

SENATE BILL REPORT

SB 6458

As Reported By Senate Committee On:
Labor, Commerce & Trade, February 1, 1996

Title: An act relating to the minimum hourly wage which employers shall pay employees who have reached the age of eighteen years.

Brief Description: Increasing the minimum hourly wage for employees over eighteen years of age.

Sponsors: Senators Pelz, Franklin, Kohl, McAuliffe, Fairley, Prentice and Smith; by request of Governor Lowry.

Brief History:

Committee Activity: Labor, Commerce & Trade: 1/23/96, 2/1/96 [DP, DNP].

SENATE COMMITTEE ON LABOR, COMMERCE & TRADE

Majority Report: Do pass.

Signed by Senators Pelz, Chair; Heavey, Vice Chair; Franklin, Fraser and Wojahn.

Minority Report: Do not pass.

Signed by Senators A. Anderson and Deccio.

Staff: Jonathan Seib (786-7427)

Background: Since January 1, 1994, the state minimum wage for those 18 and older has been \$4.90 per hour. The minimum wage for those under 18 is established by the Department of Labor and Industries. For 16 and 17-year-olds, it is set at 100 percent of the wage required for those 18 and over. For those under 16, the wage is set at 85 percent of the wage required for those 18 and over (currently \$4.17). The federal minimum wage is \$4.25 per hour.

Summary of Bill: Effective January 1, 1997, the state minimum wage for those 18 and older is \$5.30 per hour. The minimum wage for those under 18 continues to be established by the Department of Labor and Industries.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect on January 1, 1997.

Testimony For: This bill promotes fairness. While corporate profits are increasing, wages are stagnating. The existing minimum wage is not a livable wage.

Testimony Against: Washington already has the second highest minimum wage in the continental United States, and adjusted for inflation, the current state minimum wage is still consistent with historical levels. A minimum wage increase would eliminate jobs and cannot be targeted to help those that are most in need. The jobs that would be eliminated are those that are most accessible to persons seeking to get off welfare. A minimum wage increase would make it more difficult for Washington agricultural companies to be competitive.

Testified: PRO: Gary Moore, Office of the Governor; Dan Comsia, Lutheran Public Policy Office; Kathleen Russell, Washington Assn. of Churches; CON: Kit Hawkins, Washington Restaurant Assn.; Chris Grady, Brent Price; Clif Finch, Assn. of Washington Business; Chris Cheney, Washington Growers League.