



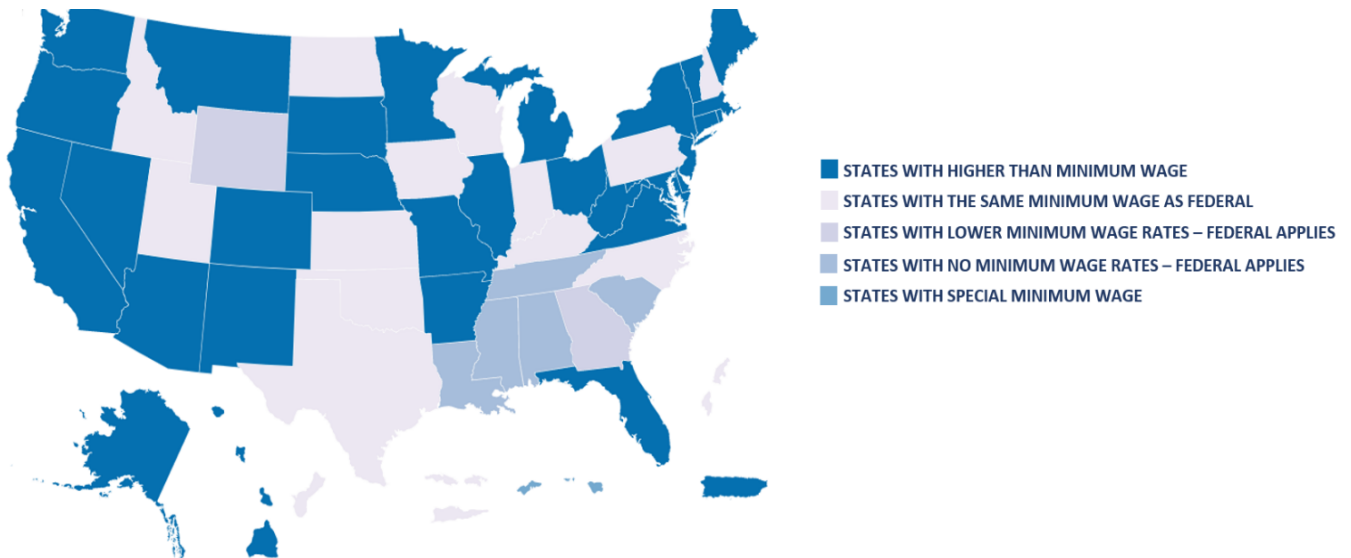
### **Minimum Wage, Low Income Earnings, and Cost of Living in Johnson County**

The national minimum wage was created by Congress under the Fair Labor Standards Act (FLSA) in 1938 to:

- Stabilize the post-depression economy,
- Protect the workers in the labor force and
- Create a minimum standard of living to protect the health and well-being of employees.

Since the start of 2022, 24 states have raised the minimum wage. This includes inflation adjustments: the minimum wage is indexed for inflation in 18 states and the District of Columbia, meaning it is automatically adjusted each year for increases in prices. Kansas, along with 19 other states, maintains a minimum wage that reflects the federal minimum wage which has been \$7.25/hour since 2009. Since 2009, more than half of U.S. states have seen the minimum wage increase from the federal standard, usually through targeted incremental increases. For example, a 2018 Missouri law stipulates that the state minimum wage be raised 85 cents every year until 2023, when the \$12 per hour benchmark will be achieved.

