

Texas, Mr. Rohrabacher, Mr. Calvert, Mr. Bartlett of Maryland, Mr. Ehlers, Mr. Lucas, Mrs. Biggert, Mr. Akin, Mr. Bonner, Mr. Feeney, Mr. Neugebauer, Mr. Inglis of South Carolina, Mr. McCaul of Texas, Mr. Mario Diaz-Balart of Florida, Mr. Gingrey, Mr. Bilbray, and Mr. Smith of Nebraska.

(12) COMMITTEE ON SMALL BUSINESS.—Mr. Bartlett of Maryland, Mr. Graves, Mr. Akin, Mr. Shuster, Mrs. Musgrave, Mr. King of Iowa, Mr. Fortenberry, Mr. Westmoreland, Mr. Gohmert, Mr. Heller of Nevada, Mr. David Davis of Tennessee, Ms. Fallin, Mr. Buchanan, and Mr. Jordan.

(13) COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE.—Mr. Young of Alaska, Mr. Petri, Mr. Coble, Mr. Duncan, Mr. Gilchrest, Mr. Ehlers, Mr. LaTourette, Mr. Baker, Mr. LoBiondo, Mr. Moran of Kansas, Mr. Gary G. Miller of California, Mr. Hayes, Mr. Brown of South Carolina, Mr. Johnson of Illinois, Mr. Platts, Mr. Graves, Mr. Shuster, Mr. Boozman, Mr. Gerlach, Mr. Mario Diaz-Balart of Florida, Mr. Marchant, Mr. Dent, Mr. Poe, Mr. Reichert, Mr. Mack, Mr. Kuhl of New York, Mr. Westmoreland, Mr. Boustany, Mrs. Schmidt, Mrs. Miller of Michigan, Mrs. Drake, Ms. Fallin, and Mr. Buchanan.

(14) COMMITTEE ON VETERANS AFFAIRS.—Mr. Stearns, Mr. Burton of Indiana, Mr. Moran of Kansas, Mr. Baker, Mr. Brown of South Carolina, Mr. Miller of Florida, Mr. Boozman, Ms. Ginny Brown-Waite of Florida, Mr. Turner, Mr. Bilbray, Mr. Lamborn, and Mr. Bilirakis.

The SPEAKER pro tempore. Without objection, further reading of the resolution is dispensed with.

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### ELECTION OF MAJORITY MEMBERS TO CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. PALLONE. Mr. Speaker, by direction of the Democratic Caucus, I offer a privileged resolution (H. Res. 46) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

##### H. RES. 46

*Resolved*, That the following named Members and Delegate be and are hereby elected to the following standing committees of the House of Representatives:

(1) COMMITTEE ON ARMED SERVICES.—Mr. Spratt, Mr. Ortiz, Mr. Taylor of Mississippi, Mr. Abercrombie, Mr. Meehan, Mr. Reyes, Mr. Snyder, Mr. Smith of Washington, Ms. Loretta Sanchez of California, Mr. McIntyre, Mrs. Tauscher, Mr. Brady of Pennsylvania, Mr. Andrews, Mrs. Davis of California, Mr. Langevin, Mr. Larsen of Washington, Mr. Cooper, Mr. Marshall, Ms. Bordallo, Mr. Udall of Colorado, Mr. Boren, Mr. Ellsworth, Ms. Boyda of Kansas, Mr. Patrick Murphy of Pennsylvania, Mr. Johnson of Georgia, Ms. Shea-Porter, Mr. Courtney, Mr. Loeb sack, Mrs. Gillibrand, Mr. Sestak, Ms. Giffords, Ms. Castor.

(2) COMMITTEE ON EDUCATION AND LABOR.—Mr. Kildee, Mr. Payne, Mr. Andrews, Mr. Scott of Virginia, Ms. Woolsey, Mr. Hinojosa, Mrs. McCarthy of New York, Mr. Tierney, Mr. Kucinich, Mr. Wu, Mr. Holt, Mrs. Davis of California, Mr. Davis of Illinois, Mr. Grijalva, Mr. Bishop of New York, Ms. Linda T. Sánchez of California, Mr. Sarbanes, Mr. Sestak, Mr. Loeb sack, Ms. Hirono, Mr.

Altmire, Mr. Yarmuth, Mr. Hare, Ms. Clarke, Mr. Courtney, Ms. Shea-Porter.

Mr. PALLONE (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### LIFTING MINIMUM WAGE WORKERS OUT OF POVERTY

(Mr. WELCH of Vermont asked and was given permission to address the House for 1 minute.)

Mr. WELCH of Vermont. Mr. Speaker, \$2.32 for a gallon of gas, \$2.99 for a gallon of milk, \$20 or \$25 for a single day of childcare. These are real prices and, too often, real choices that working Americans face every day.

In Vermont, and across America, we have had a proud tradition of self-reliance and sense of community. We need to combine these two values, self-reliance on the one hand and community on the other, by rewarding work and making work pay.

We send a message every day to our citizens and our workers that we value work and that government has a role to play in ensuring opportunity to everyone willing to contribute. It is time we matched that message with our own leadership.

It is no accident that in Vermont and more than 20 States around the country, Republicans and Democrats, working together, have led in the effort to reward work with a reasonable minimum wage above our national minimum last set nearly a decade ago.

There are few more important tasks before us than addressing the growing economic gap between America's wealthiest citizens and low income workers.

Last year, millionaires were given tax breaks that put an average of \$40,000 in their pockets, and yet middle class workers who earn less than \$20,000 received just two dollars. Two dollars—for the whole year. That is rewarding wealth rather than work.

Today a full-time minimum wage worker earns just \$10,712 annually—more than \$2,000 below the poverty line for a family of two. Asking millions of our neighbors to work full time without a wage above poverty is wrong.

I believe that Congress must raise the federal minimum wage to \$7.25 an hour to help life every minimum wage worker out of poverty.

Today and together, we can begin to restore a balance, by rewarding work and not just wealth, acknowledging we are all in this together.

#### FAIR MINIMUM WAGE ACT OF 2007

Mr. HOYER. Mr. Speaker, pursuant to section 508 of House Resolution 6, I call up the bill (H.R. 2) to amend the Fair Labor Standards Act of 1938 to

provide for an increase in the Federal minimum wage, and ask for its immediate consideration.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Fair Minimum Wage Act of 2007".

#### SEC. 2. MINIMUM WAGE.

(a) IN GENERAL.—Section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

"(1) except as otherwise provided in this section, not less than—

"(A) \$5.85 an hour, beginning on the 60th day after the date of enactment of the Fair Minimum Wage Act of 2007;

"(B) \$6.55 an hour, beginning 12 months after that 60th day; and

"(C) \$7.25 an hour, beginning 24 months after that 60th day;"

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect 60 days after the date of enactment of this Act.

#### SEC. 3. APPLICABILITY OF MINIMUM WAGE TO THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.

(a) IN GENERAL.—Section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) shall apply to the Commonwealth of the Northern Mariana Islands.

(b) TRANSITION.—Notwithstanding subsection (a), the minimum wage applicable to the Commonwealth of the Northern Mariana Islands under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) shall be—

(1) \$3.55 an hour, beginning on the 60th day after the date of enactment of this Act; and

(2) increased by \$0.50 an hour (or such lesser amount as may be necessary to equal the minimum wage under section 6(a)(1) of such Act), beginning 6 months after the date of enactment of this Act and every 6 months thereafter until the minimum wage applicable to the Commonwealth of the Northern Mariana Islands under this subsection is equal to the minimum wage set forth in such section.

The SPEAKER pro tempore. Pursuant to section 508 of House Resolution 6, the gentleman from Maryland (Mr. HOYER) and the gentleman from Ohio (Mr. BOEHNER) each will control 90 minutes.

The Chair recognizes the distinguished majority leader, the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am extraordinarily happy to rise in support of this legislation. This legislation is very late in coming to this floor as a free-standing bill. It is, however, never too late to do the right thing.

This legislation, the Fair Minimum Wage Act of 2007, is long overdue. I believe it will pass this House today with broad bipartisan support, as the 9/11 bill did yesterday, making our country safer.

At long last, Mr. Speaker, this House is just hours away from finally passing a clean increase in the Federal minimum wage and sending this legislation to the Senate, where we devoutly hope the Members of the other body will do the same without delay.

H.R. 2 is the second key piece of legislation in the new Democratic majority's 100-hours agenda, and we are following through on our pledge to the American people to immediately address these critical issues.

