

ARGUMENTS FILED AGAINST THE FAIR WAGES  
AND HEALTHY FAMILIES ACT

VOTE NO ON NEW JOB CREATOR MANDATES

The Arizona Chamber of Commerce and Industry urges you to vote no on new mandates on job creators. If passed, the very people the proposition's out-of-state labor union supporters claim to want to help will be the most harmed. The poor, young people and those with few skills who would benefit most from an entry-level job will find themselves shut out of the job market as employers will have fewer dollars to devote to new hires.

This proposition would dramatically raise the minimum wage by nearly 50 percent, impose new mandates on employers for employee leave, and would allow cities to form their own wage ordinances.

Business faced with the extreme hike in costs and new workplace mandates will be left with bad options. Employers could cut lay off employees, raise prices, institute hiring freezes, invest in automation that will make employees unnecessary, or even close up shop. These new costs will particularly difficult for small businesses to absorb.

For those on the outside of the job market looking in, like teenagers, the news is even worse. Each 10 percent hike in the minimum wage causes a 1-2 percent drop in youth employment. Proving that the minimum wage destroys opportunity, teenage unemployment is a whopping 16 percent right now. Higher minimum wages make teens' ability to break into the job market even more difficult.

Arizona already has a minimum wage higher than the federal mandate that is adjusted annually for the cost of living. This proposed dramatic mandated wage spike would only worsen our rotten labor participation rate that currently sits at a level not seen since the 1970s.

This proposition is bad for job creators and job seekers. We urge you to vote no.

Glenn Hamer  
President and CEO

Dennis Dahlen  
Chairman

**Glenn Hamer, Phoenix and Dennis Dahlen, Phoenix**  
*Sponsored by "Arizona Chamber of Commerce and Industry"*

The Arizona Farm Bureau opposes The Fair Wages and Healthy Families Act (I-24-2016)

Economists have legitimate disagreements as to both the positive and negative impacts of minimum wage increases. Predicting outcomes on any new proposal is just that - a guessing game. Where does it wash between those who are better off with more income and those with job losses because of the increase? Anyone who says they know, in advance, don't know. There are

simply too many variables and too many unknowns. It is clear from economic literature that small and measured minimum wage increases tied to inflation, more correctly move with market principles and cause less economic distortions. Arizona has in place a system indexed to inflation. Combining this approach with earned tax credits for those struggling to earn a living wage, in a studied manner seems more reasonable - not perfect, but more reasonable. An initiative that simply throws numbers against the wall is not a studied approach. Perhaps the greater good is a cost that should be shifted to the public, rather than simply piling upon the employers.

**Kevin Rogers, Gilbert and James Klinker, Gilbert**  
*Sponsored by "Arizona Farm Bureau"*

The Greater Phoenix Chamber of Commerce opposes the Fair Wages and Healthy Families Act.

The proposal mandates a \$12 per hour minimum wage in Arizona by 2020. Furthermore, the proposition increases burdens on employers by requiring mandatory paid sick time for all employees.

Arizona's minimum wage law already allows for annual hourly wage increases that are far above the federal minimum wage. If this proposition passes, the minimum wage in our state will increase by nearly 50 percent in just four years.

It is understood that minimum wage laws have negative economic consequences and often hurt those most that they are intended to help. Minimum wage hikes typically have no net effect on low-income families and do little, if anything, to reduce poverty rates. Our chamber, through Phoenix Forward, our economic development platform, is working to create job opportunities - not establish an arbitrary wage floor.

Artificially inflating labor costs forces business owners to lay off workers, reduce hours or increases prices. Often, the only solution that remains is a combination of all three of those job-killing options. In addition, this proposition places Arizona at a competitive disadvantage against other states in attracting businesses here that are looking to expand operations.

This proposition places undue regulatory and bureaucratic burdens on employers because it empowers local governments to raise the minimum wage and paid sick time levels above the state minimum. This can create a patchwork of employment laws across our state that would be almost impossible for business to navigate successfully.

This proposal is bad for businesses, bad for employees it is designed to help and bad for the state.

We urge you to join business in voting NO.

Daniel Froetscher  
Chairman of the Board

Todd Sanders  
President & CEO

**Todd Sanders, Phoenix and Daniel Froetscher, Phoenix**  
*Sponsored by “Greater Phoenix Chamber of Commerce”*

The Arizona chapter of Americans for Prosperity is strongly against this proposition, which would kill job opportunities for workers in Arizona, especially for young people and low-skilled workers who are trying to climb onto the bottom rungs of the career ladder.

