

Democrats Create Minimum Wage Momentum

August 3: Senate Republicans continue House Republicans' political games with the minimum wage by trying to hold it hostage to the estate tax. Senate Democrats block this cynical ploy, and along with House Democrats, demand a fair up-or-down vote on increasing the minimum wage. (Vote #229)

July 29: House Republicans play a cynical political game with the minimum wage and link an increase in the minimum wage with a virtual repeal of the estate tax, therefore holding a wage increase that would benefit 6.6 million Americans hostage to a huge tax cut for the country's 7,500 wealthiest estates. Republicans pushed this scheme knowing it would pass the House and give vulnerable Republicans political coverage while dooming it for failure in the Senate. Republican leaders have made their opposition to an increase clear and looked for a way to blame Democrats for their failure to enact an increase. (Roll Call #425)

July 24: 48 House Republicans send a letter to Majority Leader Boehner asking for legislation increasing the federal minimum wage.

July 19: House Republicans vote against increasing the minimum wage by refusing to defeat the Previous Question on the Rule on H.R. 2389, the Pledge Protection Act of 2005. Defeating the Previous Question would have allowed consideration of the Fair Minimum Wage Act. (Roll Call #382)

July 13: 28 House Republicans send a letter to Majority Leader Boehner asking for a vote on the minimum wage before the August recess. Democrats have vowed to block increases in Congressional pay until the minimum wage is increased.

July 12: 64 House Republicans indicate support for increasing the minimum wage by voting for a Democratic Motion to Instruct Conferees to S. 250, the Vocational Education Improvement Act. The Motion instructed Conferees to accept the bill's purpose as creating high-skilled and high-wage jobs, which the Fair Minimum Wage Act defines as jobs paying more than \$7.25 per hour. (Roll Call #366)

July 12: House Republicans vote against increasing the minimum wage by refusing to defeat the Previous Question on the Rule on the Credit Rating Agency Act. Defeating the Previous Question would have allowed consideration of the Fair Minimum Wage Act. (Roll Call #364)

July 11: Republican Chris Shays (CT) signs on to the Barrow discharge petition to force consideration of the Fair Minimum Wage Act. As of 7/14/06, 190 Democrats have signed the discharge petition.

July 11: House Republicans vote against increasing the minimum wage by refusing to defeat the Previous Question on the Rule on the Internet Gambling Prohibition Bill. Defeating the Previous Question would have allowed consideration of the Fair Minimum Wage Act. (Roll Call #360)

June 29: Republicans vote against increasing the minimum wage by voting for a 4th of July recess adjournment resolution without consideration of a bill to increase the minimum wage. (Roll Call #353)

June 27: Republicans vote against increasing the minimum wage by voting for the Rule on the FY07 SSJC Appropriations Bill, which blocked the Obey-Hoyer-Mollohan minimum wage increase amendment from consideration. (Roll Call #319)

June 22: Republicans vote against increasing the minimum wage by refusing to appeal the Ruling of the Chair on a Rangel motion which included an increase in the minimum wage. (Roll Call #313)

June 22: Republicans vote against increasing the minimum wage by refusing to defeat the Previous Question on the Estate Tax bill. Defeating the Previous Question would have allowed consideration of the Fair Minimum Wage Act. (Roll Call #308)

June 21: Ray LaHood tells reporters that he and other moderate Republicans approached Majority Leader Boehner after Boehner said he would likely not allow a vote on the minimum wage. According to LaHood, Boehner switched positions and told them "we will vote on a minimum wage increase."

June 20: Republicans on the Appropriations Committee defeat a Obey-Hoyer-Mollohan amendment to raise the minimum wage in a markup of the Science-State-Justice-Commerce Appropriations bill. Five Republicans, C.W. (Bill) Young (FL), James Walsh (NY), Don Sherwood (PA), Mike Simpson (ID), and Ray LaHood (IL) switch their votes from the Labor-H markup and vote against the minimum wage amendment. Two Republicans, Jo Ann Emerson (MO) and John Sweeney (NY), leave the room in order to avoid voting on the amendment, which they also supported during the Labor-H markup. Majority Leader John Boehner says he will "probably not" allow a vote on the minimum wage.

