# Protect Working Families Vote for the Minimum Wage Fairness Act (S. 1737)

### Dear Senator:

On behalf of The Leadership Conference on Civil and Human Rights and the 237 undersigned organizations, we urge you to vote for the Minimum Wage Fairness Act, introduced by Senator Tom Harkin (D. Iowa). The bill is a common sense reform that is a key part of the nation's economic recovery and is needed more than ever to address the shift toward low-wage jobs for working families.

The Minimum Wage Fairness Act takes necessary steps to help working families make ends meet, sustain consumer spending, and spur economic recovery. The bill would raise the federal minimum wage from \$7.25 to \$10.10 by 2016, in three increments of 95 cents each. Further, the bill would adjust the minimum wage each year to keep pace with the rising cost of living. Finally, the bill would also raise the minimum wage for tipped workers, which has been frozen at a meager \$2.13 per hour for more than 20 years. These changes will make a significant difference in the lives of millions of low-wage workers and their families and help grow our economy.

A raise in the minimum wage is desperately needed because pay for America's workers remains stagnant, while the cost of living continues to rise. In 2007, Congress raised the federal minimum wage by \$2.10 per hour to \$7.25 as a first step toward achieving its purpose as an anti-poverty measure. Had the federal minimum wage kept pace with the cost of living over the past 40 years, it would be \$10.71 per hour today. Instead, the current hourly rate of \$7.25 translates to an annual income of just \$15,080 per year for full-time work, which is below the poverty line for a family of three.

Raising the minimum wage would generate economic activity. Minimum wage increases stimulate the economy by increasing consumer spending, without adding to state and federal budget deficits. Raising the federal minimum wage to \$10.10 per hour would generate \$22 billion in new economic activity in communities across the country. Despite fears about the adverse effect of a minimum wage increase on businesses, studies demonstrate that when the minimum wage has been increased, there has been no significant reduction in employment or slowing of job growth, even when the economy was struggling. Strengthening the minimum wage can help build a sustainable economic recovery—without increasing costs for taxpayers.

Raising the minimum wage does not cause job loss. The best economic research and real world experiences with minimum wage increases confirm that raising the minimum wage does not cause job loss. According to the Center for Economic and Policy Research, which reviewed the past two decades of research on the impact of minimum wage increases on employment, "the weight of the evidence points to little or no effect of minimum wage increases on job growth." A recent Congressional Budget Report contradicts the overwhelming evidence that demonstrates that raising the federal minimum wage will actually improve our economy and create jobs. The experience of businesses and scholarly studies show that what companies lose when they pay more is often offset by lower turnover and increased productivity.

**Raising the minimum wage has public support.** Raising the minimum wage has received broad support. Overall, 73 percent of the public favors raising the federal minimum wage from its current level of \$7.25 an hour to \$10.10 an hour.<sup>7</sup> Further, states around the country are enacting minimum wage hikes. Twenty-one states and the District of Columbia have raised their minimum wages higher than the current federal rate of \$7.25 per hour and legislation to raise and/or index the minimum wage has been introduced

in several states.<sup>8</sup> The American economy needs a strong national wage floor to protect workers in all regions of the country.

**Raising the minimum wage is a civil rights imperative.** Providing America's lowest paid workers with a raise is a critical civil and human rights issue given the impact it would have on women, African Americans, Latinos, and other minority populations, including the Native American, AAPI, LGBT, and disability communities, whose poverty rates are also disproportionately high. Women and communities of color are disproportionately represented among the 30 million Americans who will benefit from a higher minimum wage. According to the Economic Policy Institute:

- Women comprise 49 percent of U.S. workers, yet make up 56 percent of workers who would be affected by a potential minimum-wage increase.<sup>11</sup>
- African Americans make up only 11 percent of the workforce, but are 14 percent of those that would benefit from a higher minimum wage. 12
- Hispanics represent only 15 percent of the workforce, yet comprise 25 percent of those that would benefit from a higher minimum wage. 13

Setting the minimum wage at an appropriate level can promote economic growth while strengthening the ability of low- and middle-wage workers to have quality jobs. We urge you to vote for the Minimum Wage Fairness Act, which will help provide America's lowest paid workers with an urgently needed raise while boosting the consumer spending that fuels the economy. If you have any questions, please feel free to contact Lexer Quamie, Senior Counsel at The Leadership Conference at <a href="mailto:quamie@civilrights.org">quamie@civilrights.org</a> or (202) 466-3648 or Arun Ivatury, Campaign Strategist at the National Employment Law Project at <a href="mailto:aivatury@nelp.org">aivatury@nelp.org</a> or 202-887-8202 x. 366. Thank you for your consideration of this important legislation.