There is probably not a Member of this House who fails to appreciate that an American who works full time at today's minimum wage of \$5.15 per hour is essentially living in poverty. That is not right, Mr. Speaker. That worker, if he or she works 40 hours per week for 52 weeks, makes roughly \$10,700 per year. If that mom has a child or that father has a wife and a child, they are essentially living on \$6,000 less than we determine to be poverty in America.

Passing this legislation today, which will raise the minimum wage by \$2.10 per hour to \$7.25 in three steps over the next 2 years, is simply a matter of doing what is right, what is just and what is fair.

Frankly, Mr. Speaker, if it were up to me, I would do \$7.25 an hour now. But we are going to phase this in so that small businesses and others can accommodate this raise. But that will mean, Mr. Speaker, that those on the minimum wage will still have to wait.

It has been 9 years and 4 months since the last increase in the Federal minimum wage took effect, and that was under President Clinton. This represents the longest period without an increase since Congress established the minimum wage in 1938, since Congress said we are going to have a minimum in the United States that we will pay people and respect people who work to make themselves, their families and their country better.

At \$5.15 today, the minimum wage level is at its lowest level, adjusted for inflation, in over 50 years, half a century. In fact, Mr. Speaker, if the minimum wage had been adjusted by a cost of living increase on an annual basis since 1968, a minimum wage worker would not be making \$5.15, would not be making \$7.25, but would be making \$9.05. So, effectively, this raise will be \$1.85 less than they would be making if it had been raised on a regular basis.

Meanwhile, just since 2000, the cost of health insurance, gasoline, home heating, attending college, food and other related expenses have all increased, in fact, for an average family, about \$5,000 a year in that period of time. Yet the minimum wage worker has not received any raise.

This legislation will benefit literally millions of Americans. An estimated 5.6 million Americans who make less than \$7.25 per hour will directly benefit from this increase. An estimated additional 7.3 million Americans, including family members of those making less than \$7.25, will indirectly benefit.

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Now there are those who will claim this legislation will hurt small business and the economy. I reject that. I believe history shows that that is not the case. In fact, when we raised it in

1997, the economy was having one of its most successful periods of time, which continued long past the adoption of the minimum wage. In fact, according to one recent study, small business employment grew more in States with a higher minimum wage between 1997 and 2003 than in Federal minimum wage States. In other words, in those States that were paying above the \$5.15 an hour, their economies grew more and they created more jobs than did those States which had frozen their minimum wage at the Federal minimum wage.

In fact, Lee Scott, the chief executive officer of Wal-Mart, has stated that the current minimum wage "is out of date with the times. We can see firsthand at Wal-Mart how many of our customers are struggling to get by. Our customers simply don't have the money to buy basic necessities between paychecks."

Now, what is Wal-Mart all about? Wal-Mart is about bringing prices down. It is very controversial how they do it, but the fact is they know their consumers cannot buy even discounted necessities of life on the minimum wage.

Mr. Speaker, you and I know that in the richest Nation on the face of the Earth, that is wrong.

In a bipartisan way, and I haven't counted the Republican votes, but we are going to get a lot of Republican votes from those who are saying to the American people, as we are, we agree with you. Because 89 percent of the American people, when questioned, believe the minimum wage ought to be raised. Eighty-nine percent of the American people. And, Mr. Speaker, 83 percent of small businesses say this will not adversely affect them.

Mr. Speaker, it is time to pass this legislation. Sixty-four House Republicans joined all Democrats here last July in voting for a \$7.25 per hour wage under the vocational education bill.

There is simply no reason, I suggest to you, not to support this legislation. In the United States of America, the richest country on the face of the Earth, you should not be relegated to poverty if you work hard and play by the rules.

I urge my colleagues on both sides of the aisle to support this reasonable bipartisan legislation. The President of the United States has indicated that he will sign a minimum wage increase. There may be some changes that he wants, but he has recognized, as we will recognize today, that it is long past the time when we need to pay people and give them the dignity that their work demands and has earned.

Mr. Speaker, I ask unanimous consent that I be allowed to yield the balance of my time to the gentleman from California (Mr. GEORGE MILLER), who has been the leader on this issue in the House of Representatives and one of the leaders in the country and who chairs the Education and Labor Committee.

The SPEAKER pro tempore. Without objection, the gentleman from California will be permitted to control the time.

There was no objection.

Mr. McKEON. Mr. Speaker, as the minority leader's designee, I claim the time in opposition.

The SPEAKER pro tempore. The gentleman from California is recognized.

Mr. McKEON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this debate represents a series of colossal missed opportunities. The new Democratic leadership of the House promised us and the voters a fair, open, honest, and, yes, democratic process in considering major pieces of legislation. Instead, today we are stuck with unfair, closed and heavy-handed terms for our debate, terms that were tucked into an unrelated rules package less than a week ago.

Not only was that move unprecedented, but it also means that during today's debate on a minimum wage increase, what you see is what you get. No comprehensive alternative has been allowed. No amendments will be considered. In fact, I didn't even get a chance for those types of considerations before the Rules Committee because, well, the Rules Committee didn't meet on this issue. There was no hearing.

That is unfortunate because, frankly, there are Members on both sides of the aisle who support a balanced minimum wage increase, and this bill, this early in the Congress, represented an opportunity to work together toward a true, bipartisan, bicameral consensus. But we won't, and that is a colossal missed opportunity.

My colleagues will remember that last summer the Republican majority brought forward and passed legislation to increase the Federal minimum wage to \$7.25 an hour with important considerations for small businesses and their workers. Many Democrats joined us in advancing the measure. In fact, had a few more on the other side of the Capitol supported this measure, today's debate would be unnecessary because the minimum wage increase would already have taken place.

Nonetheless, I was hopeful that when we considered minimum wage legislation under the new Democratic majority we would again do so with our Nation's small businesses and their workers in mind, particularly since both the President and the Senate majority leader have indicated their willingness to forge such a consensus. But it is apparent that we are not here on this side of the Capitol, and that is a colossal missed opportunity. So later in this debate I will offer a motion to recommit that would provide them the very protections that the Democratic leadership's bill does not.

Yesterday, Mr. Speaker, my friend, the ranking Republican member on the Ways and Means Committee, Mr. McCRERY from Louisiana, and I introduced minimum wage legislation that,

quite frankly, puts the bill before us today to shame. It is a three-pronged measure that includes the same, the same, minimum wage provisions that are in the Democratic leadership's bill.

As you can see on the chart, here is the unbalanced Democratic plan. It does raise the minimum wage. Then the comprehensive Republican plan. It also raises the minimum wage from \$5.15 to \$7.25 per hour over the 2 years, in precisely the same increments as the Democrat leadership's bill.

Also identical to the Democrat leadership bill, the Working Families Wage and Access to Health Care Act that we offered yesterday would extend the Federal minimum wage to the Commonwealth of the Northern Mariana Islands. We don't stop there, however. But the Democrat leadership does, another colossal missed opportunity.

As you can see, the Working Families Wage and Access to Health Care Act not only increases the minimum wage in the same exact manner as H.R. 2, but it also would expand access to affordable health care for working families, including many families that may benefit from the wage increase. The Democratic leadership's scaled-down proposal does not include this.

For the last several Congresses, Republicans and Democrats alike have joined together behind legislation that would significantly expand access to health coverage for uninsured families across the country by creating Small Business Health Plans.

According to the U.S. Census Bureau, the number of Americans who have no health insurance is about 46.5 million. Estimates indicate 60 percent or more of the working uninsured work for or depend upon small employers who lack the ability to provide health benefits for their workers. To ease the burden on small businesses and provide meaningful benefits to those who work for them, the Working Families Wage and Access to Health Care Act would allow small businesses to join together and purchase quality health care for workers and their families at a lower cost.

Now, during today's debate, we are likely to hear from our colleagues on the other side of the aisle about how a certain percentage of the American people support a minimum wage increase. By the same token, my colleagues also should be aware that a whopping 93 percent of Americans support creating small business health plans; and 36 members of their own Democratic caucus supported them in the 109th Congress. Doing so again during this debate would not only be logical but it would be welcome news for scores of uninsured working families. But the Democratic leadership's bill won't allow for it, and our bill simply isn't allowed at all. A colossal missed opportunity.

Finally, as you can see, only the Working Families Wage and Access to Health Care Act includes a number of other important considerations for small businesses and their workers.