Contrary to what the advocates of this proposal claim, this initiative would substantially harm Arizonans by:

- Increasing the prices of your goods and services;
- Decreasing number of hours worked for hourly employees;
- Eliminating jobs and freezing new employee hires;
- Possibly leading to more automation, especially in the restaurant industry.

This is basic economics. Two years ago, 500 economists from across the political spectrum sent a letter to President Obama saying his wage increase to \$10.10 would result in higher unemployment. Additionally, an analysis of wage increases since 1990 found that 85% of the economic studies had convincing evidence of job losses for low-skilled workers.

Raising the minimum wage also increases the cost of labor for businesses. Small businesses in particular would have to find ways to continue serving their customers with ever-increasing financial burdens put upon them by the government.

One of the hypocrisies of this measure is that the minimum wage and paid sick time requirements would not apply to workers in unions. So if you're not a union member, tough luck! And if you're a union boss, what a deal!

More government is not the solution to income inequality. Please VOTE NO on this hypocritical ballot measure that will hurt those it intends to help.

AFP-Arizona exists to improve the well-being of all Arizonans by informing citizens about economic policy matters and pushing for meaningful anti-poverty reforms. To learn more the minimum wage and other important issues, contact us at [infoAZ@afphq.org](mailto:infoAZ@afphq.org). And please visit our website at [www.afpaz.com](http://www.afpaz.com)

Tom Jenney  
Boaz Witbeck  
Americans for Prosperity

**Tom Jenney, Phoenix and Boaz Witbeck, Phoenix**  
*Sponsored by “Americans for Prosperity”*

Like so many things you're seeing on the ballot this year, Proposition [XXX] looks much better than it really is.

The official name of the proposition suggests that it would give us "fair wages" and "healthy families." The reality is exactly the opposite.

Two years ago, 500 economists wrote a letter to President Obama, saying his proposal to increase the federal minimum wage to \$10.10 an hour would result in HIGHER UNEMPLOYMENT. Think of what a \$12 minimum wage would do!

An increased minimum wage would destroy jobs for Arizona workers, and especially for young people who are trying hard to get into the work world and build skills to compete in an increasingly globalized economy. Arizona would be pulling up the bottom rung of the economic ladder for the very people who most need opportunities to work.

The reason is simple. If Arizona's struggling small businesses have to pay higher wages for low-skilled workers, they will have to cut back on the number of workers and the number of hours they pay the workers they have.

There is nothing fair about getting thrown out of work. There is nothing fair about getting a wage of ZERO. There is nothing fair about a law that makes your employer cut back on hours. And it's hard for young people and low-skilled workers to support healthy families if they don't have jobs or if employers have to cut them back to part-time work and take away their health insurance.

A lot of people are worried these days about how automation (using more machines to replace workers) is going to throw low-skilled workers out of jobs. This misguided proposition would accelerate that process.

Please vote AGAINST Proposition [XXX]!

**Roy Miller, Phoenix**

#### ARGUMENT AGAINST PROPOSITION [XXX]

In high school I worked at a car wash, a gas station, a Dairy Queen and a tool warehouse. While in college I worked at a home improvement center and a car dealership. Upon college graduation, which occurred during a recession, I worked a minimum wage job at a mall clothing store until a better career opportunity opened up.

Basically, I survived high school, college and immediately after college on jobs that paid at or close to minimum wage. Those jobs not only put bread on my table: they taught me how to work hard, deal with customers, and understand how tough it is for businesses to survive and thrive.

That's why I am very strongly against Proposition [XXX] and its efforts to use government to force employers to pay workers a \$12 minimum wage. By raising the wage above what employers can pay, this proposition will throw young people and other low-skilled workers out of work. Many of them will be replaced by machines.

It's not fair for those of us who have climbed up the work ladder into successful careers to pull up the ladder behind us. Because of the terrible recession we have just gone through, too many young people are already sitting on couches in their parents' living rooms, instead of getting on-the-job training and moving ahead in life.

Proposition [XXX] is also unfair in another way. The proposition was put on the ballot by the union bosses. The union bosses created a special carve-out for themselves: the new law will not require paid sick time or mandate a minimum wage for union workers. So, while low-skilled workers and young people are thrown out of work, the union bosses will be collecting bigger dues from their members.

