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Legislative Alert – Minimum Wage Bill on Fast Track

HB 4023 – Raising the Minimum Wage passed out of the Senate Labor Committee and Judiciary Committees yesterday with no amendments and was read for a first time on the Senate floor. The bill now goes to the Senate Finance Committee. They most likely will consider the bill tomorrow. We are trying to push an amendment that would move West Virginia in accordance with future federal changes. Some Senators are in favor of the amendment but don't want to amend the bill for fear that it will kill the bill since there is only a few days left in the session.

Most, if not all, OMEGA members are governed under the federal minimum wage laws. For the state minimum wage to apply all of the following three criteria must be met:

1. gross income of less than \$500,000
2. six or more non-exempt employees
3. 80% of employees are not individually engaged in interstate commerce

We are against this bill because of the perception of the bill. Our employees probably don't realize that they fall under federal law and not state.

Once this bill passes your employees are going to ask you when they are getting their raise. You are going to have to tell them that the West Virginia Legislature did not do anything to help them.

There is a great sentiment for this bill. We think legislators realize that they really aren't doing anything for West Virginia workers but they don't want to vote against the bill or even move to keep it off of the agenda. Again, it is all about perceptions.

We urge you to begin calling your Senators on this bill TODAY. They need to hear from YOU.

Please refer to the position paper that was included in Number 14 of this publication.

Following is an article from *the Huntington Herald-Dispatch* titled **Minimum Wage Bill Worries Some Business Owners** :

A bill in the state Legislature that would raise the minimum wage to more than \$7 by 2008 worries some area business owners.

The bill (HB 4023), which passed the House of Delegates last week by a vote of 87-10 with three absences, would raise the current minimum wage of \$5.15 to \$5.85 by June 2007 and again to \$7.25 by June 2008. The bill would not affect tip-based workers such as waiters or waitresses or businesses involved in interstate commerce.

Only about 1,500 of the state's 20,000 minimum wage workers would be affected by the raise increase, said Delegate Kelli Sobonya, R-Cabell.

The bill poses concerns to area business owners such as Tim Forth,

president of Forth Foods and Foodfair grocery stores. Although Forth's businesses pay full-time employees more than minimum wage, he contends that raising it statewide is a bad move.

"My first impression is that this state is very much a border state and it's counter-productive for the area," Forth said, "I don't think it's a good move for a state to arbitrarily do that. It'll put retailers in West Virginia at a disadvantage to those in Ohio or Kentucky."

The bill, which was sponsored by Delegates Jon Amores, D-Kanawha, Bonnie Brown, D-Kanawha, Mike Caputo, D-Marion and William Hartman, D-Randolph, amends and reenacts the state's minimum wage rate in an attempt to

link the state's rate to that of the federal minimum of \$5.15.

"It needs to happen at the federal level, not the state level," Forth said.

Sobonya, who voted against the bill, says that although she is for a minimum wage increase across the board, she thinks the bill is narrow-sighted and is for comprehensive tax reform instead.

"If you are going to give a pay raise to a group, give it to all," she said. "This would only apply to about 10 percent of the minimum wage workers in West Virginia. If we are going to be serious about helping our poor, let's help everyone with a fair and simple tax structure."

The final day of the Legislature is March 11.