## Sincerely,

### **National Organizations**

9 to 5

Advocates for Basic Legal Equity

AFL-CIO

African American Health Alliance

Agricultural Justice Project

Alliance for a Just Society

Alliance for a Retired America

Alliance for Biking & Walking

American Association of People with Disabilities

American Association of University Women

American Family Voices

American Federation of State, County and Municipal Employees, AFL-CIO

American Federation of Teachers, AFL-CIO

American Friends Service Committee

Americans for Democratic Action

Asian Pacific American Labor Alliance

Association of Programs for Rural Independent Living

Bazelon Center for Mental Health Law

Bend the Arc: A Jewish Partnership for Justice

Bread for the World

Campaign for America's Future

Campaign for Community Change

Center for American Progress

Center for Effective Government

Center for Law and Social Policy

Center for Popular Democracy

Center for Social Inclusion

Children's Defense Fund

Coalition of Labor Union Women

Coalition on Human Needs

Communities Assuring a Sustainable Agriculture

Community Action Partnership

Community Food and Justice Coalition

Community Organizations in Action

CourageCampaign.org

Dēmos

Digital Sisters Inc.

Direct Care Alliance

Disciples Justice Action Network

**Economic Policy Institute** 

**Equal Rights Advocates** 

**Every Child Matters Education Fund** 

Fair World Project

Faith in Public Life

Family Farm Defenders

Family Values @ Work

Farmworker Justice

Food and Water Watch

Food Chain Workers Alliance

Friends Committee on National Legislation

**Grassroots International** 

Hadassah, The Women's Zionist Organization of America, Inc.

Half in Ten

Healthy Farms Healthy People Coalition

Heartland Alliance for Human Needs & Human Rights

Institute for Agriculture and Trade Policy

Interfaith Worker Justice

International Labor Rights Forum

International Union, United Automobile, Aerospace and Agricultural Implement Workers of America

Jewish Council for Public Affairs

Jewish Women International

JOBS NOW Coalition

Jobs With Justice/American Rights at Work

Labor Council for Latin American Advancement

The Leadership Conference on Civil and Human Rights

Legal Aid Society-Employment Law Center

Legal Momentum

**MomsRising** 

Ms. Foundation for Women

**NAACP** 

NAACP Legal Defense and Educational Fund, Inc.

National Alliance of Community Economic Development Associations

National Association for Equal Opportunity in Higher Education

National Association of County and City Health Officials

National Association of Mothers' Centers

National Association of Social Workers

National Black Justice Coalition

National Capital Area Union Retirees

National Center for Law and Economic Justice

National Committee to Preserve Social Security and Medicare

National Council of Jewish Women

National Council of La Raza

National Council on Independent Living

National Disability Rights Network

National Domestic Workers Alliance

National Education Association

National Employment Law Project

National Employment Lawyers Association

National Gay and Lesbian Task Force Action Fund

National Guestworker Alliance

National Immigration Law Center

National Law Center on Homelessness and Poverty

National Low Income Housing Coalition

National Network to End Domestic Violence

National Organization for Women

National Partnership for Women and Families

National People's Action

National Urban League

National Women's Law Center

National Workrights Institute

NETWORK, A National Catholic Social Justice Lobby

Northwest Atlantic Marine Alliance

Organic Consumers Association

OurTime.org

Partnership for Working Families

Patriotic Millionaires for Fiscal Strength

Pesticide Action Network North America

PICO National Network

PolicyLink

Presbyterian Church (USA)

**Progressive Congress** 

Progressive States Action

Progressive States Network

Restaurant Opportunities Centers United

**RESULTS** 

Sargent Shriver National Center on Poverty Law

School Food FOCUS

Senate for Community Change

Service Employees International Union

Social Security Works

Southern Poverty Law Center

Sugar Law Center for Economic & Social Justice

The Agenda Project

The Every Child Matters Education Fund

The Farmworkers Support Committee (C.A.T.A.)

The Legal Aid Society

The National Transitional Jobs Network

The Smart Capitalists for American Prosperity

U.S. Jesuit Conference

U.S. Labor Against the War

Union for Reform Judiasm

Unitarian Universalist Service Committee

United Food and Commercial Workers International Union

**United Spinal Association** 

United Steelworkers

**USAction** 

Vietnam Veterans of America

Voices for Progress

West Side Campaign Against Hunger

Wider Opportunities for Women

Women Employed

Women's National Democratic Club

Women's Media Center

Working America

Working Families Organization

Working Partnerships USA

YWCA USA

## **State Organizations**

9 to 5 Atlanta

9 to 5 California

9 to 5 Colorado

9 to 5 Wisconsin

Action North Carolina

Alliance for a Greater New York

Arkansas Interfaith Alliance

Bread for the City

**Brooklyn Food Coalition** 

Capital Area Immigrants' Rights Coalition

Center for Science in the Public Interest

Central Arizonans for a Sustainable Economy (CASE, Phoenix)

Citizen Action of Wisconsin

CLUE-CA (Clergy and Laity United for Economic Justice, California)

Collective Action for Safe Spaces

Collective Roots

Colorado Fiscal Institute

Colorado Progressive Coalition

Community, Faith & Labor Coalition, Indianapolis, IN

Connecticut Center for a New Economy

**CREDO** 

Damayan Migrant Workers Association

D.C. Tenants' Rights Center

DC Jobs Council

Domestic Violence Legal Empowerment and Appeals Project

**Economic Opportunity Institute** 

**Employment Justice Center** 

Faith in Public Life

Farmworker Association of Florida, Inc.