Marcus Huey  
Phoenix, AZ

**Marcus Huey, Phoenix**

ARGUMENT AGAINST PROPOSITION [XXX]

WARNING: UNIONS EXEMPT THEMSELVES TO LINE THEIR POCKETS

Proposition [XXX] calls itself the "Fair Wages and Healthy Families Act." It's false advertising.

FOLLOW THE MONEY. You'll see the proposition has been funded by Big Labor organizations and their union bosses.

You will also notice that the minimum wage and paid sick time requirements in the proposition **WOULD NOT APPLY TO UNION WORKERS!**

That's interesting, isn't it? Why would the union bosses exclude union workers from the requirements?

The answer is simple economics. By using the government to force employers to raise wages at the bottom end, the higher minimum wage would cause struggling small businesses to lay off workers. The people who would get hurt worst by the lay-offs would be low-skilled workers, especially young people who are trying to build job skills.

That's bad news for low-skilled workers. (What's "fair" about losing your job?)

But it's great for labor bosses looking to swell their membership rolls. Currently there is little to no benefit for private sector workers to join unions, which is why union membership is at an all-

time low. So the new tactic being deployed under Proposition [XXX] is to force companies to become union shops.

How? Under Proposition [XXX], if a business agrees to be unionized, it would not have to pay the minimum wage or comply with the paid sick time requirements. They will be exempt, just like the unions. That may not be good for the actual worker. But guess who will collect more union dues out of union worker paychecks? You guessed it: the union bosses!

Please read the fine print. And please vote NO on Proposition [XXX]!

**Becky Fenger, Phoenix**

#### ARGUMENT AGAINST PROPOSITION [XXX]

As a general surgeon working here in Phoenix since 1976, the professional motto I live by in trying to solve medical problems and help people live better lives is the Hippocratic Oath: "First, do no harm."

When it comes to public policy, we must use the basic principles of economics to avoid doing harm as we try to solve social problems such as poverty. Unfortunately, the efforts of Proposition [XXX] to establish "fair wages" go against the basic principles of economics, and will do more harm than good.

Basic microeconomic theory and decades of empirical economic research show that a government-imposed minimum wage above market wages will cause people to become unemployed. Further, the people who get hurt most by minimum wage increases are working-class individuals, minorities, and young people without college degrees. There's nothing "fair" about a government policy that will make more people unemployed.

In addition to unemployment, an artificially high minimum wage established by government will cause consumers (like you and me) to pay more for goods and services. Likewise, businesses will have to find ways to bear the higher costs caused by government-enforced wage restrictions

that distort the market. In cities that have already implemented higher minimum wage laws, we are seeing many businesses laying off employees and replacing their labor with technology. For example, instead of placing restaurant orders with human beings, customers will end up placing their orders via an automated system (such as a tableside computer tablet).

The negative economic effects of a minimum wage increase would be too high for Arizonans.

We should not harm people while pretending to help them. Please vote NO on this ballot measure and avoid harming low-skilled workers, consumers and small businesses in Arizona.

**Jeffrey Singer, Phoenix**

#### ARGUMENT AGAINST PROPOSITION [XXX]

Before retiring, I worked for decades as an investment manager with various pension funds, and dealt first hand with policy issues involving pensions, wages and benefit packages.

This experience leads me to urge everyone to vote against Proposition [XXX].

Many workplace regulations look good from afar, but don't work out in the real world. Why not force employers to pay all workers a minimum wage of \$12 an hour, plus mandatory sick leave benefits? One answer is that the Law of Unintended Consequences always seems to intervene. Ham-handed government actions have a way of creating newer and bigger problems.

Small businesses create the most jobs. Most small businesses operate on tight margins and many are struggling to meet payroll and cover other costs, like rent, insurance, taxes, etc. If a struggling business has 10 employees, and pays each of them \$11 an hour, that's \$110 an hour. At 40 hours a week, that's \$4,400 for the weekly payroll. If the government forces the business to pay \$12 an hour, that's \$120 an hour, or \$4,800 for the weekly payroll. That equals \$400 per week, and \$20,800 per year in added costs.

What if a business cannot afford this extra expense? The easiest solution may be to fire one of the employees. That employee will now get \$0 an hour, and will lose his or her private health insurance plan. Or, the business may decide to cut several employees' hours to part-time, which may cause them to lose their private health insurance.

Raising the minimum wage is a classic case of the road to Hell being paved with good intentions. Please vote No on Proposition [XXX].