Small businesses create two-thirds of the Nation's new jobs, and 98 percent of the new businesses in the U.S. are small businesses. Increasing the minimum wage increases costs for small employers, and often they may be forced to respond by reducing their number of workers, scaling back benefits or hiring fewer new employees.

Given that small employers are responsible for most of the new jobs in our Nation, and practically every new business, why would we do anything to endanger their momentum? Well, you would have to ask the Democratic leadership, because that is exactly what their proposal would do. By offering small businesses and their workers important protections, the Working Families Wage and Access to Health Care Act would protect American jobs. The House Democratic leadership's scaled-down minimum wage proposal will not. A colossal missed opportunity.

Mr. Speaker, only the Republican-led Working Families Wage and Access to Health Care Act will both raise the minimum wage and protect small businesses and their workers. And only the Republican-led Working Families Wage and Access to Health Care Act will both raise the minimum wage and expand access to affordable health care for working families.

Unfortunately, due to unfair, closed, and heavy-handed tactics, only the scaled-down Democrat leadership plan is before us today. A colossal missed opportunity, not just for the House but for working families and small businesses as well.

Mr. Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

(Mr. GEORGE MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Mr. Speaker, when Speaker PELOSI spoke about the first 100 hours of the 110th Congress, one of the things she said she wanted to accomplish was to begin to make the economy fairer for all Americans. Today, with this legislation to increase the minimum wage, we begin that task.

For 10 years, the lowest-paid workers in America have been frozen out of the economy of this country. They have ended up every year, after going to work every day, every week, every month, they have ended up poor, far below the poverty line of this country. They have been working at a Federal poverty wage, not a Federal minimum wage.

I am very honored today to be here supporting this legislation as the chairman of the Education and Labor Committee. I am also very honored to be sharing this legislation with our new majority leader, Mr. HOYER. Because of his activities in the last Congress, we were able to bring this issue to a head because of the amendment that he offered on the Health and

Human Services bill, where the Republicans chose not to bring the bill to the floor of the Congress, not to bring it to a vote because they wanted to deny American workers access to the minimum wage.

I consider this a new beginning and a new Congress, but I must say I cannot let the history that the gentleman from California laid out for us to suggest that that is the record. The gentleman has said numerous times in his opening statement that this is a colossal missed opportunity. Let me tell you what a colossal missed opportunity is. For the last 10 years, the Republican leadership in this House fought tooth and nail to avoid any, any opportunity to have an up-or-down vote on the minimum wage. The only time they thought the poorest workers in America were worth an increase in the minimum wage was if they could tie it to a tax cut for the wealthiest people in the United States.

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So they never really were interested in it. They wanted to use the power of the sense of fairness that the American public had about the treatment of the poorest workers. They wanted to use that power, that sense of outrage, that sense of immorality that they had about what the Republicans were doing, to drive tax cuts for the wealthiest people in the country.

They said they were going to pass the bill and send it to the President's desk. We said it was going to die in the Senate, and it died in the Senate. And here today we see the same proposal being made. They are going to suggest that later today they are going to couple minimum wage with the wonderful health care plan for workers.

Their own CBO, the Congressional Budget Office, says that more than 75 percent of the small business workers, over 20 million workers and their dependents, would see their health insurance premiums increase as a result of this proposal. So now they are going to give these workers an increase in the minimum wage, but then they are going to increase their premiums for health insurance. What a wonderful gift from the Republican Party.

Can't you just give these workers an increase and be done with it? They have been working at a 10-year-old minimum wage, but they are paying 2007 bread prices and milk prices and energy prices and rentals. Where is the decency? Where is the decency to give these workers what they are entitled to, what everybody knows that they should have?

Not only that, but then we find out with this wonderful health plan that some 8 million workers who are currently insured will probably lose their insurance. So now they are going to, if you get insurance, they are going to increase the premiums. If you have insurance, you may lose your insurance.

This isn't what America thinks makes the economy fair. What they

think makes the economy fair is an increase in the minimum wage.

As you all know, this is the longest period in history of law without a wage increase. During that time, the minimum wage has dropped to its lowest buying power in 51 years. The Fair Minimum Wage Act of 2007 would increase the Federal minimum wage to \$7.25 an hour over three steps over the next 2 years.

Raising the minimum wage is critical to fighting the middle-class squeeze in this country. Fifty-nine percent of American workers state that they have to work harder to earn a decent living than they did 20 or 30 years ago. Since 2001, the median household incomes have fallen by \$1,300. Wages and salaries make up the lowest share of the economy in nearly six decades. Meanwhile, corporate profits, CEO buyouts, golden parachutes, golden handshakes and golden hellos take hundreds of millions, if not billions, of dollars out of the same corporations that say they can't give an increase to their workers.

While the economy is growing and the wealth of its Nation is increasing, more Americans are struggling to pay their bills. Over the last 5 years, the number of Americans living in poverty has increased from 5.4 million to 37 million. One in six children now lives in poverty.

Since 2000, prices of education, gasoline and health care have all greatly outpaced inflation. Raising the minimum wage is an important first step for the Congress in its efforts to stand up for middle class and to stem the middle-class squeeze. This raise will make a real, critical difference to millions of people's lives, and that is what America understands. You pass the minimum wage, and you dramatically change life for millions of people.

Does it solve their economic problems? Does it solve the economic stress? No, it doesn't. But it changes their lives. For a family of three, increasing the minimum wage will mean an additional \$4,400 a year, equaling 15 months of groceries or 2 years' worth of health care. That is a change in the standing of these people's lives.

Raising the minimum wage to \$7.25 an hour in 2009, taking into account the increases in family earned income tax credit will take those people who are 11 percent below the poverty level line and move them to 5 percent above the poverty line. Still close to the poverty line but beginning to make this economy fair.

It is important that we pass this legislation and we pass it free standing. It is important that we do that so we can address the needs of these families, not that we hijack their plight, not that we hijack their misery, not that we hijack the willingness of the American people to do something for them to then do something that works against them. This is very, very important, this piece of legislation, and it is important that we address the concerns of these individuals.

I am proud to say that, on this legislation, H.R. 2, its over 200 original cosponsors, and I am very proud to say we are joined by seven Republican Members who are original cosponsors of this legislation, and I want to thank so many of those Republicans who worked over the years to try to get us this vote on the minimum wage, but we weren't successful. Today is the opportunity to bring these two sides of the aisle together, to begin to make this economy fair and to help these people who struggle every day in very difficult jobs, to do the right thing, to participate in the American economy and to provide for their families. But they are not able to do it at a 10-year-old minimum wage, and we need to bring that kind of equity to it.

We are joined in support of this legislation by over 500 national and local organizations, by over 1,000 Christian, Jewish and Muslim faith leaders who have spoken out on this legislation, by the U.S. Conference of Catholic Bishops who wrote: "For us it is a matter of simple justice for a decent society." And that is what this is about today.

This is more than just the dollars and cents per hour. This is about the morality of this country. This is about the ethics of this body on whether or not these people who have been stuck at this wage for 10 years are entitled to have this modest, modest increase, and I would hope that the House would overwhelmingly support this clean vote on the minimum wage increase over the next 2 years to \$7.25.

Mr. Speaker, I reserve the balance of my time.

Mr. MCKEON. Mr. Speaker, I yield 4 minutes to the gentleman from Minnesota (Mr. KLINE), a member of the committee.

Mr. KLINE of Minnesota. Mr. Speaker, the tax relief and fiscal policies passed in recent years by, frankly, House Republicans, provide a track record of proactive and successful economic reform. As we take our first steps in the 110th Congress, we must build upon that record and ensure that any minimum wage increase includes meaningful considerations for America's small businesses, while protecting and expanding benefits for working families that depend upon them.

Less than a week ago, the Labor Department announced the creation of 167,000 new jobs in December. We have experienced more than 3 years of uninterrupted job growth that includes the creation of more than seven million new jobs since August, 2003. Worker wages have risen more than 150 percent faster than in the early 1990s. Per capita disposable income has risen over 9 percent since 2001.

Let's not stop the momentum we have built together. Let's not pass a minimum wage increase without keeping employers in mind. Let's not fall into the temptation of passing a bill that is nothing more than symbolism, lacking the necessary substance to help our economy continue to grow.

As we consider an increase in the minimum wage, we must consider the impact it will have on businesses that create two-thirds of our Nation's new jobs. I was proud to support Mr. MCKEON and Mr. MCCRERY's Working Families Wage and Access to Health Care legislation, which advances this discussion and also offers meaningful measures that will benefit those employers who bear the brunt of any minimum wage increase. If we don't support them, the cruel irony of any minimum wage increase will be a loss of jobs.