June 15: The House Republican leadership pulls the Labor-HHS bill from the floor schedule indefinitely.

June 13: An amendment offered by Whip Hoyer, based on a bill by Ranking Democrat on the Education and the Workforce Committee George Miller (H.R. 2429, The Fair Minimum Wage Act), passes 32-27 during the Appropriations Committee markup of the FY07 Labor-HHS spending bill. The amendment would gradually increase the federal minimum wage from \$5.15 to \$7.25 over 2 years. Seven Republicans on the committee vote for the Hoyer Amendment.

House vote raises minimum wage

By Richard Cowan and Donna Smith | July 29, 2006

WASHINGTON (Reuters) - The House of Representatives voted on Saturday to give some of the lowest-paid American workers their first raise in nearly a decade, while also handing a big tax cut to some of the wealthiest.

The House in the early hours voted 230-180 to raise the \$5.15-per-hour minimum wage in three 70-cent steps until it reaches \$7.25 in mid-2009.

During a bitter floor debate, Rep. Phil English, a Pennsylvania Republican, said most Democrats' opposition to the bill showed "they've always liked the politics of the minimum wage and cared little for the policy of the minimum wage."

But Democrats shot back that Republicans had staged an election-year stunt to get a minimum wage vote knowing the Senate won't go along because of opposition there to the estate tax cut. And some senators are opposed to any minimum wage hike.

Before this election year, Rep. George Miller, a California Democrat said, "You never raised a finger to help these individuals" getting paid the minimum wage.

Coming shortly before the House was to start a five-week summer break that will give members time to campaign for re-election, the legislation also would cut estate taxes, derided by Republicans as a "death tax," and extend several other popular tax cuts. Its estimated cost was about \$310 billion over 10 years.

The package is likely to be debated next week in the Senate, where its fate was unclear. Efforts to roll back estate taxes failed in the Senate in June. Such a cut is a high priority for Republican leaders ahead of the November congressional elections when Democrats hope to make big gains.

REPEATED REJECTION

Senate Democratic leader Harry Reid of Nevada noted the Senate has "rejected fiscally irresponsible estate tax giveaways before and will reject them again."

The estate tax cut is estimated to help less than 1 percent of American families at a time of skyrocketing federal debt.

"Workers at the lowest end of the scale are being held hostage to 7,500 families," said Rep. Steny Hoyer of Maryland, the second-ranking Democrat in the House, who wanted a minimum wage increase bill without the estate tax cut.

Those 7,500 families are the number of wealthy families that would benefit from the estate tax cut. By contrast, some seven million workers would benefit from the increase in the minimum wage.

Republicans argue cutting estate taxes helps small businesses and farmers.

The bill also would renew for two years expired tax breaks for education, research, college tuition and other popular items.

For several years, Republicans controlling Congress have blocked an increase in the minimum wage, claiming it would backfire by causing employers to hire fewer entry-level workers.

But Democrats stepped up pressure this year for the increase, arguing high gasoline and heating prices were making it harder for the working poor to survive while working at wages frozen since 1997.

They were joined by dozens of moderate Republicans in the House who, facing tough re-elections in November, challenged their leaders and demanded a minimum wage vote before breaking for the summer.

Recent polls have shown broad discontent with the Republican-led House and Senate. Democrats, hoping to win control of Congress, have tried to portray an out-of-touch Republican Party that has agreed to nearly \$35,000 in pay raises for members of Congress over the past decade while refusing to increase the pay for low-wage jobs.

White House spokesman Tony Snow, asked about President George W. Bush's position on the minimum wage, told reporters on Friday, "We are for minimum wage increases if they do not jeopardize the ability of small businesses to create jobs." ■



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Boehner Says House Will Vote on Minimum Wage This Year

By Alex Wayne, CQ Staff

The Democrats' strategy to make an election year push for an increase in the federal minimum wage bore fruit last week when House Majority Leader John A. Boehner, R-Ohio, said he would allow a vote on the issue before the end of the year.