William O. Sumner  
Phoenix, AZ

**William O. Sumner, Phoenix**

Beware of Unintended Consequences

Since 2009, the Arizona Association of Providers for People with Disabilities (AAPPD) has been advocating for the restoration of state funding that was previously cut by the Arizona Legislature. Without an increase in state funding, care providers are not in a financial position to pay our direct care employees more for the work that they do.

Caring for individuals with developmental and intellectual disabilities is not for everyone - it is demanding and often heart wrenching. Our direct care staff have amazing hearts, but care providers are unable to pay them a livable wage for their great work.

With turnover rates as high as 80%, direct care workers' pay is often below what fast food chains can offer their employees, making it difficult to retain existing staff and recruit replacements.

While increasing the minimum wage may sound like a simple solution to this problem, it will actually make the situation worse.

Absent appropriate increases in state funding, care providers will be unable to absorb the cost of increased wages. Under the best case, care providers will remain open, but offer limited services with reduced staffs that will be unable to safely provide critical care to our most vulnerable populations.

The more likely scenario, however, is that many care providers will have to close their doors, unable to afford the higher employment costs, leaving many of the 30,000 individuals with disabilities with no place in Arizona to receive care.

Care providers want and need to increase the wages of our direct care workers. But, unless the Legislature increases funding for the care of those with disabilities, this measure is jeopardizing the health and safety of Arizona's most vulnerable residents. It is with a heavy heart that we encourage Arizona to vote no.

Ann Monahan

David Schwartz

AAPPD

**Ann Monahan, Phoenix and David Schwartz, Phoenix**  
*Sponsored by "Arizona Association of Providers for People with Disabilities"*

Vote NO on minimum wage increase and mandatory paid sick leave

The Tucson Metro Chamber opposes the Fair Wages and Healthy Families Act.

The proposal mandates a \$12 per hour minimum wage in Arizona by 2020. Furthermore, the proposition increases burdens on employers by requiring mandatory paid sick time for ALL employees.

Arizona's minimum wage law already allows for annual hourly wage increases that significantly outpace the federal minimum wage. If this proposition passes, the minimum wage in our state will increase by nearly 50 percent in just four short years.

Artificially inflating labor costs forces business owners to lay off workers, reduce hours or increase prices. Often, the only solution that remains is a combination of all three of those job-killing options. In addition, this proposition places Arizona at a competitive disadvantage against other states in attracting businesses here that are looking to expand operations.

To continue moving Arizona's economy forward, we must remain an attractive location for business expansion and a magnet for ongoing innovation. This proposition acts in direct opposition to that goal. This proposal is bad for our state, bad for businesses and above all bad for the employees it is designed to help.

If passed, the very people the proposition's supporters claim to want to help will be the most harmed. The poor, young people and those with few skills who would benefit most from an entry-level job will find themselves shut out of the job market as employers will have fewer dollars to devote to new hires.

This proposition does not represent Arizona and we urge you to join business in voting NO.

Thomas McGovern  
Immediate Past Chairman of the Board  
Tucson Metro Chamber

Michael V. Varney  
President & CEO  
Tucson Metro Chamber

**Michael V. Varney, Tucson and Thomas McGovern, Tucson**

***Sponsored by "Tucson Metro Chamber"***

Fair? How is this Proposition fair? If we raise the minimum wage, who is going to pay for it? There is no such thing as a free lunch...or in this case, a 'free' wage increase. Someone has to pay for it, and it likely will be you.

The problem with minimum wage policies is the lack of a basic understanding in economics and that Government should not medal in the Free Market. Citizen's Initiatives puts another irreversible 'law' on the books. The consequences of policy measures don't always match the intent, "Be careful what you wish for"! What should we then expect for this Proposition?

Unlike what this measure claims to do, this initiative would harm citizens like YOU by raising the prices of everything you buy. For every action, there is a reaction! If prices go up it hurts those on fixed income like the poor and retirees! This is neither fair nor healthy.

Also, if our government forces business to raise wages, both actual and potential jobs in Arizona will go away, especially opportunities for low-skilled workers and young people just starting out. These low level jobs were never intended to be the basis for a family's sole income...that was reserved for career positions which, alas, require education. Instead of treating these part time positions incorrectly, let us spend our energy on promoting educational opportunities which will not require legislative action to set compensation.

