

**STAFF MEASURE SUMMARY**

**Senate Committee On Workforce**

**Fiscal:** Fiscal impact issued

**Revenue:** No Revenue Impact

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**Action Date:** 04/20/15

**Action:** Do Pass And Requesting Referral To Rules.

**Meeting Dates:** 04/13, 04/20

**Vote:**

Yeas: 3 - Dembrow, Gelser, Rosenbaum

Nays: 2 - Knopp, Thatcher

**Prepared By:** Matthew Germer, Committee Administrator

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**WHAT THE MEASURE DOES:**

Repeals preemption of charter and statutory authority of local governments to set minimum wage requirements. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Demographics of minimum wage workers
- Consumer purchasing power
- Wage compression
- Distribution of wealth
- History of minimum wage

**EFFECT OF COMMITTEE AMENDMENT:**

No amendment.

**BACKGROUND:**

The minimum wage is the lowest hourly wage a non-exempt employee may be paid by an employer. In 1938, Congress set the first national minimum wage at 25 cents an hour. Currently, the federal minimum wage is \$7.25 an hour. In 2002, Oregon voters enacted Measure 25, setting the Oregon minimum wage at \$6.90 an hour and directing the Bureau of Labor and Industries to adjust the Oregon minimum wage according to inflation, as determined by the annual change in the United States Department of Labor's Consumer Price Index. Currently, the Oregon minimum wage is \$9.25 an hour.

Under Oregon law, the State of Oregon preempts all local government authority to set any minimum wage requirements for private employers unrelated to public contracts or tax subsidies.

Senate Bill 332 repeals the preemption of local government authority to set minimum wage requirements.