Independent studies confirm that the proposal by the House Democrats to raise the minimum wage without including considerations for those who pay the minimum wage and their workers would halt the momentum of recent economic growth dead in its tracks. According to a Federal Reserve economist, as many as one million workers in the restaurant industry alone could lose their jobs under this current proposal.

Recently, my office received a phone call from Mr. John Wiederholt, the owner of Wiederholt's Supper Club in Miesville, Minnesota, a wonderful little community of 135 people located in the heart of my district. Miesville is known for amateur baseball, a historic hamburger joint and Wiederholt's.

The Democrats scaled-down proposal would cost Mr. Wiederholt's charming supper club nearly \$2,000 a year. He says: "I've been at this 34 years. If this passes, because my waitresses get tips already, they just walked into my place and gave the highest-paid people in my place a raise."

Throughout the country, there are tens of thousands of stories just like Mr. Wiederholt's. Small businesses are the backbone of the American economy. It is absolutely essential that Congress keeps these creators of jobs in mind when we consider this legislation. We must make sure a minimum wage increase does not have harmful effects on businesses and their ability to foster job growth and provide benefits for working families.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. DONNELLY).

Mr. DONNELLY. Mr. Speaker, I rise today in strong support of H.R. 2, the Fair Minimum Wage Act, because it is long past due that we provide a pay raise to many of our country's hardest workers.

Today is a good day for the House, and it is a good day for American workers. I thank Chairman MILLER for introducing a bill whose time has come.

Mr. Speaker, a decent job, with fair pay, is a cornerstone of the foundation upon which the American Dream is built. As our minimum wage, it serves as a yardstick by which to measure other workers' pay.

Fair wages make it possible for working families to pay the rent, put food

on the table and save for the future, a home and college. Yet, for our minimum wage workers facing the rising costs of gasoline, health care, child care, rent and heating their home, \$5.15 is just not enough.

Mr. Speaker, we haven't provided a pay raise for minimum wage workers in 10 years, the longest period without adjustment since enactment of the Fair Labor Standards Act. Adjusted for inflation, its buying power is the lowest it has been in 51 years.

Adequate wages create a stronger, more efficient work force. And I know the great majority of small business owners pay their workers more than the minimum wage. In fact, in the 4 years following the last minimum wage increase, small business employment grew more in those States paying a higher minimum wage than in those States paying only the minimum wage. Paying good wages is good business sense.

Mr. Speaker, increasing the minimum wage is good economic policy, it is good social policy, and, most importantly, the people in my district in Indiana think it is just fair. It is time that this body ensures that all American workers are compensated fairly and can share in the prosperity of the American economy.

I urge my colleagues to support our workforce and pass H.R. 2.

Mr. MCKEON. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. HENSARLING), the chairman of the RSC committee.

Mr. HENSARLING. Mr. Speaker, in America, we can either have maximum opportunity or we can have minimum wages. We cannot have both. In the land of the free, in a Nation as great as ours, how can we deny people their maximum opportunity, their opportunity to secure the American Dream?

Well, apparently, our Democrat colleagues can, because, for thousands, they will now replace the American Dream of boundless career opportunities instead with the nightmare of welfare dependence.

Columnist George Will recently wrote that increasing the minimum wage is "a bad idea whose time has come." And, unfortunately, Mr. Speaker, apparently that time has come.

What is the purpose? Notwithstanding the rhetoric that we hear today, the purpose of this law is really to protect skilled labor from the competition of unskilled labor. We understand the elections are over. The American people have spoken. But, apparently, now labor union bosses are collecting their chits.

Now, what is the effect of this law? Indeed, I admit, some will have a mandated pay raise in America. Those will be the lucky ones. Many more will have their hours cut, Mr. Speaker. Many will have their benefits cut due to this law, and many will lose their jobs. And again, thousands, thousands will be denied that opportunity to climb on that first rung of the eco-

economic ladder in America and, instead, be condemned to a life of poverty. This should not happen in America.

Mr. Speaker, I recently spoke to a number of people who create jobs and hope and opportunity in America, good solid citizens from the Fifth Congressional District of Texas. I heard from David Hinds, the owner of Van Tone Created Flavors of Terrell, Texas. His company employs over 25 people in this community in my district. But he says, if we pass this increase in the minimum wage, he is going to have to lay off three, maybe four of his employees and automate his plant to use less labor.

I heard from Kevin and Jeaneane Lilly. Kevin was a guy who started out at McDonald's years ago frying up the french fries. He now owns 10 McDonald's restaurants. He says, if the Democrats act today to increase the minimum wage, they will be forced to lay off all of their part-time workers and use only full-time workers.

I spoke to Larry Peterson, who has a small business called EmbroidMe in Dallas, Texas. He says, instead of hiring three to four people at the current minimum wage, he is going to have to do with one to two higher paid, more highly skilled people, denying those other two people their rung on the economic ladder.

□ 1115

Mr. Speaker, these are just a few stories from one congressional district in Texas, but these stories are going to be replicated all over America if we pass this law.

Now, the proponents of this law say somehow it is necessary, because we have to force employers to pay fair wages. Yet I know, Mr. Speaker, that 99 percent of all Americans have their wages set by free people negotiating in a competitive marketplace.

In other words, without any interference by Congress whatsoever 99 percent of all people in the workforce were able to find work above the minimum wage. Do we not believe in the American free enterprise system anymore? The proponents also say we must raise the minimum wage to help the poor, but by and large the minimum wage workers aren't poor. Less than one in five lives below the poverty line. The average family income of a minimum wage worker is about \$40,000 a year. Very few minimum wage workers, indeed, support a family. Instead, the majority are teenagers. They are college students, and many are part-time workers.

In fact, the problem is that many poor people either cannot work or will not work. Over three-fifths of the individuals below the poverty line did not work in 2005. Only 11 percent work full time.

An increase in the minimum wage is going to do very little to help poor people who either cannot work or will not work. The way to help poor people is not to cut off the bottom rung of the

economic ladder in America. For those who feel that they want to help the poor over and above what we are already doing, I would remind them that, by and large, the working poor qualify for health care through Medicaid, through subsidies, through food stamps, housing subsidies through section 8 vouchers, energy assistance through LIHEAP, cash assistance through Earned Income Tax Credit, TANF, and the list goes on and on and on.

In fact, Mr. Speaker, there has been an explosion of anti-poverty spending at the Federal level under President Bush, up 39 percent between the years 2001 and 2005. So contrary to the protest of the other side of the aisle, there is a lot of direct government assistance here. We need to remind people again that any wage rate is better than no wage rate.

The pool of minimum wage workers is constantly changing, and as they learn new skills, they prove themselves and they climb up the economic opportunity ladder. Why do we want to deny them this opportunity?

Mr. Speaker, I have some personal experience here because I was in high school in May of 1974, when Congress promised me a pay raise. I was the bellman at the Holiday Inn in College Station, Texas, trying to put some money together to go to college. I worked my way through college.

But when Congress gave me that pay raise, guess what? I got my pink slip. That Holiday Inn was struggling. They had to lay off the two newest employees they had to make ends meet. This causes unemployment. This should be voted down.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself 30 seconds.

I say, it is an interesting discussion from the other side of the aisle. It just doesn't comport with the evidence that we have in States that have passed a higher minimum wage than the Federal minimum wage. They have experienced higher job growth than those States with the low minimum wage. Overall, retail job growth between 1998 and 2006 was 10.2 percent in those States with a higher minimum wage and only 3.7 percent in the Federal minimum wage States.

Overall across all sectors it was 30 percent greater. The fact of the matter is, an increase in the minimum wage is helping the economy grow.

Mr. Speaker, I yield for 2 minutes to the gentleman from New Jersey (Mr. ANDREWS), a member of the committee who has been battling this issue long and hard.

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. I thank my friend for yielding.

Mr. Speaker, nearly 10 years ago, I sat on this floor and listened to speeches like the one my friend from Texas just gave, and we voted to raise the minimum wage. And what happened?

Unemployment went down. The economy grew. And America prospered. It will happen again if we pass this increase in the minimum wage. There have been many days since that day nearly 10 years ago. One of those days when the prescription drug bill was on the floor, the industry came, and it wanted special protection from lawsuits and special pricing. It was their day, and they got it.