Raising the minimum wage increase the cost of labor for small businesses. How will our local restaurants and shops bear the ever-increasing financial burdens put upon them by Government? The profit margins for a lot of these businesses are already small. We can't let our mom and pop shops suffer and potentially die!

Please mark NO on your ballot!

**Wesley W. Harris, Phoenix**

Vote NO on Proposition XXX

This initiative is laced with hypocrisy. Although voters will think they are voting for an increase in the minimum wage and mandatory sick leave policies, the devil is in the details. In fact, the key provision proponents of this initiative really care about is an EXEMPTION from the minimum wage and sick leave requirements for anyone that enters into collective bargaining agreements--i.e. unions.

Why would out of state unions, the major funder of Proposition XXX, exempt themselves from their own initiative? The reason is simple: excluding businesses that collectively bargain from paying higher wages and benefits will drive more employers to unionize their work force. That means more union dues and more sweeteners for Big Union Bosses.

There is only one winner if this initiative passes. It isn't Arizona employers who will be forced to eliminate jobs and downsize to manage costs. And it won't be workers who will have fewer opportunities to make a living and climb the economic ladder. The only winner is big labor, who will make big money forcing business owners and workers into collective bargaining agreements.

If there is any doubt that this is a ploy to unionize Arizona's workforce, consider that Proposition XXX allows cities and towns to unilaterally adopt their own minimum wage and paid leave policies. The result of this provision is that Arizona will have a confusing patchwork of employment laws--making payroll management and accounting for businesses operating in more than one city nearly impossible. In order to avoid this nightmare, business owners will have no other choice but to unionize in order to maintain continuity, simplicity and reduce compliance costs associated with Proposition XXX.

Vote NO on this initiative, and say NO to the HYPOCRISY.

**Scot Mussi, Phoenix**

*Sponsored by "Arizona Free Enterprise Club"*

The proposed initiative increasing the minimum wage in Arizona fails to consider the unintended consequences to Arizona's most vulnerable populations, including those with developmental and intellectual disabilities.

Because of State budget cuts incurred during the Great Recession, the organizations entrusted with the care of these vulnerable individuals are in serious and indisputable financial trouble. These providers are already struggling to compete with other employers that can afford higher paying jobs that are less stressful than taking care of individuals with developmental or intellectual disabilities.

The proposed initiative, which has no funding source other than the private businesses it wants to control, will be far worse for those organizations caring for the disabled. These organizations do not have the financial wherewithal to pay their employees more. Continued work is underway to restore funding, but it will take time and resources not now available.

These providers will not survive a minimum wage increase mandate. When they cease operations and close their doors the ongoing care for and the safety of 30,000 individuals with developmental and intellectual disabilities will be seriously compromised.

The initiative makes no allowances for individuals with developmental and intellectual disabilities who can hold down entry level positions. This community, more than any other, fiercely desires dignity, respect and independence, and employment for those who can work is an important part of self-determination. These organizations have worked with local businesses to create jobs for the disabled. If this initiative passes, many of these entry jobs will end.

The unintended consequences to vulnerable Arizonans are inexcusable. Please join me in protecting our most vulnerable populations by voting NO on this initiative.

**Kate Brophy McGee, Arizona State Representative, Phoenix**

Dear voters,

I oppose Prop. (XXX)

I opposed the idea of workers, putting ballot measures up to give themselves a raise. I work based on my performance, and I should be rated and paid based on my hard work, intelligence and enthusiasm.

We need to vote this measure down, and support a broad based employer / employee compensation negotiations between private employers and private employees.

The fight for \$15 Min Wage includes massive benefit packages that will disrupt the food and farming industries that will drive food and milk production overseas. We cannot push our food security to Mexico because of a utopian dream of livable wages not withstanding performance.

I work hard, put myself though graduate school and have lifelong learning efforts.

Please turn this measure down and get kids into school to learn something.

Respectfully,  
Mark Lewis, Director  
Water Resource Institute  
[www.WaterResources.org](http://www.WaterResources.org)

**Mark Lewis, Phoenix**  
*Sponsored by "Water Resource Institute"*

ARGUMENT AGAINST PROPOSITION [XXX]

PROPOSITION [XXX] HURTS THE WORKING POOR

I grew up in a poor immigrant family. My parents worked hard -- my father as a steel worker and my mother as a seamstress. The minimum-wage jobs I had as a young man allowed me to buy my own car and pay my way through college.

