

10 **A RESOLUTION CONCERNING THE MINIMUM WAGE**

20 **WHEREAS:** There is an enormous amount of evidence that shows
30 that the Federal minimum wage is long overdue to be increased, is
40 beneficial in improving the lives of low-income workers, is helpful in
50 strengthening the economy, and also enjoys broad public support, and;

60 **WHEREAS:** In the fall of 2005, 562 economists signed a letter to congress agreeing that "the
70 minimum wage has been an important part of our nation's economy for 65
80 years." Further, they agreed, " federal increase in minimum wage can
90 significantly improve the lives of low-income workers and their
100 families, without the adverse effects that critics have claimed." The signers
110 included four Nobel Laureates, three of whom have served as presidents of the
120 American Economic Association, the mainstream, economists' professional
130 association; and

140 **WHEREAS:** Since 1997, the current federal minimum wage of \$5.15 has not been increased.
150 Since that time, inflation as eroded its value by more than 15 percent.
160 Consequently, to have the purchasing power it had in 1968, the minimum wage
170 would have to be \$9.05 per hour today- an increase of \$3.90

180 **WHEREAS:** The Congress mandated two \$0.90 increases in the federal minimum wage in the
190 1990s, the first of which was implemented in 1990/91, the second in 1996/97.
200 By 1996 inflation had eroded much of the value of the first increase, but the
210 second increase, which raised the real value of the minimum wage 9% per year
220 over the 1996-98 period, clearly helped to lift wages at the lower end of the
230 wage scale; and,

240 **WHEREAS:** Because the federal minimum wage is not required by federal law to be adjusted
250 for inflation every year, its reduced buying power has put a strain on many
260 working families. In the more than eight years since Congress passed
270 the last wage increase, the buying power of the minimum wage has eroded by 17
280 percent and is currently at its second-lowest value since 1955; and,

290 **WHEREAS:** The value of the minimum wage has not kept up with inflation. Because the
300 minimum wage is not indexed to inflation, the value of the minimum wage
310 erodes over time, making it difficult for low-wage workers to make ends meet.
320 Thus, raising the minimum wage would help lift working families out of
330 poverty; and,

340 **WHEREAS:** Minimum wage employees working full time, year round earn only
350 \$10,700 a year-\$5000 below the official poverty line for a family of three as
360 outline in the US Census reports. In contrast, in the eight years since Congress
370 last raised the minimum wage, they have raised their own salaries seven times.

380 **WHEREAS:** According to the Economic Policy Institute, In the last four years, the cost of
390 housing has gone up 44 percent, college tuition is up 35 percent, and the cost of
400 health insurance is up 59 percent. However, the federal minimum wage has
410 remained at the same level; and,

420 **WHEREAS:** In 2004, the Fiscal Policy Institute (FPI) compared total employment in states
430 with a minimum wage set above the \$5.15 federal level to all other states. FPI
440 found that aggregate employment in states with only the federal minimum wage

450 increased by only 4.1%.

460 **WHEREAS:** Many polls have consistently showed there is broad public support for an
470 increase in the minimum wage. A January 2005 poll by Lake Snell Perry and
480 Associates found that 77% of likely voters surveyed an increase in the minimum
490 to \$8.00 per hour and a January 2002 poll by Peter D. Hart Research found that
500 83% of respondents favored increasing the minimum wage by \$1.00(to 6.15).
510 The Lake Snell Perry and Associates survey also found that 79% of voters
520 supported regular increases in the minimum wage to keep up with inflation; and,

530 **WHEREAS:** There is broad bi-partisan support for an increase in the minimum wage from
540 President Bush to Senator Edward Kennedy (R-Mass) to Sen. Rick Santorum.
550 According to Fox New Channel, President Bush has supported a federal
560 minimum and “would consider any reasonable, gradual increase.”and,

570 **WHEREAS:** In the third and final presidential debate against Sen. John Kerry,
580 Oct. 13, President Bush said he supported Sen. Mitch McConnell’s (R-Ky.)
590 minimum-wage proposal; and,

600 **WHEREAS:** US Senate bill 1062 “The Fair Minimum Wage Act of 2005” - Amends the Fair
610 Labor Standards Act of 1938 to increase the federal minimum wage to: (1) \$5.85
620 an hour, beginning on the 60th day after enactment of this Act; (2) \$6.55 an
630 hour, beginning 12 months after that 60th day; and (3) \$7.25 an hour, beginning
640 24 months after that 60th day. Similarly, US House bill H.R249 has also been
650 introduced in the house of representatives to increase the federal minimum;
660 and,

670 **THEREFORE BE IT RESOLVED:** That the Maryland Student Legislature urges the US
680 Congress to pass the Fair Minimum Wage act and also pass small business tax
690 cuts for small businesses affected by the increase.

700 **THEREFORE BE IT RESOLVED:** That the Maryland Student Legislature urge President Bush
710 to sign the act into law.

720 **MANDATES:** Senator Bill Frist, Majority Leader of the Senate
730 Senator Harry Reid, Minority Leader of the Senate
740 Representative Dennis Hastert, Speaker of the House
750 Representative Nancy Pelosi, Minority House Leader
760 Senator Edward Kennedy.
770 Senator Mike Enzi.
President George Bush

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