When the energy bill was on the floor, the energy companies came in and wanted massive subsidies, and no crackdown on pricing. It was their day, and they got it.

When the tax bill was on the floor, the wealthiest people in the country, people making more than \$300,000 a year wanted massive tax breaks. It was their day, and they got it.

I am sorry to disappoint the opponents of the minimum wage, but this is not your day. This is the day for the people who empty the bed pans, change the bed linens, sweep the floors, and do the hardest work of America. After a 10-year wait, even though they don't have the lobbyists here, even though they don't have the political action committees here, this is their day.

This is the day we are going to raise the minimum wage, change the direction of the country, and restore economic fairness for the American economy. Join with Republicans and Democrats and independents across this country. Vote "yes" on the increase in the minimum wage.

Mr. MCKEON. Mr. Speaker, I yield 30 minutes to the gentleman from Louisiana (Mr. MCCRERY), the ranking member on the Ways and Means Committee.

I ask unanimous consent that he be allowed to control that time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MCCRERY. Thank you, Mr. MCKEON, for allowing the Ways and Means Committee to control 30 minutes of the time in this debate.

Mr. Speaker, I yield myself so much time as I may consume.

This debate today is important. It is obviously important to a lot of people around the country who are making minimum wage or who would seek an entry-level job in our country. It is also important, though, to many small businesses around our Nation who are struggling to stay in business, struggling to create jobs, and to face the competition often from much bigger establishments that have some advantages in the marketplace. It is those small businesses that the McKeon-McCrery alternative would address today. If we are given the chance today to modify the legislation before us to include some benefits for small businesses, in our view this would greatly improve the legislation before us regarding the minimum wage.

Let me just briefly explain what that alternative would be if Members of this

House were given the opportunity to vote on it.

The minimum wage provisions would be the same as in the underlying legislation that is on the floor today. It would increase the minimum wage from \$5.15 to \$7.25 over 2 years in three increments. But it would add to that a provision from the Education and Labor Committee regarding association health plans that would make it easier for small businesses to get health insurance for their employees, and three tax provisions designed to help small businesses cope with the burden that would be placed on them by an increase in the minimum wage.

Those three tax provisions are a 1-year extension of the higher small business expensing limits. As you will recall, we passed in the last few years legislation allowing small businesses to expense up to \$100,000 of investment in their small business in the year of that investment. That provision currently is scheduled to expire at the end of 2009. This legislation, this alternative that we would like to present today, would extend that provision 1 year through 2010.

The next tax provision that would help small businesses is a 15-year depreciation period for new restaurant construction.

Now, that is important because current law allows a much shorter depreciation period, 15 years, for leasehold improvements, including restaurants, but it has to be improvements to an existing building. In the restaurant business, a lot of times to keep up with the competition and to keep market share, an owner will have to build a new facility. You can't just refurbish the old facility. You have got to build a new building to keep pace.

Under the current law though, he would have to depreciate that investment over 39 years. This provision would put him on an equal standing with those who just recently built a restaurant and are upgrading it with improvements.

So it would give a 15-year depreciation period, both to leasehold improvements for existing buildings, existing restaurants, but also a 15-year depreciation period for the construction of new restaurants.

Finally, the third tax provision that we would add to this legislation to help small businesses would be the FUTA surtax repeal, that is the unemployment payroll tax. Back in the 1970s, when we were having problems with our unemployment trust fund, and we were extending unemployment benefits across the Nation, we had to impose a surtax to bring money into the system to be able to pay the unemployment bills around the country. That debt though was paid off in the 1980s, and for whatever reason, Congress has decided to continually extend that unemployment surtax.

This bill would accelerate the expiration of that .2 percent unemployment surtax that employers have to pay

today. It would accelerate it from the end of this year 2007 to April 1 of 2007.

As you know, that surtax, that .2 surtax is imposed only on the first \$7,000 of wages, so it would most directly give relief to those employers who have those low-skilled, low-dollar employees, and would give them some immediate relief in that regard.

Mr. Speaker, our proposal is to increase the minimum wage, but also give help to those businesses that will be most adversely affected by the imposition of these increased costs for their businesses.

Mr. Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. CARNEY), who has been a long-time champion of increasing the minimum wage.

Mr. CARNEY. I would like to thank my colleague from California for the time.

Mr. Speaker, today the House will vote for bipartisan legislation aimed at increasing the minimum wage and making an important change for the families of nearly 13 million American workers.

It is unconscionable, Mr. Speaker, that the minimum wage has remained unchanged for nearly 10 years. During the past decade, consumer costs have skyrocketed. Energy, health care and education costs have all risen, while my constituents have seen their real incomes drop.

It is wrong that millions of Americans work full time and year around and still live in poverty. I am voting to give them a raise, a raise that is long overdue.

This bill will increase the minimum wage by \$2.10 an hour over 2 years. This will mean an additional \$4,400 for a family of three equaling 15 months' worth of groceries or 2 years' worth of health care. Helping them to keep up with the rising costs of these necessities is something that we have the moral obligation to do.

As the father of five, I understand, I keenly understand the impact of rising costs on a tight family budget.

Raising the minimum wage is the first step to a stronger economy for all Americans, not just for the privileged few. Our action today will make a real difference in the lives of America's working families and I am proud to vote for it, and I respectfully urge my colleagues to stand with our working families, as well.

Mr. MCCRERY. Mr. Speaker, I yield 3 minutes to a member of the Ways and Means Committee, the gentleman from California (Mr. HERGER).

Mr. HERGER. Mr. Speaker, I rise in opposition to the minimum wage increase. Not only is this legislation detrimental to small business growth and job creation, but it has been brought to the floor outside the normal committee review process without the ability to consider an alternative.

I have long stood against minimum wage hikes, which increase government

interference in the labor market. Economists agree that when the cost of labor increases, it becomes more difficult for employers to hire new workers.

□ 1130

Unfortunately, the burden of wage increases falls on small businesses which produce an estimated two-thirds of all new jobs in the United States. Minimum wage job seekers, often first-time employees looking to get their foot in the door, are most harmed by such increases. It is troubling that this bill gives no thought to softening the financial impact of our engines of new job growth when we could easily combine a wage increase with tax relief to help small businesses stay competitive and keep our economy growing.

One provision not included in the minimum wage bill would extend small businesses expensing. Over the last few years, Congress has increased the expensing limit which allows firms to write off equipment purchases immediately. This allows small businesses to expand faster and hire new workers. I continue to support a permanent extension of this provision. Without extension, expensing will soon revert from its current \$100,000 back to \$25,000.

Other relief not permitted in this is the elimination of the unnecessary 2 percent unemployment surtax. I joined my friend JIM MCCRERY in the 109th Congress to end the surtax and stimulate job creation and higher wages for those same workers who might lose jobs due to a minimum wage hike.

Finally, discounting relief from the 41 percent minimum wage increase, the bill ignores other side effects, such as impacts on the workfare participants. Current law determines how long welfare beneficiaries may participate in workfare, which helps recipients develop good work habits. As the minimum wage rises, recipients have access to less work, even if that is what they most need to prepare for a new job.

Mr. Speaker, by dismissing alternatives, the majority has generated a bill whose benefits to the American workers will be negligible, side effects real, and impacts on job creation palpable. I urge my colleagues to reject this measure.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself 15 seconds to submit for insertion into the RECORD a statement of 650 economists, including five Nobel laureates, that support this increase in the minimum wage and say that it will not be detrimental to the economy.

HUNDREDS OF ECONOMISTS SAY: RAISE THE MINIMUM WAGE

The minimum wage has been an important part of our nation's economy for 68 years. It is based on the principle of valuing work by establishing an hourly wage floor beneath which employers cannot pay their workers. In so doing, the minimum wage helps to equalize the imbalance in bargaining power that low-wage workers face in the labor market. The minimum wage is also an important tool in fighting poverty.

The value of the 1997 increase in the federal minimum wage has been fully eroded. The real value of today's federal minimum wage is less than it has been since 1951. Moreover, the ratio of the minimum wage to the average hourly wage of non-supervisory workers is 31 percent, its lowest level since World War II. This decline is causing hardship for low-wage workers and their families.

We believe that a modest increase in the minimum wage would improve the well-being of low-wage workers and would not have the adverse effects that critics have claimed. In particular, we share the view of the Council of Economic Advisors expressed in the 1999 Economic Report of the President that "the weight of the evidence suggests that modest increases in the minimum wage have had very little or no effect on employment." While controversy about the precise employment effects of the minimum wage continues, research has shown that most of the beneficiaries are adults, most are female, and the vast majority are members of low-income working families.