As a Phoenix City Councilman, I talk every day with small business owners -- people pursuing the American Dream but struggling to find the revenue (or take out loans) to make their next payroll. Being forced by the government to pay employees \$12 an hour could easily bankrupt many of them, causing them to board up their shops.

But as bad as this proposition would be for small businesses, the worst impact of raising the minimum wage would be on workers. There are tens of thousands of low-skilled workers in Arizona, especially young men and women, people like me when I first got into the work force, who would get a pink slip and be tossed out onto the street.

People thrown out of work by a minimum wage hike would lose a lot. Obviously, they would lose income. It won't matter if you can make \$12 an hour if they are no available jobs. They would lose the opportunity to develop the skills needed to move up in the workforce. They would also lose some of their dignity -- just talk to any of the thousands of people in Arizona who have suffered from long-term unemployment since the last recession. For me, I would have lost the opportunity to work, attend school and become the person I am today.

Hon. Sal DiCiccio  
Councilman, District 6  
City of Phoenix  
200 West Washington Street,

Phoenix, AZ 85003  
(602) 262-7491

**Sal DiCiccio, Phoenix**

Agricultural producers are price takers, not price makers, meaning the market, not the farmer, sets commodity prices. When I produce barley, my price is determined by supply and demand, because I operate under the constraints of perfect competition. A price maker has more freedom to price its products because of differentiation, advertising, and other market factors. For instance, if the cost of McDonalds' labor increases to \$12 dollars per hour, the price of a Big Mac will increase by the per unit increase in cost – and if you want a Big Mac you'll pay the higher price. However, a farmer cannot raise the price of barley when costs increase because each farm supplies just a small share of total barley supply, so a single farmer's costs have no impact on price—again, farmers are price takers. If the price of my labor rises to \$12 dollars per hour, I can no longer compete. My production costs are now higher, but I can't raise the price. I am not only pushed out of the market, but my \$12 dollar per hour employee loses his job. A minimum wage increase of this magnitude will not only have devastating effects on Arizona agriculture, but small business as well, and small businesses as a group employ the largest number of people. When making decisions regarding wages, we have to consider the unintended consequences. We don't want to hurt the economy—and workers—more than we help.

**Michael Francis, Phoenix**

*Sponsored by "Michael Francis for CAWCD"*

THE RESTAURANT AND HOSPITALITY INDUSTRY IS THE LADDER OF OPPORTUNITY, PROVIDING TEN PERCENT OF ARIZONANS INCOME AND MILLIONS OF PEOPLE AN ATMOSPHERE TO EAT AND ENTERTAIN. THE RESTAURANT INDUSTRY IS A PLACE WHERE SOMEONE WITHOUT A COLLEGE OR HIGH SCHOOL DEGREE CAN WORK HARD, AND LEARN TO MOVE UPWARD FOR MORE PAY. MINIMUM WAGE JOBS COME WITH WORKFORCE TRAINING; CUSTOMER SERVICE SKILLS AND THE ABILITY TO ONE DAY MANAGE OR OWN A RESTAURANT.

INCREASING AND MANDATING WAGE AND PAID BENEFITS ON AN EMPLOYER IS AN ARTIFICIAL WAY TO INFLATE PRICES AND COST OF GOODS. RAISING MINIMUM WAGE FOR SMALL OR MEDIUM SIZE EMPLOYERS WILL RESULT IN FEWER JOBS REPLACED WITH TECHNOLOGY AND KIOSKS OR LESS WORKING HOURS FOR THOSE ABLE TO STAY EMPLOYED. MANDATING BENEFIT PACKAGES INFRINGES ON THE COMPETITIVENESS, FLEXIBILITY AND GROWTH THAT THE NATURE OF A FREE MARKET PROVIDES. A SMALL OR MEDIUM SIZED RESTAURANT, REGARDLESS OF THE FRANCHISE OR LOGO OUTSIDE THEIR BUILDING, OFTEN OPERATES ON A PROFIT MARGIN OF 2-4 PERCENT. WHEN LABOR COSTS INCREASE, THOSE COSTS MUST BE ABSORBED ELSEWHERE. AN INFLATED WAGE FLOOR WILL RESULT IN HIGHER MENU PRICES AND LESS

HOURS FOR EMPLOYEES TO WORK – WHICH ACTUALLY NEGATIVELY IMPACT THOSE WITH A LOWER INCOME.

