

SENATE SET TO DEBATE MINIMUM WAGE – URGE SENATORS TO INCREASE THE MINIMUM WAGE!

January 19, 2007

The **Senate** will take up consideration of the minimum wage bill on Monday, January 22, 2007.

Background: Senators Kennedy (D-MA) and Specter (R-PA) with 34 other Senators are co-sponsors of the Fair Minimum Wage Act of 2007, S 2. The bill would raise the minimum wage by 70 cents 60 days after enactment; to \$6.55 one year later; and to \$7.25 one year after that. It would also make the federal minimum wage applicable to the Commonwealth of Northern Mariana Islands. It has been coupled with the Small Business and Work Opportunity Act of 2007 which includes tax credits for small businesses that hire hard-to-employ workers, increased deductions for improving buildings, and other measures to help small businesses simplify their bookkeeping. The USCCB has no position on these small business provisions. The debate on the bill will begin Monday, January 22, 2007 with a vote later in the week. A number of amendments are also considered likely; each will require debate and a vote before final consideration of the minimum wage substitute. See the attached sheet for more information.

USCCB Position: Over the past ten years, the minimum wage hasn't gone up a red cent. It's still just \$5.15 – \$10,700 a year for a full-time worker (8 hours per day, 5 days per week, and 52 weeks per year!). Families struggle when this meager wage leaves them about \$6,000 below the poverty line for a family of three. In the wealthiest country on the face of the earth, no one who works for a living should have to live in poverty. That's why the USCCB has long supported an increase in the minimum wage. Bishop Nicholas DiMarzio, Chairman of the USCCB Domestic Policy Committee, wrote to the Senate on January 18 urging them to support the bill, S 2. In his letter, he said: "Work has a special place in Catholic social thought. Work is more than just a job; it is a reflection of human dignity and a way to contribute to the common good. Most importantly, it is the ordinary way people meet their material needs and community obligations. In Catholic teaching, the principle of a just wage is integral to our understanding of human work. Wages must be adequate for workers to provide for themselves and their families in dignity. The United States bishops' conference has supported the minimum wage since its inception as a just means to protect the human rights and dignity of workers."

What You Can Do: Call your **Senators** (202-224-3121, the Capitol Switchboard) and urge them to support an increase in the minimum wage.

Please make every effort to get as many calls and emails into their office. Talk to your contacts in their local office and let them know how important this vote is!

For more information contact: Thomas Shellabarger tshellabarger@usccb.org or 202.541.3189.

Possible Amendments to the Minimum Wage Substitute Bill

Among the amendments that could be offered are:

1. An amendment to abolish the 40-hour work week by allowing employers to deny workers overtime pay unless they work more than 50 hours in a week, or more than 80 hours over a two-week period. Under this proposal, workers would lose up to ten hours of overtime pay every two weeks.
2. An amendment to nullify state laws that provide stronger wage protections for tipped employees than the federal standard. Currently, federal law allows restaurant owners to pay their tipped employees - waiters, waitresses, hotel maids, parking attendants, and bartenders - as little as \$2.13 an hour, with the rest of their compensation coming from tips. States are free to set higher guaranteed wages for tipped workers. Seven states –Alaska, California, Minnesota, Montana, Nevada, Oregon and Washington – require that tipped workers get the full minimum wage plus any tips they receive.
3. An amendment to create a line-item veto, which would enable the President to reject individual items within spending bills passed by Congress rather than accept or reject the bill as a whole.

Congress should take up these issues independent of the minimum wage bill. All three could have significant impacts and should be thoroughly evaluated in the full legislative process, not attached to a popular increase in the minimum wage.