

June 13th, 2019

James Dimon
Chairman and Chief Executive Officer
JP Morgan Chase
270 Park Avenue
New York, N.Y 10005

Dear Mr. Dimon:

I write to continue the conversation we started during the House Financial Services Committee hearing on April 10th. I asked you how a single parent working full-time at a JP Morgan Chase (JPMC) branch in the 45th district could make ends meet on the wage that JPMC currently pays. You repeatedly stated that you “would have to think about it.” I hope that you have been doing so.

At the hearing, I described the income and expenses of a hypothetical JPMC employee with one school-age child. You questioned the math I performed, so I provide the figures below.

In this budget, I allocated zero money for: clothing, shoes, field trips, household goods, school supplies . . . the list goes on. Based on your testimony about JPMC’s efforts to assist with health care costs, I have included no medical or insurance expenses.

Handwritten budget calculation:

- $\$16.50 \text{ hr} \times 40 \text{ hrs/wk} \times 52 \text{ wks}$
- $\$35,070$
- * After tax $\$29,100$
- $\$2425 = \frac{12}{\text{mo. take home pay at JP Morgan Chase in Irvine}}$
- $-\$1600 = 1 \text{ bedroom for Patricia and her 6 yo. daughter}$
- $-\$100 = \text{utilities}$
- $-\$250 = \text{car pymt 2008 car}$
- $-\$150 = \text{gas}$
- $-\$402 = \text{USDA "low-cost" food for 1 adult + 1 child}$
- $-\$77$
- $-\$40 = \text{phone}$
- $-\$450 = \text{after-school childcare}$
- $-\$567 \text{ Per month}$

Note: I added a \$750 bonus to the gross pay, which the bank occasionally offers some employees.

This calculation makes obvious what Orange County families know to be true: \$35,000 is not a livable wage in Irvine, California.

JPMC has not universally increased its minimum wage since 2016.¹ Though the bank recently increased the amount it pays employees in 100 cities,² there are 111,582 cities or towns in America and in many of them, that raise is not enough.³ JPMC does not pay its employees in high-cost regions of the country enough to get by, and employees like Patricia—the hypothetical single mom living in Irvine who I modeled at the hearing—are still hurting.

You stated in the hearing your belief that a majority of minimum wage earners are high schoolers or an equivalent age. That is a common misconception easily disproven. According to the Economic Policy Institute, the average minimum wage worker is 35 years old (88 percent are at least 20 years old), 56 percent are women, 55 percent work full-time, and 28 percent are parents.⁴ So, Patricia is in fact overrepresented within the minimum wage-earning population. While a teller is an entry-level job, many adults with families work in those positions.

In your 2019 shareholders letter, you touted the \$112 billion in revenue the bank generated last year alone. Indeed, that figure is a testament to your business acumen and leadership. You also noted that President Trump's tax law grew JPMC's net income by \$3.7 billion.⁵ In the letter, you stated that JPMC took those profits and "massively increase[d]" salaries. That seems to have been true at least as applied to you, as you increased your own salary by \$1.5 million, to a total salary of \$31 million, in 2018.⁶

Hardworking, full-time employees should make enough to support themselves—particularly those who work at major corporations like JPMC. If JPMC can pay you \$31 million a year, it can afford to pay wages that allow all of its employees to make ends meet. I request that you follow Bank of America's lead in reviewing and raising wages where necessary to ensure that the salaries JPMC pays its 22,000 hardworking employees are sufficient to let working families house and feed themselves.

Mr. Dimon, I have great respect for your talents and accomplishments. On behalf of American families, I ask that you share with me and your employees how the bank will address the financial struggles working families face. Capitalism thrives only when employees share in the successes of businesses; it is patently unfair to force employees to bear layoffs and stagnant wages in hard times and not lift them up in good times.

Very truly yours,



Congresswoman Katie Porter

¹ Terri Cullen, "Jamie Dimon on why he's giving JPMorgan employees a raise," *CNBC* (July 2016) at: <https://cnb.cx/2WxsiTV>

² JP Morgan Chase, JPMorgan Chase Makes Long-Term U.S. Investment in Employees, Branch Expansion and Local Economic Growth (January 2018) at: <https://www.jpmorganchase.com/corporate/news/pr/multi-billion-investment-employees-local-economies.htm>

³ U.S. Census Bureau, "American Fact Finder," at: <https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>

⁴ Dan Essrow and David Cooper, "Low-wage Workers Are Older Than You Think," *Economic Policy Institute* (August 2013) at: <https://www.epi.org/publication/wage-workers-older-88-percent-workers-benefit/>

⁵ JP Morgan Chase Annual Letter to Shareholders (April 2019) at: <https://bit.ly/2Uge5hH>

⁶ Trista Kelley & Callum Burroughs, "JPMorgan CEO Jamie Dimon just took home a \$31 million pay packet," *Business Insider* (January 2019) at: <https://www.businessinsider.com/jpmorgan-ceo-jamie-dimon-just-got-a-31-million-salary-2019-1>