**MINIMUM WAGE STANDARDS BY STATE**

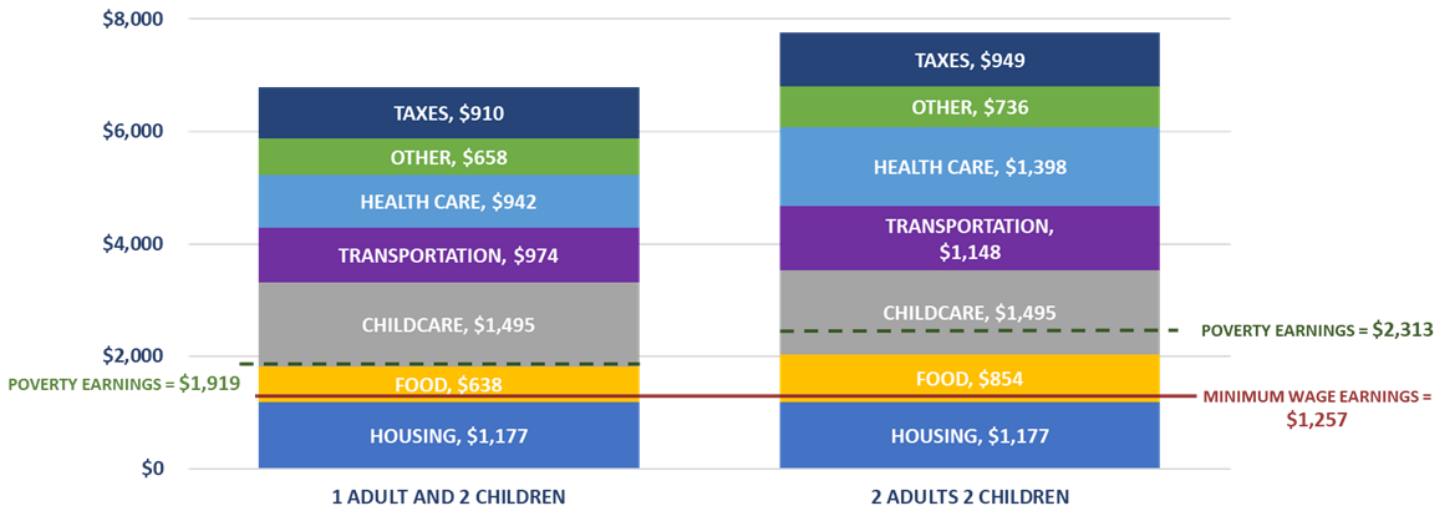


Johnson County families are faced every day with choices about how to spend their household income. These choices are influenced by the cost of basic needs, such as housing, childcare, food, and health care. The Economic Policy Institute (EPI) recently released an update to the Family Budget Calculator, which measures the income a family needs to attain a modest yet adequate standard of living. Families with limited income must figure out how to meet these essential needs with inadequate resources.

A household in Johnson County with one adult and 2 children must earn \$6,794 per month to adequately cover expenses, which translates to approximately \$39.20 per hour for full-time, year-round work. A household in Johnson County with two adults and two children must earn approximately \$44.75 per hour, or \$7,757 per month, working full-time, year-round to meet the cost of living. Even a single adult with no children in the household must earn \$3,329 monthly, or \$19.21 per hour, to afford household expenses.

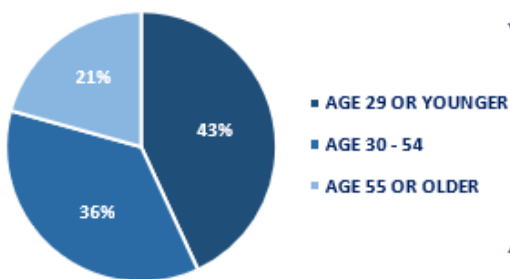
### MONTHLY HOUSEHOLD COSTS IN JOHNSON COUNTY

Source: 2022 EPI Family Budget Calculator



In comparison, minimum wage earnings total \$1,257 per month which does not support a financially stable household, regardless of their size; even double the minimum wage, or \$2,513 per month falls short of covering basic expenses in Johnson County. According to the most recent earnings data from the U.S. Census Bureau, more than 78,000 Johnson County residents earn \$1,250 or less per month. More than half of Johnson County workers earning less than \$1,250 per month are age 30 and older. A minimum wage worker in a household with 1 adult and 2 children working full-time, year-round still earns less than the U.S. federal poverty level threshold (\$23,030 for a household of three).

