

### MEMO: Latest data on DC Full-Service Restaurants and Bars Under Initiative 82 From: Rebekah Paxton, Director of Research, Employment Policies Institute

The latest best-available data, updated this month, shows that the DC restaurant industry can no longer be described as thriving, steady, or even healthy. When I-82 went into effect in May 2023, DC’s restaurant industry took an undeniable downturn, and thousands of tipped workers lost their jobs and take-home pay.

The best-available data on employment comes from Bureau of Labor Statistics quarterly data collected from 95% of all employers.<sup>1</sup> This is the most comprehensive, objective source because it reflects real-time payrolls, not survey sample estimates that BLS puts out monthly.

This latest data – updated on June 4 – shows DC has sustained 1,600+ lost jobs in full-service restaurants and bars<sup>2</sup>, equating to a roughly 5% decline. That does not include workers who have lost scheduled hours or opportunities to pick up additional shifts.

### DC Full-Service Restaurant and Bar Employment



Chart: Employment Policies Institute • Source: U.S. Bureau of Labor Statistics Quarterly Census of Employment and Wages, NAICS 722511 and 722410 • Created with Datawrapper

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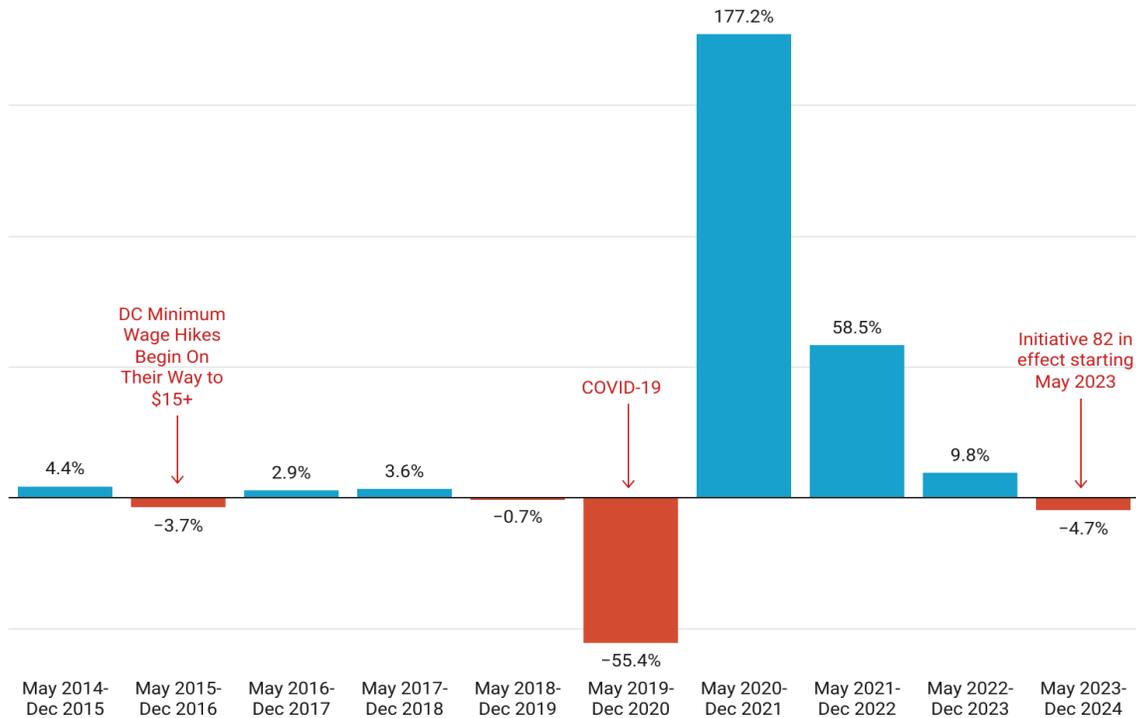
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That 5% loss in restaurant and bar employment is five times larger than counterparts in surrounding Maryland and Virginia counties. It is also significantly larger than fast food restaurants not subject to I-82 in the District.<sup>3</sup>

	May 2023	Dec 2024	Change
<i>Surrounding VA/MD Counties</i>			
Full-service restaurants and bars	77,057	76,412	-0.84%
Limited-service restaurants	62,841	62,512	-0.52%
<i>District of Columbia</i>			
Full-service restaurants and bars	33,934	32,325	<b>-4.74%</b>
Limited-service restaurants	11,096	10,674	-3.80%

To put it in historical context, it represents the largest employment decline for the DC restaurant industry in the last decade, only behind COVID.

### Change in Quarterly Tipped Worker Employment by Time Period



Combines total employment for workers in NAICS 722410 Drinking Places (Alcoholic Beverages) and NAICS 722511 Full-Service Restaurants.

