

STAFF MEASURE SUMMARY

Senate Committee On Workforce

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

Action Date: 04/20/15

Action: Without Recommendation As To Passage And Be Referred To Rules.

Meeting Dates: 04/13, 04/20

Vote:

Yeas: 3 - Dembrow, Gelser, Rosenbaum

Nays: 2 - Knopp, Thatcher

Prepared By: Matthew Germer, Committee Administrator

WHAT THE MEASURE DOES:

Raises the minimum wage to \$12.20 by 2017. Requires minimum wage to be above hourly equivalent of federal poverty guidelines for family of four as determined by United States Department of Health and Human Services. 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.

Senate Bill 327 raises the minimum wage to \$12.20 by 2017 and requires the wage to be above the hourly equivalent of the federal poverty guidelines for a family of four as determined by the United States Department of Health and Human Services.