### WORKERS MAKING LESS THAN \$1,250 PER MONTH IN JOHNSON COUNTY IN 2019



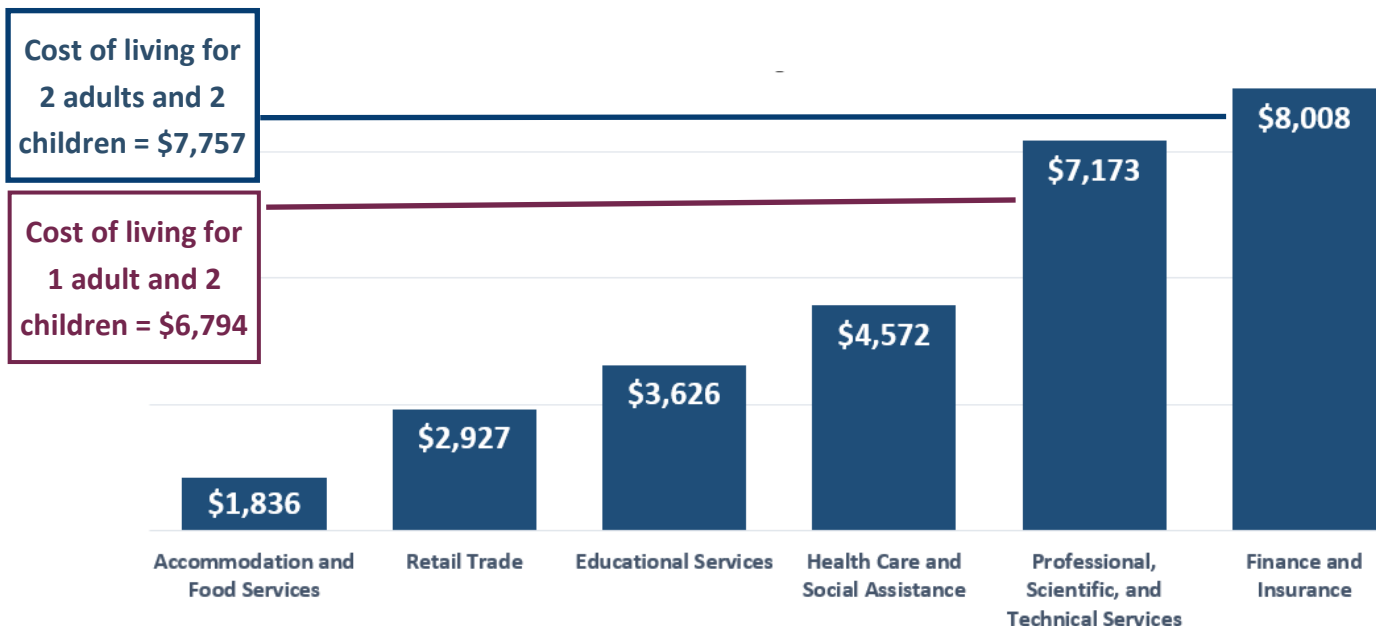
OCCUPATION SECTOR		
	COUNT	SHARE
RETAIL TRADE	15,862	20.3%
ACCOMODATION/FOOD SERVICES	13,979	17.9%
HEALTHCARE/SOCIAL SERVICE	11,269	14.4%
ADMINISTRATIVE SUPPORT	9,158	11.7%
ALL OTHER	27,844	35.7%

Source: U.S. Census, On the Map 2019

Data from the U.S. Department of Labor, from the final quarter of 2019 to the third quarter of 2020 (the most recent annual period for which Johnson County data is available) show that average monthly wages in most of the industries where the majority of Johnson County residents work are below the cost of living for 1 adult and 1 child – as well as for households with 2 adults and 2 children. This is an indicator that even though employers are free to set their own wages, they often do not reflect the real impact of increasing costs and inflation which lead to higher costs for working families in Johnson County.

### AVERAGE MONTHLY WAGE FOR JOHNSON COUNTY WORKERS IN TOP INDUSTRIES

Source: U.S. Census Bureau QWI, Q4 2019 Q3 2020



Source: U.S. Department of Labor, U.S. Census Bureau, Center for Economic Studies, 2019; U.S. Census Bureau QWI 2019-2020; Economic Policy Institute, Family Budget Calculator, 2022 (data in 2020 dollars)

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