Chart: Employment Policies Institute • Source: Bureau of Labor Statistics Quarterly Census of Employment and Wages • Created with Datawrapper

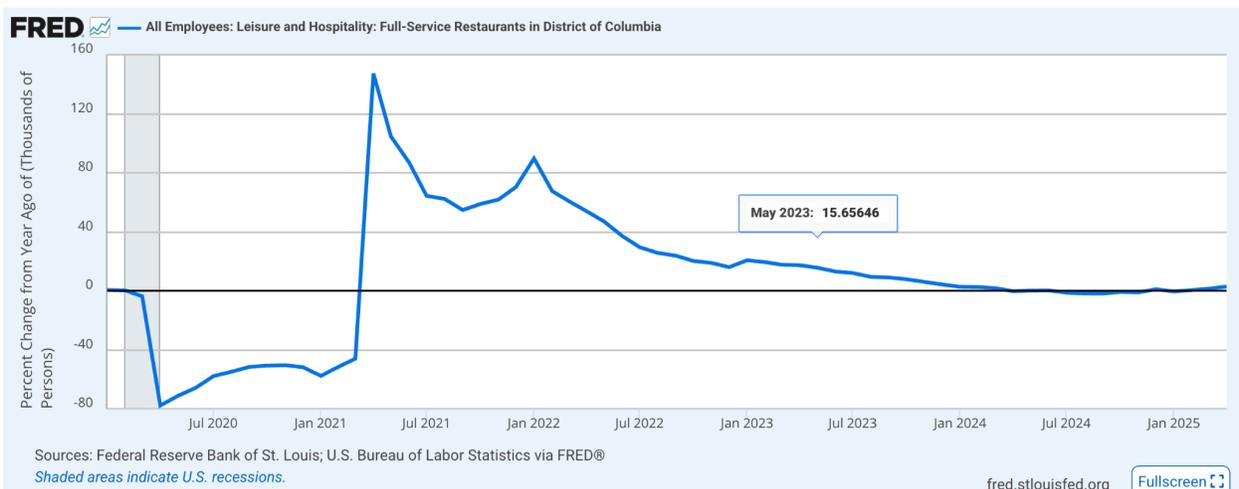
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Lately there has been a dispute about employment impacts, with a report released by the Office of the Budget director claiming DC has not experienced losses. Those conclusions are misleading – based largely on data drawn from a small survey sample of restaurants across the country, and don't include many economist-preferred sources for analyzing impacts on employment and worker earnings.

Yet even focusing on the Budget Director's preferred data – the picture is not a positive one. When this same data is compared to previous years, it shows that at best, DC's restaurant employment growth has ground to a halt following May 2023.<sup>4</sup> That is hardly a sign of a "healthy" restaurant industry.



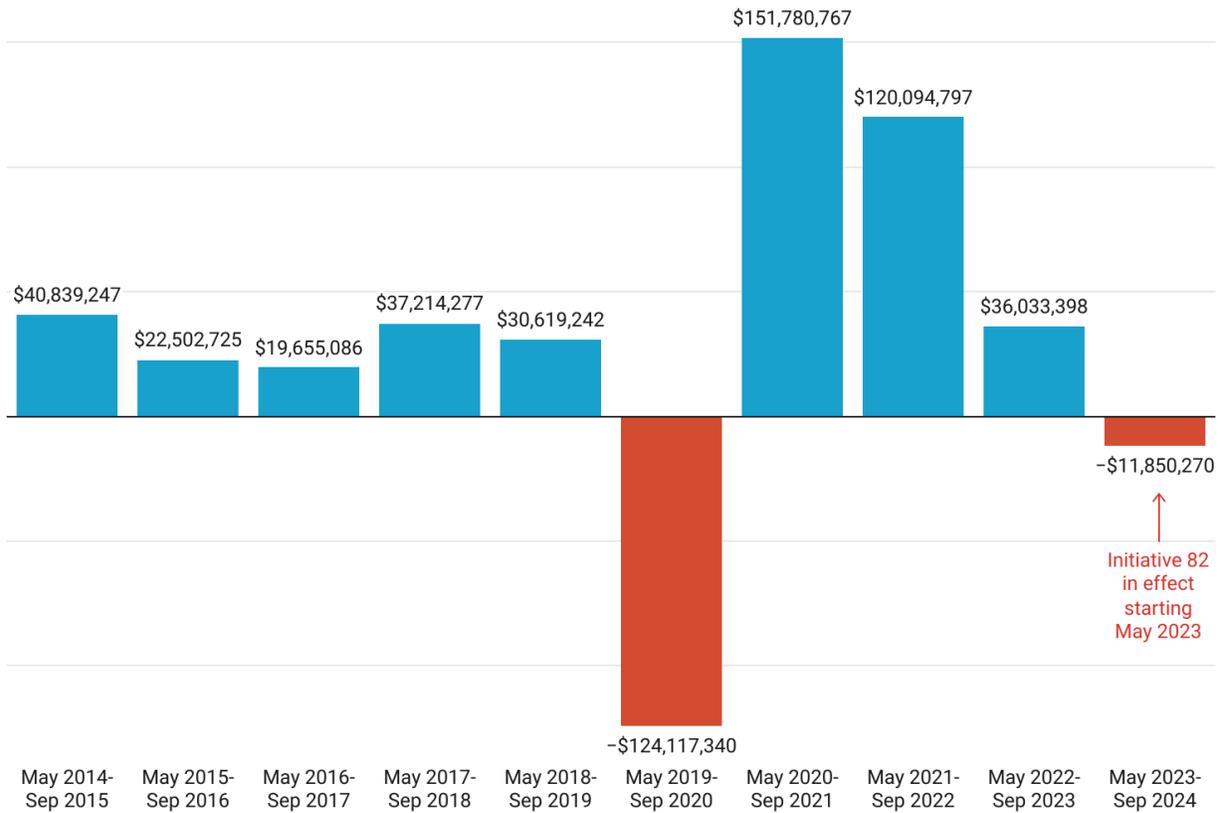
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The data also shows losses for those who have kept their jobs – the best-available quarterly BLS data shows they are making less in total earnings than before I-82.