VOTING AN INCREASE ON MINIMUM WAGE TO \$12/HOUR IS TOO HIGH FOR ARIZONA'S COST OF LIVING BASE WAGE. WAGE COMPRESSION FOR EMPLOYEES THAT HAVE BEEN WORKING LONGER OR IN MANAGEMENT ROLES WILL RESULT IN LOSS OF HOURS, JOBS, OR MORAL. FURTHER, THIS PROPOSAL ALLOWS INDIVIDUAL CITIES TO SET AND REGULATE THEIR OWN MINIMUM WAGE WELL ABOVE THE STATEWIDE LEVEL, CAUSING INCONSISTENCY AND CONFUSION IN OUR STATE FOR EMPLOYERS.

IT IS CRUCIAL FOR ARIZONA RESIDENTS TO OPPOSE AN INCREASE FOR MINIMUM WAGE, ESPECIALLY ONE THAT MANDATES PAID BENEFITS FOR ANY SIZE EMPLOYER.

STEVE CHUCRI  
ARIZONA RESTAURANT ASSOCIATION, PRESIDENT & CEO

**Steve Chucri, Scottsdale**  
*Sponsored by "Arizona Restaurant Association"*

ARIZONA SMALL BUSINESS ASSOCIATION (ASBA)  
OPPOSES  
THE FAIR WAGES AND HEALTHY FAMILIES ACT

On behalf of the small business community in Arizona ASBA strongly urges a NO vote on the November ballot initiative calling for an increase in the state's minimum wage and mandated paid sick leave. Small businesses are the life blood of Arizona business. Every day nearly 500,000 Arizona small businesses struggle to provide goods/services, pay employees, provide benefits, and make a profit. Additional rules/regulations foisted upon us make it more difficult to do business/provide much needed jobs.

This measure would not only increase the minimum wage, it would mandate paid sick leave for employees working in businesses with more than fifteen employees.

Minimum wage increases:

- Impact small businesses far greater than large businesses, large businesses can more easily absorb costs;
- Would quickly be passed on to consumers leading to higher prices;
- Could reduce employee hours if the wage increases have to be absorbed by businesses;
- Make it more difficult for associations like ASBA to manage stretched business expenses.

Mandated sick leave:

- Should not be a paid, accrued benefit;
- Will further increase costs to small businesses, then to consumers;

- Could add burdensome costs to small businesses trying to sell because new owner(s) would be liable for accrued sick leave benefits owed employees;
- Could force small businesses to lay-off employees or close because of added costs for paid sick leave the business couldn't absorb or pass on to consumers.

The last thing small businesses need is more mandates. The market can't absorb the dramatic increased business/consumer costs resulting from the combination of these two mandates.

ASBA's thorough review finds nothing beneficial for Arizona small businesses in this proposal, Please VOTE NO!

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Nick Petra, Board Chair

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Jack W. Lunsford, Interim President/CEO

**Jack W Lunsford, Interim President/CEO, Phoenix and Nick Petra, Board Chair, Phoenix**  
*Sponsored by "Arizona Small Business Association"*

**SMALL BUSINESS OWNERS: "VOTE NO ON PROPOSITION 206"**

The 6,000-plus small business members of the National Federation of Independent Business in Arizona heartily believe the greatest anti-poverty program ever devised is a job.

We understand how devastating passage of Proposition 206 will be for our fellow Arizonans and we urge you to vote "NO" on Proposition 206.

No honest economic analysis disputes that the policy mandates in Proposition 206 will shrink employment opportunities for our least employable and make it harder for Main Street businesses to be our economy's engine of job creation.

Mom-and-Pop small business owners know better than anyone the critical importance of a person's first job. We suspect that a small business owner almost certainly gave you your first opportunity to earn a wage. It's these first-time job-seekers who will be crushed by Proposition 206.

Put yourself in the place of your neighbor or your neighbor's recently-graduated son or daughter thrust into the stark reality of the unforgiving job market. Proposition 206 will inflate the price of their under-developed and unproven labor by more 49 percent — so high that they may never be given a chance to get their first entry-level job.

Let's do whatever we can to preserve that person's best chance to better their lives through honest hard work and not relegate so many to dependency and despair.

NFIB urges Arizona voters to resist the easy and seductive temptation to support Proposition 206 and instead support our neighbor's chance to earn their success through honest hard work.

**Farrell Quinlan, Phoenix and Mark Giebelhaus, Phoenix**  
*Sponsored by “National Federation of Independent Business in Arizona”*