

STAFF MEASURE SUMMARY

House Committee On Business and Labor

Fiscal: Fiscal impact issued

Revenue: No Revenue Impact

Action Date: 04/20/15

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

Meeting Dates: 04/13, 04/20

Vote:

Yeas: 6 - Barton, Doherty, Evans, Fagan, Holvey, Nosse

Nays: 5 - Barreto, Esquivel, Heard, Kennemer, Weidner

Prepared By: Jan Nordlund, Committee Administrator

WHAT THE MEASURE DOES:

Raises the minimum wage to \$12.20 by 2017. Requires minimum wage, in years after 2016, to be above hourly equivalent of federal poverty guidelines for family of four. 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 annually adjust the Oregon minimum wage for inflation, as determined by the annual change in the U.S. Department of Labor's Consumer Price Index. Currently, the Oregon minimum wage is \$9.25 an hour.

House Bill 2008 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 U.S. Department of Health and Human Services.