a family, save for emergencies, stop “living in survival mode,” and afford basics like yoga, hobbies, and children’s summer camps — which one participant noted run about \$300 per week per child. Describing his own situation, one participant said a raise would simply “*help me get out of the hood.*”
5. **Global economic pressure compounds local wage pressure.** Rising costs tied to war and inflation came up repeatedly. Drawing on experience with minimum wage debates in

Korea, one participant said raises “don’t keep up” with inflation and that she had stopped planning for her own future since arriving. Another suggested the county set aside emergency funds to buffer residents from war- and inflation-driven price spikes regardless of the wage outcome. A third raised concern that AI could displace higher-wage jobs and push more workers into minimum-wage roles.

6. **Not everyone in the room agreed a wage increase is the answer.** One participant said he isn’t interested in minimum-wage work at all and doesn’t plan to stay in it. Another argued minimum wage “is not the solution” compared with access to healthcare and free education, noting that a single tooth treatment here costs as much as surgery back home. A third worried that higher labor costs push small businesses in his home country toward informal, off-the-books work (a risk he saw as relevant here too).
7. **Even without a raise, some are already living paycheck to paycheck.** The only U.S.-born speaker in the room said she lives paycheck to paycheck and has to pick up extra shifts to make ends meet for herself and her daughter, calling it “annoying” but necessary.
8. **Support grew at every wage level facilitators tested.** Facilitators walked the group through Ithaca’s current \$16/hour minimum wage against a calculated local living wage of \$25.08, then tested the steps in between. At \$18, participants said they would “worry less” and “know I have enough money to pay for things.” At \$20, one said he could finally send money to his father in Africa. At \$21, another said the extra \$5 would mean, in her words, “sending money to Mexico.” At the full living-wage figure — roughly \$4,000 a month — participants described enough room to stop “living in survival mode” and start saving, traveling, and prioritizing health.

Quotes from the Room

“We’re gonna have another 2008 if we don’t increase it.” — participant from Africa, on the risk of a delayed minimum wage increase

“I used to work 80 hours just to afford a bus fare.” — participant from Africa, comparing conditions in his home country

“You can think your life would change with wage increase. What if you get an illness? You become poor, because of an illness. I pay money for a tooth treatment. It’s the same cost as surgery in my country. Many people don’t have access to good healthcare. If you have a good college education, you can change your life, get an important job. Minimum wage is not the solution for the problems here.” — participant from East Asia

“The government isn’t thinking about us — prices are going up because of wars. The city and county should have money set aside for emergencies like these, even if the minimum wage doesn’t go up.” — Spanish-speaking participant, translated during the session

For the County to Consider

- Coordinate any wage increase with Medicaid and benefit-eligibility thresholds so families are not pushed off coverage before they can afford a private alternative.
- Pair wage policy with investments in healthcare access and affordable education, which several participants saw as equally or more decisive than the wage itself.
- Consider a reserve fund or similar mechanism to buffer residents from war- and inflation-driven cost spikes, as several participants requested directly.
- Expect a range of views, including skepticism, within immigrant and multilingual communities — not everyone frames minimum wage as the primary lever for their economic security.

This was the most demographically diverse group the project has convened, and it showed: participants weighed a wage increase against remittances, immigration and healthcare status, global inflation, and family-building goals thousands of miles from where the policy will be set. Their testimony broadens the case for a local minimum wage increase beyond simple cost-of-living arithmetic — into questions of healthcare access, benefit design, and how tightly a small city's wage floor is now tied to a global economy.

¹ This is the population of Palo Alto and Stanford. The population of the San Jose-Sunnyvale-Santa Clara, CA MSA is 1,984,473.

² In the city. The population of the Portland-South Portland, ME MSA is 577,635.

³ In the city. The population of the Bellingham, WA MSA is 236,392.

⁴ In the city. The population of the Boulder, CO MSA is 328,560.

⁵ In the city. The population of the Everett, WA Metro Division of the Seattle-Tacoma-Bellevue, WA Metropolitan Statistical Area (MSA) is 870,656.

⁶ Students at 4-year colleges, excluding distance students.

⁷ Student population for Palo Alto and Stanford.

⁸ \$18.24 for covered employers: employers with 15-499 employees **OR** annual gross income over \$2 million revenue in Everett. \$20.44 for large employers: Employ 500+ employees, including franchises under common control. <https://www.everettwa.gov/3287/Minimum-wage>

⁹ Fast food workers employed by chains with at least 60 establishments nationwide must be paid \$20 per hour. “Certain health care workers must be paid a higher minimum wage.”

https://www.dir.ca.gov/dlse/minimum_wage.htm

¹⁰ The percentage change between the 2025 annual average and the annual average in the year the minimum wage was implemented.

¹¹ For Santa Clara county. The unemployment rate change for the wider San Jose-Sunnyvale-Santa Clara, CA MSA was +10%.

¹² For Snohomish county.

¹³ The average of the annual averages, from the year the minimum wage was implemented through 2025. County is used where data are available and if not MSA is used.

¹⁴ For Santa Fe county.

¹⁵ For Santa Clara county.

¹⁶ For Snohomish county.

¹⁷ The average across the three years. For the county. 2024 is the latest year available. The growth rates for Bellingham, Boulder, and Everett are for before they implemented their local minimum wage law.

¹⁸ It is the same in both Santa Clara county and the wider San Jose-Sunnyvale-Santa Clara MSA.

¹⁹ In Snohomish county. The unemployment rate for the Seattle-Tacoma-Bellevue, WA Metropolitan Statistical Area (MSA) was 4.6%.

²⁰ Consumer Price Index.

²¹ \$2.00 above state wage floor by 2025.

²² \$18.17 by 2027.

²³ \$20.77 by 2026 (large); \$19.77 by 2026 (covered).

²⁴ Employers with <15 employees excluded. One Fair Wage was phased in.

²⁵ <https://www.everettwa.gov/3287/Minimum-wage>