Illinois Republican Ray LaHood, a proponent of an increase, said he and several other members approached Boehner on June 20 after the leader told reporters he would "probably not" allow a vote on a minimum wage bill this year.

LaHood said as a result of the conversations Boehner told them, "We will vote on a minimum wage increase."

"It's going to come up very soon. And it will pass," LaHood predicted.

Boehner spokesman Kevin Madden said House Republicans "will deal with this issue in some sort of fashion this year, but no decisions have been made at this point."

Boehner said June 20 that he did not plan to allow a vote on an increase.



VAR: Obey, Rep. George Miller, D-Calif., Kennedy and Whip Steny H. Hoyer, D-Md., plot bicameral strategy to crease. (CQ / SCOTT J. FERRELL)

“When you raise the minimum wage, you take away the first rung of the economic ladder because, particularly, people who are making minimum wage do not have a lot of skills,” he said. “And getting skills, moving on, is all part of the effort to walk up the economic ladder.”

Other members who asked Boehner to reconsider were Republican Reps. David L. Hobson of Ohio and Mike Simpson of Idaho, both longtime allies of the majority leader.

Repeated Attempts

Democrats have made several efforts recently to attach a minimum wage provision to various bills. They succeeded when the House Appropriations Committee adopted an amendment to the Labor-HHS-Education spending bill ([HR 5647](#)) on June 13 that would boost the wage from \$5.15 an hour to \$7.25 by January 2009. (*CQ Weekly*, p. [1710](#))

But a week later the same panel defeated an identical amendment to the Commerce-Justice-State spending bill ([HR 5672](#)), with Republicans who supported the earlier provision castigating committee Democrats for trying to make a political statement. (*Spending bill*, p. [1791](#))

“To trot out this amendment . . . is a charade,” LaHood said to ranking Democrat David R. Obey of Wisconsin, the amendment’s sponsor.

An effort in the Senate met a similar fate, even though the idea drew majority support in the process.

On June 21, an amendment to the defense authorization bill ([S 2766](#)) by Massachusetts Democrat Edward M. Kennedy that would have boosted the minimum wage in stages from \$5.15 an hour to \$7.25 an hour was rejected, 52-46. Under a unanimous consent agreement, adoption required a majority of 60, a process used to bypass procedural votes. (*Senate Vote* [179](#), p. 1808)

Kennedy noted that his amendment picked up more Republican votes — eight — than were on his side when a similar amendment failed in October 2005. (*2005 CQ Weekly*, p. [651](#))

An alternative by Republican Michael B. Enzi of Wyoming that was opposed by Democrats would have raised the wage in stages to \$6.25 an hour one year after enactment and made certain other changes in business and labor law. It was defeated, 45-53. (*Senate Vote* [180](#), p. 1808)

June 20, 2006

Democrats Look to Keep Minimum Wage on Table

Republicans Likely to Face Election-Year Fight on Calls To Raise the Federal Rate

By **DAVID ROGERS** and **CHRISTOPHER CONKEY**

June 20, 2006; Page A4

WASHINGTON -- Democrats aim to make the minimum wage a maximum political problem for Republicans this election year.

The minority party fired the first shot last week, when the House Appropriations Committee broke with its Republican leadership and approved a \$2.10-an-hour increase as part of a spending bill for labor, health and education programs. Speaker Dennis Hastert responded by putting the measure on hold -- possibly until after the election.

But Democrats are poised to come back this morning and offer the same wage amendment as part of a second appropriations bill funding science and law-enforcement agencies.

"I gave the Republicans fair notice that we will attach it to anything we can," said Wisconsin Rep. David Obey, the committee's ranking Democrat. Sen. Edward Kennedy (D., Mass.) went to the floor of Senate yesterday and proposed to add the same amendment to a pending defense-authorization bill.