As economists who are concerned about the problems facing low-wage workers, we believe the Fair Minimum Wage Act of 2005's proposed phased-in increase in the federal minimum wage to \$7.25 falls well within the range of options where the benefits to the labor market, workers, and the overall economy would be positive.

Twenty-two states and the District of Columbia have set their minimum wages above the federal level. Arizona, Colorado, Missouri, Montana, Nevada and Ohio, are considering similar measures. As with a federal increase, modest increases in state minimum wages in the range of \$1.00 to \$2.50 and indexing to protect against inflation can significantly improve the lives of low-income workers and their families, without the adverse effects that critics have claimed.

LEADING ECONOMISTS ENDORSE THIS STATEMENT

Henry Aaron, The Brookings Institution; Kenneth Arrow+, Stanford University; William Baumol+, Princeton University and New York University; Rebecca Blank, University of Michigan; Alan Blinder, Princeton University; Peter Diamond+, Massachusetts Institute of Technology; Ronald Ehrenberg, Cornell University; Clive Granger\*, University of California, San Diego; Lawrence Katz Harvard University (AEA Executive Committee); Lawrence Klein\*\*, University of Pennsylvania; Frank Levy, Massachusetts Institute of Technology; Lawrence Mishel, Economic Policy Institute; Alice Rivlin+, The Brookings Institution (former Vice Chair of the Federal Reserve and Director of the Office of Management and Budget); Robert Solow+, Massachusetts Institute of Technology; and Joseph Stiglitz\*, Columbia University.

Six hundred and fifty of their fellow economists agree.

ECONOMISTS SUPPORTING INCREASE IN MINIMUM WAGE

Katherine G. Abraham University of Maryland; Frank Ackerman Tufts University; F. Gerard Adams Northeastern University; Randy Albelda University of Massachusetts—Boston; James Albrecht Georgetown University; Jennifer Alix-Garcia University of Montana; Sylvia A. Allegretto Economic Policy Institute; Beth Almeida International Association of Machinists and Aerospace Workers; Abbas Alnasrawi University of Vermont; Gar Alperovitz University of Maryland—College Park; Joseph Altonji Yale University; Nurul Aman University of Massachusetts—Boston; Teresa L. Amott Hobart and William Smith Colleges; Alice Amsden Massachusetts Institute of Technology; Bernard E; Anderson University of Pennsyl-

vania; Robert M. Anderson University of California—Berkeley; Bahreinian Aniss California State University—Sacramento; Kate Antonovics University of California—San Diego; Eileen Appelbaum Rutgers University; David D. Arsen Michigan State University; Michael Ash University of Massachusetts—Amherst; Glen Atkinson University of Nevada—Reno; Rose-Marie Avin University of Wisconsin—Eau Claire; M.V. Lee Badgett University of Massachusetts—Amherst; Aniss Bahreinian Sacramento City College; Ron Baiman Loyola University Chicago; Asatar Bair City College of San Francisco; Katie Baird University of Washington—Tacoma; Dean Baker Center for Economic and Policy Research; Radhika Balakrishnan Marymount Manhattan College; Stephen E. Baldwin KRA Corporation; Erol Balkan Hamilton College; Jennifer Ball Washburn University; Brad Barham University of Wisconsin—Madison; Drucilla K. Barker Hollins College; David Barkin Universidad Autonoma Metropolitana; James N. Baron Yale University; Chuck Barone Dickinson College; Christopher B. Barrett Cornell University; Richard Barrett University of Montana; Laurie J. Bassi McBassi & Company; Francis M. Bator Harvard University; Rosemary Batt Cornell University; Sandy Baum Skidmore College; Amanda Bayer Swarthmore College; Sohrab Behdad Denison University; Peter F. Bell State University of New York—Purchase; Dale L. Belman Michigan State University; Michael Belzer Wayne State University; Lourdes Beneria Cornell University; Barbara R. Bergmann American University and University of Maryland; Eli Berman University of California—San Diego; Alexandra Bernasek Colorado State University; Jared Bernstein Economic Policy Institute; Michael Bernstein University of California—San Diego; Charles L. Betsey Howard University; David M. Betson University of Notre Dame; Carole Biewener Simmons College; Sherrilyn Billger Illinois State University; Richard E. Bilsborrow University of North Carolina—Chapel Hill; Cyrus Bina University of Minnesota—Morris; Melissa Binder University of New Mexico; L. Josh Bivens Economic Policy Institute; Stanley Black University of North Carolina—Chapel Hill; Ron Blackwell AFL—CIO; Margaret Blair Vanderbilt University Law School; Gail Blattenberger University of Utah; Robert A. Blecker American University; Barry Bluestone Northeastern University; Peter Bohmer Evergreen State College; David Boldt State University of West Georgia; Roger E. Bolton Williams College; James F. Booker Siena College; Jeff Bookwalter University of Montana; Barry Bosworth The Brookings Institution; Heather Boushey Center for Economic and Policy Research; Roger Even Bove West Chester University; Samuel Bowles Santa Fe Institute; James K. Boyce University of Massachusetts—Amherst; Ralph Bradburd Williams College; Michael E. Bradley University of Maryland—Baltimore County; Elissa Braunstein Colorado State University; David Breneman University of Virginia; Mark Brenner Labor Notes Magazine; Vernon M. Briggs Cornell University; Byron W. Brown Michigan State University; Christopher Brown Arkansas State University; Clair Brown University of California—Berkeley; Philip H. Brown Colby College; Michael Brun Illinois State University; Neil H. Buchanan Rutgers School of Law and New York University School of Law; Robert Buchele Smith College; Stephen Buckles Vanderbilt University; Stephen V. Burks University of Minnesota—Morris; Joyce Burnette Wabash College; Paul D. Bush California State University—Fresno; Alison Butler Wilamette University; Antonio G. Callari Franklin and Marshall College; Al Campbell University of Utah; James Campen University of Massachusetts—Boston; Maria

