

What is the Raise the Wage Act?

This act would increase the federal minimum wage to fifteen dollars an hour over a period of five years. The Raise the Wage Act would put an end to different, lower wage levels for disabled, newly hired, and tipped employees.

What is in the legislation?

This legislation includes...

- An incremental plan to increase the federal minimum wage to fifteen dollars over the course of five years
- A gradual plan to end separate minimum wages for tipped employees and to make these wages equal to those of non-tipped employees
- A phased plan to increase the wages of “newly hired employees” who are younger than 20 years old
- An incremental plan to ensure that the federal minimum wage is the same for people with disabilities

What is the status of this bill?

Sen. Bernie Sanders (I-VT) introduced the bill in January of 2021, but the Senate has yet to act. The bill has 37 cosponsors thus far, all Democrats. Rep. Bobby Scott (D-VA) introduced an identical bill in the House of Representatives. The House has also not taken action yet. Although the wage hike was included in the COVID relief reconciliation bill that passed the House early in 2021, it was taken out of the Senate bill after the Senate parliamentarian ruled that it did not meet budget reconciliation requirements.

Why does the Workers Circle support this bill?

The Workers Circle is committed to economic justice for all. The passage of this bill would raise the wage for 32 million workers, including approximately 19 million frontline workers. Workers deserve adequate financial compensation for their hard work.

The passage of this bill would lead to higher wages for 21% of the workforce. People of color would see their wages rise the most. This act would increase wages for approximately 31% of Black workers and 26% of Hispanic workers (compared to approximately 20% of white workers). The passage of the Raise the Wage Act would contribute to greater racial equality.

This act would also lead to greater gender equality. Due to the fact that women, and especially women of color, are paid less than men doing the same job, they would especially benefit from the passage of this act. Approximately 25% of women workers would see their wages increase. Of workers who would be positively impacted by this act, nearly 60% are women. Women of color are paid even less than white women and thus would also benefit greatly from an increase in the federal minimum wage. Black and Hispanic women make up over 20% of the workers who would see their wages increase. This act also calls for an end to separate wages for tipped workers. Women, especially women of color, make up a greater proportion of tipped workers.

Given that the federal minimum wage has not increased since 2009 and has not kept up with inflation, the passage of this act is not only essential, but overdue.

How can you help?

- Urge your members of Congress to support the passage of this important bill.

Additional Resources

- Check out this detailed report from the Economic Policy Institute.
 - <https://files.epi.org/pdf/221010.pdf>
- This map from the Economic Policy Institute demonstrates the impact of this policy on every congressional district.
 - <https://www.epi.org/publication/minimum-wage-to-15-by-2025-by-congressional-district/>
- Read the full text of the bill here.
 - <https://www.congress.gov/bill/117th-congress/senate-bill/53/text>

End Notes

- Description of Bill and Status, Congress.gov,
 - <https://www.congress.gov/bill/117th-congress/senate-bill/53/text>
- Statistics, Economic Policy Institute, 2021
 - <https://www.epi.org/publication/raising-the-federal-minimum-wage-to-15-by-2025-would-lift-the-pay-of-32-million-workers/>
- Last time minimum wage increased, Economic Policy Institute, 2021
 - <https://www.epi.org/publication/raising-the-federal-minimum-wage-to-15-by-2025-would-lift-the-pay-of-32-million-workers/>