"We think it's both the right thing and good politics," said House Minority Whip Steny Hoyer (D., Md.).

Efforts to raise the minimum wage since 1997 have failed under Republican control of Congress, as business groups oppose the measure and lobbied against it. A group of more than 20 business organizations are fighting an increase this year, as part of the "Coalition for Job Opportunities." One member -- the National Federation of Independent Business, which represents small companies -- says a quarter of its members would have to cut jobs, at a total loss of 217,000 positions, if the federal minimum wage were raised to \$6.65.

Despite business opposition, however, 21 states have enacted minimum wages above the \$5.15 federal level, and roughly half the population lives in a state that already mandates higher hourly pay.

The last federal increase, signed into law months before the 1996 presidential elections, followed bargaining over tax- and health-insurance-related issues important to Republican conservatives. The same could happen now because the minimum-wage debate is coming to a head even as Republican leaders, already offering concessions to timber interests, are looking for the final Senate votes needed for a compromise on estate-tax relief. While far too early to predict, the party could solve two problems at once by linking the wage and estate-tax issues in an election-year deal.

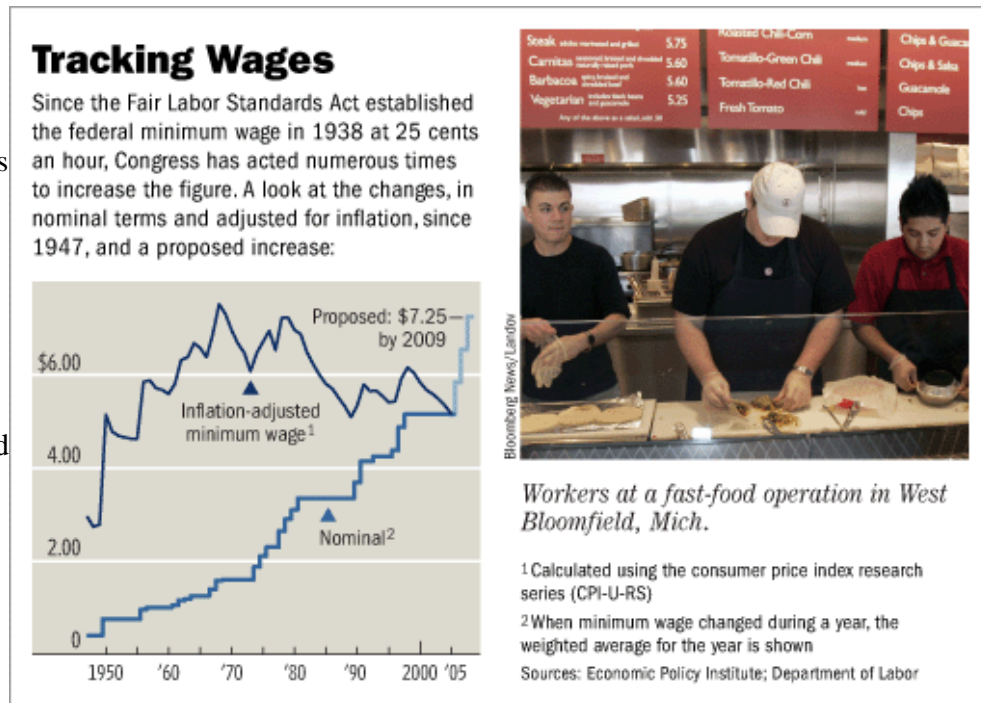
Discomfort is growing among rank-and-file Republicans, especially as organized labor has mounted ballot issues in various states. Seven Republicans broke ranks with their leadership in the House Appropriations Committee last week, and Rep. Jo Ann Emerson (R., Mo.) said her polling on the issue in Missouri -- one of the states with a ballot initiative in the works -- testified to the issue's popularity. "It is a problem," Mr. Hastert said of the pressure now.