Cancian University of Wisconsin—Madison; Paul Cantor Norwalk Community College; Anthony Carnevale National Center on Education and the Economy; Jeffrey P. Carpenter Middlebury College; Françoise Carre University of Massachusetts—Boston; Michael J. Carter University of Massachusetts—Lowell; Susan B. Carter University of California—Riverside; Karl E. Case Wellesley College; J. Dennis Chasse State University of New York—Brookport; Howard Chernick Hunter College, City University of New York; Robert Cherry Brooklyn College—City University of New York; Graciela Chichilnisky Columbia University; Lawrence Chimierne Radnor International Consulting, Inc; Menzie D; Chinn University of Wisconsin—Madison; Charles R. Chittle Bowling Green State University; Kimberly Christensen State University of New York—Purchase; Richard D. Coe New College of Florida; Robert M. Coen Northwestern University; Steve Cohn Knox College; Rachel Connelly Bowdoin College; Karen Smith Conway University of New Hampshire; Patrick Conway University of North Carolina—Chapel Hill; David R. Cormier West Virginia University; James V. Cornehlis University of Texas—Arlington; Richard R. Cornwall Middlebury College; Paul N. Courant University of Michigan—Ann Arbor; James R. Crotty University of Massachusetts—Amherst; James M. Cypher California State University—Fresno; Douglas Dalenberg University of Montana; Herman A. Daly University of Maryland; Anita Dancs National Priorities Project; Nasser Daneshvary University of Nevada—Las Vegas; David Danning University of Massachusetts—Boston; Sheldon Danziger University of Michigan—Ann Arbor; Jane D'Arista Financial Markets Center; Paul Davidson The New School for Social Research; Jayne Dean Wagner College; Gregory E. DeFreitas Hofstra University; Bradford DeLong University of California—Berkeley; James G. Devine Loyola Marymount College; Ranjit S. Dighe State University of New York—Oswego; John DiNardo University of Michigan—Ann Arbor; Randall Dodd Financial Policy Forum; Peter B. Doeringer Boston University; Peter Dorman Evergreen State College; Robert Drago Pennsylvania State University; Laura Dresser University of Wisconsin; Richard B. Du Boff Bryn Mawr College; Arindrajit Dube University of California—Berkeley; Marie Duggan Keene State College; Lloyd J. Dumas University of Texas—Dallas; Christopher Dunn Earth and Its People Foundation; Steven N. Durlauf University of Wisconsin—Madison; Amitava K. Dutt University of Notre Dame; Jan Dutta Rutgers University; Gary A. Dymski University of California—Riverside; Peter J. Eaton University of Missouri—Kansas City; Fritz Efav University of Tennessee—Chattanooga; Catherine S. Elliott New College of Florida; Richard W. England University of New Hampshire; Ernie Englander George Washington University; Gerald Epstein University of Massachusetts—Amherst; Sharon J. Erenburg Eastern Michigan University; Susan L. Ettner University of California—Los Angeles; Linda Ewing United Auto Workers; Colleen A. Fahy Assumption College; Loretta Fairchild Nebraska Wesleyan University; David Fairris University of California—Riverside; Warren E. Farb International Capital Mobility Domestic Investment; Martin Farnham University of Victoria; Jeff Faux Economic Policy Institute; Susan Fayazmanesh California State University—Fresno; Rashi Fein Harvard Medical School; Robert M. Feinberg American University; Susan F. Feiner University of Southern Maine; Marshall Feldman University of Rhode Island; Marianne A. Ferber University of Illinois—Urbana-Champaign; William D. Ferguson Grinnell College; Rudy Fichtenbaum Wright State University; Deborah M. Figart Richard Stockton College; Bart D. Fmzel University of Minnesota—Morris; Lydia Fischer United Auto Workers, retired; Peter Fisher University of Iowa; John Fitzgerald Bowdoin College; Sean Flaherty Franklin and Marshall College; Kenneth Flamm University of Texas—Austin; Maria S. Floro American University; Nancy Folbre University of Massachusetts—Amherst; Christina M. Fong Carnegie Mellon University; Catherine Forman Quinnipiac University; Harold A. Forman United Food and Commercial Workers; Mathew Forstater University of Missouri—Kansas City; Liana Fox Economic Policy Institute; Donald G. Freeman Sam Houston State University; Gerald Friedman University of Massachusetts—Amherst; Sheldon Friedman AFL—CIO; Alan Frishman Hobart and William Smith Colleges; Scott T. Fullwiler Wartburg College; Kevin Furey Chemeketa Community College; Jason Furman New York University; David Gabel Queens College; James K. Galbraith University of Texas—Austin; Monica Galizzi University of Massachusetts—Lowell; David E. 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search and Planning; Martha S. Hill University of Michigan—Ann Arbor; Michael G. Hillard University of Southern Maine; Rod Hissong University of Texas—Arlington; P. Sai-Wing Ho University of Denver; Emily P. Hoffman Western Michigan University; Harry J. Holzer Georgetown University and Urban Institute; Marjorie Honig Hunter College, City University of New York; Barbara E. Hopkins Wright State University; Mark R. Hopkins Gettysburg College; Ann Horowitz University of Florida; Ismael Hosseini; Zadeh Drake University; Charles W. Howe University of Colorado—Boulder; Candace Howes Connecticut College; Frank M. Howland Wabash College; David C. Huffman Bridgewater College; Saul H. Hymans University of Michigan—Ann Arbor; Frederick S. Inaba Washington State University; Alan G. Isaac American University; Doreen Isenberg University of Redlands; Jonathan Isham Middlebury College; Sanford M. Jacoby University of California—Los Angeles; Robert G. James California State University—Chico; Kenneth P. Jameson University of Utah; Russell A. Janis University of Massachusetts—Amherst; Elizabeth J. Jensen Hamilton College; Pascale Joassart University of Massachusetts—Boston; Jerome Joffe St. John's University; Laurie Johnson University of Denver; William Johnson Arizona State University; Lawrence D. Jones University of British Columbia; Alexander J. Julius New York University; Bernard Jump Syracuse University; Fadhel Kaboub Drew University; Shulamit Kahn Boston University; Linda Kamas Santa Clara University; Sheila B. Kameran Columbia University; John Kane State University of New York—Oswego; Billie Kanter California State University—Chico; J.K. Kapler University of Massachusetts—Boston; Roger T. Kaufman Smith College; David E. Kaun University of California—Santa Cruz; Thomas A. Kemp University of Wisconsin—Eau Claire; Peter B. Kenen Princeton University; Farida C. Khan University of Wisconsin—Parks ide; Kwan S. Kim University of Notre Dame; Marlene Kim University of Massachusetts—Boston; Christopher T. King University of Texas—Austin; Mary C. King Portland State University; Lori G. Kletzer University of California—Santa Cruz; Janet T. Knoedler Bucknell University; Tim Koechlin Vassar College; Andrew I. Kohen James Madison University; Denise Eby Konan University of Hawaii—Manoa; Ebru Kongar Dickinson College; James Konow Loyola Marymount University; Krishna Kool University of Rio Grande; Douglas Koritz Buffalo State College; Daniel J. Kovenock Purdue University; Kate Krause University of New Mexico; Vadaken N. Krishnan Bowling Green State University; Douglas Kruse Rutgers University; David Laibman Brooklyn College—City University of New York; Robert M. La; Jeunesse University of Newcastle; Kevin Lang Boston University; Catherine Langlois Georgetown University; Mehrene Larudee DePaul University; Gary A. Latanich Arkansas State University; Robert Z. Lawrence Harvard University—Kennedy School of Government; Daniel Lawson Drew University; William Lazonick University of Massachusetts—Lowell; Joelle J. Leclair Buffalo State College; Frederic S. Lee University of Missouri Kansas City; Marvin Lee San Jose State University; Sang-Hyop Lee University of Hawaii—Manoa; Woonjin Lee University of Massachusetts—Amherst; Thomas D. Legg University of Minnesota; J. Paul Leigh University of California—Davis; Charles Levenstein University of Massachusetts—Lowell; Margaret C. Levenstein University of Michigan—Ann Arbor I Henry M. Levin Columbia University; Herbert S. Levine University of Pennsylvania; Mark Levinson Economic Policy Institute; Oren M. Levin-