Our recent analysis showed DC tipped workers have lost \$11.8 million since May 2023.<sup>5</sup> Even in the latest data dropped just this month, Bureau of Labor Statistics quarterly figures show DC tipped workers’ annual change in earnings was the lowest it has been in a decade except for COVID.

### Change in Quarterly Tipped Worker Earnings by Time Period



Combines total quarterly earnings for workers in NAICS 722410 Drinking Places (Alcoholic Beverages) and NAICS 722511 Full-Service Restaurants.

Chart: Employment Policies Institute • Source: Bureau of Labor Statistics Quarterly Census of Employment and Wages • Created with Datawrapper

On an individual level, still other data collected by the US Census Bureau shows the median DC tipped worker lost \$1,800 annually under Initiative 82. That loss nearly doubled to \$3,400 annually for the lowest-earning 25%.<sup>6</sup> In fact, those pushing for DC tip credit elimination said it would make DC’s restaurant industry more equitable for lower-income workers. The Census Bureau data proves the opposite has happened – Initiative 82 made them worse off.<sup>7</sup> After Initiative 82, the earnings gap between the lowest- and highest-earning segments of DC tipped workers grew by 20 percentage points. That means that while some at the top of the income distribution may be earning slightly more under Initiative 82, the lower earners are earning even less than they were before the law went into place.

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## Endnotes

<sup>1</sup> U.S. Bureau of Labor Statistics Quarterly Census of Employment and Wages: <https://www.bls.gov/cew/info-survey-participants.htm>

<sup>2</sup> Sum of NAICS 722511 ([Full-Service Restaurants](#)) and NAICS 722410 [[Drinking Places \(Alcoholic Beverages\)](#)], which are directly affected by Initiative 82. Data from Bureau of Labor Statistics Quarterly Census of Employment and Wages (QCEW), updated through December 2024.

<sup>3</sup> Employment Policies Institute analysis of U.S. Bureau of Labor Statistics Quarterly Census of Employment and Wages (QCEW), originally through September 2024, updated through December 2024. [https://epionline.org/app/uploads/2025/06/EPI\\_DC-Budget-Director-Memo-Response.pdf](https://epionline.org/app/uploads/2025/06/EPI_DC-Budget-Director-Memo-Response.pdf)

<sup>4</sup> U.S. Bureau of Labor Statistics Current Employment Statistics (State and Metro Area Employment, Hours, and Earnings) and Federal Reserve Bank of St. Louis: <https://fred.stlouisfed.org/graph/?g=1Jqwk>

<sup>5</sup> Employment Policies Institute analysis of U.S. Bureau of Labor Statistics Quarterly Census of Employment and Wages (QCEW), originally through September 2024, updated through December 2024. <https://minimumwage.com/2025/05/new-data-initiative-82-slashed-at-least-11-8-million-in-worker-earnings/>

<sup>6</sup> Employment Policies Institute analysis of U.S. Census Bureau Current Population Survey (CPS) data. <https://minimumwage.com/2025/05/new-data-initiative-82-slashed-at-least-11-8-million-in-worker-earnings/>

<sup>7</sup> Employment Policies Institute analysis of U.S. Census Bureau Current Population Survey (CPS) data. <https://minimumwage.com/2025/05/new-data-initiative-82-slashed-at-least-11-8-million-in-worker-earnings/>