Fiscal Policy Institute

Florida Institute for Reform and Empowerment

Food Empowerment Project

FRESC: Good Jobs, Strong Communities

Garden Share

Greater New York Labor-Religion Coalition

Hunger Action Network of New York

Indiana Institute for Working Families

Interfaith Coalition for Worker Justice of South Central Wisconsin

Interfaith Worker Justice - New Mexico

Interfaith Worker Justice Committee of Colorado

LAANE (Los Angeles Alliance for a New Economy)

Leadership Center for the Common Good

Let Justice Roll

Live Real

Louisiana Budget Project

Maine Center for Economic Justice

Maine People's Alliance

Massachusetts Interfaith Worker Justice

Massachusetts Paid Leave Coalition

MFY Legal Services

Michigan League for Public Policy

Michigan Universal Health Care Access Network

Missouri Jobs With Justice

Missouri ProVote and Missouri Citizen Education Fund

Mon Valley Unemployed Committee

Mothers Outreach Network, Inc.

National Committee to Preserve Social Security and Medicare

New Jersey Policy Perspective

New Mexico Center on Law and Poverty

New Orleans Workers' Center for Racial Justice

NH Citizens Alliance for Action

North Carolina Justice Center

Northwest Arkansas Workers' Justice Center

Other Worlds

**OWL** 

Oregon Action

Organize Now

PA Partnership for Direct Care Workers

Path Ways PA

Policy Matters Ohio

Progressive Maryland

Public Justice Center

Racial and Ethnic Health Disparities Coalition

San Diego Hunger Coalition

SOME, Inc.

South Florida Interfaith Worker Justice

St. Paul Church of God in Christ Community Development Ministries

The Commonwealth Institute for Fiscal Analysis
The Workers' Rights Center of Madison, WI
United Church of Christ Justice and Witness Ministries
Urban & Environmental Policy Institute
Virginia Organizing
Voices for Progress
Washington Area Women's Foundation
Washington Community Action Network
Washington Lawyers' Committee for Civil Rights and Urban Affairs
Washington Legal Clinic for the Homeless
Wisconsin Jobs Now
Wisconsin's Future
Workers Interfaith Network, Memphis, TN
Workers' Center of Central New York

<sup>&</sup>lt;sup>1</sup> See http://www.bls.gov/data/inflation\_calculator.htm

<sup>&</sup>lt;sup>2</sup> Cooper, David, EPI Briefing Paper, Raising the Minimum Wage to \$10.10 Would Lift Wages for Millions and Provide a Modest Economic Boost. http://s1.epi.org/files/2014/EPI-1010-minimum-wage.pdf

<sup>&</sup>lt;sup>3</sup> Schmitt, John "Why Does the Minimum Wage Have no Discernible Effect on Employment," Center for Economic and Policy Research, Feb. 2013. http://www.cepr.net/documents/publications/min-wage-2013-02.pdf

<sup>&</sup>lt;sup>4</sup> Why does the Minimum Wage Have No Discernible Effect on Employment? http://www.cepr.net/documents/publications/minwage-2013-02.pdf

<sup>&</sup>lt;sup>5</sup> The effect of raising the minimum wage is one of the most thoroughly studied topics in modern economics, and the vast majority of the more than 1,000 estimates contained in studies dating back to 1972 show no significant adverse effects on employment. In fact, more than 600 prominent economists, including 7 Nobel laureates, have signed a letter in support of raising the federal minimum wage. *See* http://www.epi.org/minimum-wage-statement/

<sup>6</sup> http://www.nytimes.com/2014/02/28/opinion/business-and-the-minimum-wage.html?hpw&rref=opinion&\_r=0

<sup>&</sup>lt;sup>7</sup> http://www.people-press.org/2014/01/23/most-see-inequality-growing-but-partisans-differ-over-solutions/

<sup>8</sup> http://www.ncsl.org/research/labor-and-employment/state-minimum-wage-chart.aspx

<sup>&</sup>lt;sup>9</sup> While lack of data makes it impossible to calculate the percentage of people with disabilities who would benefit from a higher minimum wage, at least 28 percent of people living with a severe disability are living in poverty, while 18 percent of people with a nonsevere disability are living in poverty. http://www.oppi.gobierno.pr/Censo\_C\_SPAN\_Slides\_Disability2012.pdf

<sup>&</sup>lt;sup>10</sup> Mishel, Lawrence, Declining value of the federal minimum wage is a major factor Driving Inequality, Feb. 21, 2013. http://www.epi.org/publication/declining-federal-minimum-wage-inequality/

<sup>&</sup>lt;sup>11</sup> Hall, Doug and David Cooper, A \$10.10 Minimum Wage Would Give Economy (and More Low-Wage Workers) a Bigger Boost, March 5, 2013. http://www.epi.org/blog/10-10-minimum-wage-give-economy-wage-workers/ <sup>12</sup> Id.

<sup>&</sup>lt;sup>13</sup> *Id*.