In the Senate, the challenge has been to get above the 60 votes needed to limit debate. In the past, Republicans have foiled Mr. Kennedy by offering a parallel amendment with antiunion provisions attached. What is different this year is that some Republicans are looking at an alternative -- that doesn't include the antilabor language and offers a smaller increase. "I would look that over," said Senate Budget Committee Chairman Judd Gregg (R., N.H.) and a past chairman of the Senate Health, Education, Labor & Pensions Committee.

Another factor could be Congress's own pay. While the minimum wage has remained frozen, lawmakers' salaries have risen with annual cost-of-living increases keyed to what is given federal employees. And last week's vote in the House Appropriations Committee followed a floor vote days before in which the House cleared the way for members to get another increase valued at thousands of dollars annually.

More Democrats have begun to ask how long the party can go along with such pay adjustments for Congress when Republicans block floor votes on the minimum wage.

"This is a rich man's support club," said Mr. Obey, who voted against this year's increase on the procedural vote. While the details aren't known, Minority Leader Nancy Pelosi (D., Calif.) is thought to have raised the issue with Mr. Hastert in conversations before the House vote on pay.



Polling for the liberal Democracy Corps has added to the pressure among Democrats. Among test planks for a Democratic platform, one of the most popular -- especially among independents -- is that Democrats would block any pay raise for Congress until the incomes of average workers begin to rise.

"It's a powerful statement, and it shows how out of touch Washington is," said Stan Greenberg of Greenberg Quinlan Rosner Research, who did the Democracy Corps survey. Just as Republicans in 1994 advocated term limits to highlight the arrogance of entrenched power in Congress, he said Democrats should make the link between members' pay and the minimum wage.

Business groups oppose any increase, arguing small businesses will be less willing to hire low-skilled workers if they have to pay more to do so.

Economists generally start from the proposition that increasing the cost of low-skill labor will reduce employer demand, hurting the intended beneficiaries. But they read the evidence on the effect of minimum-wage increases during the booming 1990s differently.

Despite those increases, after years in which inflation had eroded the purchasing power of the minimum wage, hiring was strong across the board and the increases are credited with helping to boost the fortunes of low-paid workers.

That added credibility to an argument made by professors David Card, of the University of California, Berkeley, and Alan B. Krueger, of Princeton University, who have challenged the conventional economic wisdom that higher minimum wages reduce hiring of low-wage workers by comparing the experiences of states that lifted their minimum wages in the early 1990s with those that didn't.

But an economist on the other side of the question, David Neumark of the University of California, Irvine, estimates poverty rates increase between 3% and 4% for every 10% increase in the minimum wage by depressing employment of low-skill workers. "The data are consistent with the idea that the people who are hurt are concentrated in poor families," Mr. Neumark said.



Maximum Support for Raising the Minimum Most Americans Now Live in States That Have Raised the Wage Floor

Released: April 19, 2006

On April 10th Governor Mike Huckabee added Arkansas to the growing list of states with minimum wage levels above \$5.15 an hour. With this act, a majority of Americans now live in states that have enacted wage minimums above the federal floor. The political impetus behind this and other state actions is easily discerned – raising the minimum wage has broad public backing that crosses all social, regional and political categories.

By an overwhelming margin (83% to 14%), the American public favors raising the federal minimum wage to \$7.15 per hour -- a hefty \$2.00 an hour increase. And nearly half (49%) say they strongly support such an increase. While there are differences in the extent of support across political and socioeconomic lines, raising the minimum wage receives widespread support from both Republicans and Democrats, wealthy and poor.

	Raise Minimum Wage from \$5.15 to \$7.15		
	Favor %	Oppose %	DK %
Total	83	14	3=100
<i>Party</i>			
Republicans	72	24	4=100
Democrats	91	8	1=100
Independents	87	11	2=100
<i>Household income</i>			
\$75,000+	76	22	2=100
\$50-\$75,000	86	11	3=100
\$20-\$50,000	85	13	2=100
Under \$20,000	91	7	1=100
<i>Age</i>			
18-29	87	10	3=100
30-49	81	17	2=100
50-64	87	11	2=100
65+	78	17	5=100