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Taking on Walmart Is No Easy Fight for Cities.

Some towns have tried to force certain big-box retailers to pay higher wages.

Desert Hot Springs, Calif., is a bedroom community of 28,000 people, 110 miles east of Los Angeles. It's best known for its natural hot springs and spas, which bring in about \$1 million in revenue each year. Otherwise, the city lacks jobs, especially ones that pay much above the minimum wage. Most residents commute out of town to work at nearby casinos, restaurants, hotels, retail stores and hospitals.

Councilman Russell Betts keeps track of the town's economic health through informal barometers. When times are good, the roads are crowded. For quite a while, he says, "there wasn't a traffic jam. People were just sitting at home, having a real hard time, not making money."

For years, officials in Desert Hot Springs have looked for ways to increase the city's median income — about \$34,000 for a three-person household in 2016, roughly \$20,000 less than the national average. They have pursued better-paying jobs not only to reduce poverty, but also to revive spending at local businesses around town. About four years ago, Betts and fellow Councilman Joe McKee proposed a solution: Walmart had bought a parcel of land and planned to open a store in town. Why not require it and other big-box retailers to pay workers a "good wage"? At the time, the minimum wage in California was \$9. Betts and McKee introduced a bill that would inch up the lowest hourly wage at big-box retailers incrementally until it reached \$12.20. After that, pay would be tied to the consumer price index and would rise automatically with inflation.

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