

SUPPORT SENATE BILL 1, HOUSE BILL 1 & HB 157/866: RAISING MINIMUM WAGE TO \$15

No one who works full time should have to live in poverty. Most Virginia workers who would benefit from raising the minimum wage work full-time and are important contributors to their family's overall income. A consumer-based economy simply doesn't work if people have no disposable income. Therefore, an increase in the minimum wage is needed in order to assist in disposable income promotion and to fuel our consumer-based economy.

Raising Virginia's minimum wage would have broad positive impacts for working people and our economy.

- More than 1 million Virginians would be directly affected by increasing the minimum wage to \$15.00 and an additional 254,000 workers who earn just above \$15/hour would also see their wages rise.
- Annual income for those who work year-round would increase by an average of \$4,400.
- Studies also show that raising the minimum wage reduces poverty, employee turnover, reliance on public safety net programs while improving worker productivity, infant health outcomes, and adult mental health.

The minimum wage has not kept up with inflation and increases should be indexed.

- In real terms, the minimum wage has actually declined over the past 45 years. People earning the minimum wage in 1968 were essentially earning \$10.77 in today's dollars. Meanwhile, the productivity of U.S. workers has more than doubled in that time.

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- The majority of directly impacted Virginians work 35 or more hours per week. Ninety two percent of impacted workers in Virginia are age 20 or older. The average age of a minimum wage earner is 28.
- 19% of Virginia children have at least one parent who would benefit from raising the minimum wage.
- Virginia workers who would benefit from raising the minimum wage supply an average of 48% of their family's income.

Voters overwhelmingly support raising the minimum wage.

- A Wason Center poll in 2021 shows a majority (53%) of Virginians support raising the minimum wage to \$15/hour including 66% of independents and 61% of moderates.

Income Inequality is at record levels.

- "Virginia faces record levels of inequality that threaten the state's economic stability and long-term prosperity because the middle class and low-income households that make up most of the population aren't earning enough to buy the goods and services the economy is capable of producing." (The Commonwealth Institute)

What the Bills Do:

SB 1 Patron: Lucas / HB 1 Patron: Ward

- Re-enacts Virginia's minimum wage to meet the \$15 per hour minimum. After passage of 2020 legislation, Virginia's minimum wage has incrementally increased \$7.25 per hour to \$12 per hour over the last three years.

HB 157 Patron: McClure HB 866 / Patron: Hernandez

- Removes farmworker exemption from state minimum wage, a clear legacy from slavery.

Sources: The Commonwealth Institute for Fiscal Analysis, Economic Policy Institute