Waldman Metropolitan College of New York; Mark K. Levitan Community Service Society of New York; Stephen Levy Center for Continuing Study of California Economy; Arthur Lewbel Boston College; Lynne Y. Lewis Bates College; David L. Lindauer Wellesley College; Victor D. Lippit University of California—Riverside; Pamela J. Loprest Urban Institute; Richard Lotspeich Indiana State University; Michael C. Lovell Wesleyan University; Milton Lower Retired Senior Economist, U.S. House of Representatives; Stephanie Luce University of Massachusetts—Amherst; Robert Lucore United American Nurses; Jens Otto Ludwig Georgetown University; Dan Luria Michigan Manufacturing Technology Center; Devon Lynch University of Denver; Lisa M. Lynch Tufts University; Robert G. Lynch Washington College; Catherine Lynde University of Massachusetts—Boston; Arthur MacEwan University of Massachusetts—Boston; Hasan MacNeil California State University—Chico; Allan MacNeill Webster University; Craig R. MacPhee University of Nebraska—Lincoln; Diane J. Macunovich University of Redlands; Janice F. Madden University of Pennsylvania; Mark H. Maier Glendale Community College; Thomas N. Maloney University of Utah; Jay R. Mandie Colgate University; Andrea Maneschi Vanderbilt University; Garth Mangum University of Utah; Catherine L. Mann Brandeis University; Don Mar San Francisco State University; Dave E. Marcotte University of Maryland—Baltimore County; Robert A. Margo Boston University; Ann R. Markusen University of Minnesota—Twin Cities; Ray Marshall University of Texas LBJ School of Public Affairs; Stephen Martin Purdue University; Patrick L. Mason Florida State University; Thomas Masterson Westfield State College; Julie A. Matthaei Wellesley College; Peter Hans Matthews Middlebury College; Anne Mayhew University of Tennessee—Knoxville; Alan K. McAdams Cornell University; Timothy D. McBride St. Louis University School of Public Health; Elaine McCrate University of Vermont; Kate McGovern Springfield College; Richard D. McGrath Armstrong Atlantic State University; Richard McIntyre University of Rhode Island; Hannah McKinney Kalamazoo College; Judith Record McKinney Hobart and William Smith Colleges; Andrew McLennan University of Sydney; Charles W. McMillion MBG Information Services; Ellen Meara Harvard Medical School; Martin Melkonian Hofstra University; Jo Beth Mertens Hobart and William Smith Colleges; Peter B. Meyer University of Louisville and Northern Kentucky University; Thomas R. Michl Colgate University; Edward Miguel University of California—Berkeley; William Milberg The New School; John A. Miller Wheaton College; S.M. Miller Cambridge Institute and Boston University; Jerry Miner Syracuse University; Daniel J.B. Mitchell University of California—Los Angeles; Edward B. Montgomery University of Maryland; Sarah Montgomery Mount Holyoke College; Robert E. Moore Georgia State University; Barbara A. Morgan Johns Hopkins University; John R. Morris University of Colorado—Denver; Monique Morrissey Economic Policy Institute; Lawrence B. Morse North Carolina A&T State University; Saeed Mortazavi Humboldt State University; Fred Moseley Mount Holyoke College; Philip I. Moss University of Massachusetts—Lowell; Tracy Mott University of Denver; Steven D. Mullins Drury University; Alicia H. Munnell Boston College; Richard J. Murnane Harvard University; Matthew D. Murphy Gainesville State College; Michael Murray Bates College; Peggy B. Musgrave University of California—Santa Cruz; Richard A. Musgrave Harvard University; Ellen Mutari Richard Stockton College; Sirisha Naidu Wright State University; Michele Naples The College of New Jersey; Tara Natarajan St. Michael's College; Julie A. Nelson Tufts University; Reynold F. Nesiba Augustana College; Donald A. Nichols University of Wisconsin—Madison; Eric Nilsson California State University—San Bernardino; Laurie Nisonoff Hampshire College; Emily Northrop Southwestern University; Bruce Norton San Antonio College; Stephen A. O'Connell Swarthmore College; Mehmet Odekon Skidmore College; Paulette Olson Wright State University; Paul Ong University of California—Los Angeles; Van Doorn Ooms Committee for Economic Development; Jonathan M. Orszag Competition Policy Associates, Inc.; Paul Osterman Massachusetts Institute of Technology; Shaianne T. Osterreich Ithaca College; Rudolph A. Oswald George Meany Labor Studies Center; Spencer J. Pack Connecticut College; Arnold Packer Johns Hopkins University; Dimitri B. Papadimitriou The Levy Economic Institute of Bard College; James A. Parrott Fiscal Policy Institute; Manuel Pastor University of California—Santa Cruz; Eva A. Paus Mount Holyoke College; Jim Peach New Mexico State University; M. Stephen Pendleton Buffalo State College; Michael Perelman California State University—Chico; Kenneth Peres Communications Workers of America; George L. Perry The Brookings Institution; Joseph Persky University of Illinois—Chicago; Karen A. Pfeifer Smith College; Bruce Pietrykowski University of Michigan—Dearborn; Michael J. Piore Massachusetts Institute of Technology; Karen R. Polenske Massachusetts Institute of Technology; Robert Pollin University of Massachusetts—Amherst; Marshall Pomer Macroeconomic Policy Institute; Tod Porter Youngstown State University; Shirley L. Porterfield University of Missouri—St. Louis; Michael J. Potepan San Francisco State University; Marilyn Power Sarah Lawrence College; Thomas Power University of Montana; Robert E. Prash Middlebury College; Mark A. Price Keystone Research Center; Jean L. Pyle University of Massachusetts—Lowell; Paddy Quick St. Francis College; John M. Quigley University of California—Berkeley; Willard W. Radell, Jr. Indiana University of Pennsylvania; Fredric Raines Washington University in St. Louis; Steven Raphael University of California—Berkeley; Salim Rashid University of Illinois—Urbana—Champaign; Wendy L. Rayack Wesleyan University; Randall Reback Barnard College, Columbia University; Robert Rebelein Vassar College; James B. Rebitzer Case Western Reserve University; Daniel I. Rees University of Colorado—Denver; Michael Reich University of California—Berkeley; Robert B. Reich University of California—Berkeley; Cordelia Reimers Hunter College and The Graduate Center—City University of New York; Donald Renner Minnesota State University—Mankato; Trudi Renwick Fiscal Policy Institute; Andrew Reschovsky University of Wisconsin—Madison. Lee A. Reynolds University of New Mexico; Daniel Richards Tufts University; Bruce Roberts University of Southern Maine; Barbara J. Robles Arizona State University; John Roche St. John Fisher College; Charles P. Rock Rollins College; William M. Rodgers III Rutgers University; Dani Rodrik Harvard University; John E. Roemer Yale University; William O. Rohlif Drury University; Gerard Roland University of California—Berkeley; Frank Roosevelt Sarah Lawrence College; Jaime Ros University of Notre Dame; Nancy E. Rose California State University—San Bernardino; Howard F. Rosen Trade Adjustment Assistance Coalition; Joshua L. Rosenbloom University of Kansas; William W. Ross Fu Associates, Ltd.; Roy J. Rothelm Skidmore College; Jesse Rothstein Princeton University; Geoffrey Rothwell Stanford Uni-

versity; Joydeep Roy Economic Policy Institute; David Runsten Community Alliance with Family Farmers; Lynda Rush California State Polytechnic University—Pomona; Gregory M. Saltzman Albion College and the University of Michigan; Sydney Saltzman Cornell University; Dominick Salvatore Fordham University; Blair Sandler San Francisco, California; Daniel E. Saros Valparaiso University; Michael Sattinger University at Albany; Dawn Saunders Castleton State College; Larry Sawers American University; Max Sawicky Economic Policy Institute; Peter V. Schaeffer West Virginia University; William C. Schauel University of West Georgia; A. Allan Schmid Michigan State University; Stephen J. Schmidt Union College; John Schmitt Center for Economic and Policy Research; Juliet B. Schor Boston College; C. Heike Schotten University of Massachusetts—Boston; Eric A. Schutz Rollins College; Elliot Sclar Columbia University; Allen J. Scott University of California—Los Angeles; Bruce R. Scott Harvard Business School; Robert Scott Economic Policy Institute; Stephaue Segundo University of Vermont; Laurence Seidman University of Delaware; Janet Seiz Grinnell College; Willi Semmler The New School; Mina Zeynep Senses Johns Hopkins University; Jean Shackelford Bucknell University; Harry G. Shaffer University of Kansas; Sumitra Shah St. John's University; Robert J. Shapiro Sonecon LLC; Mohammed Sharif University of Rhode Island; Lois B. Shaw Institute for Women's Policy Research; Heidi Shierholz University of Toronto; Deep Shikha College of St. Catherine; Richard L. Shirey Siena College; Steven Shulman Colorado State University; Laurence Shute California State Polytechnic University—Pomona; Stephen J. Silvia American University; Michael E. Simmons North Carolina A&T State University; Margaret C. Simms Joint Center for Political and Economic Studies; Chris Skelley Rollins College; Max J. Skidmore University of Missouri—Kansas City; Peter Skott University of Massachusetts—Amherst; Courtenay M. Slater Arlington, Virginia; Timothy M. Smeeding Syracuse University; Janet Spitz College of Saint Rose; William Spriggs Howard University; James L. Starkey University of Rhode Island; Martha A. Starr American University; Howard Stein University of Michigan—Ann Arbor; Mary Huff Stevenson University of Massachusetts—Boston; James B. Stewart Pennsylvania State University; Jeffrey Stewart Northern Kentucky University; Robert J. Stonebraker Winthrop University; Michael Storper University of California—Los Angeles; Diana Strassmann Rice University; Cornelia J. Strawser Consultant; Frederick R. Strobel New College of Florida; James I. Sturgeon University of Missouri—Kansas City; David M. Sturges Colgate University; William A. Sundstrom Santa Clara University; Jonathan Sunshine Reston, Virginia; Paul Swaim Organisation for Economic Co-operation and Development; Craig Swan University of Minnesota—Twin Cities; Paul A. Swanson William Paterson University; William K. Tabb Queens College; Peter Temin Massachusetts Institute of Technology; Judith Tendler Massachusetts Institute of Technology; David Terkla University of Massachusetts—Boston; Kenneth Thomas University of Missouri—St. Louis; Frank Thompson University of Michigan—Ann Arbor; Ross D. Thomson University of Vermont; Emanuel D. Thorne Brooklyn College—City University of New York; Jill Tiefenthaler Colgate University; Thomas H. Tietenberg Colby College; Chris Tilly University of Massachusetts—Lowell; Renee Toback Empire State College; Mayo C. Toruño California State University—San Bernardino; W. Scott Trees Siena College; A.

Dale Tussing Syracuse University; James Tybout Penn State University; Christopher Udry Yale University; Daniel A. Underwood Peninsula College; Lynn Unruh University of Central Florida; Leanne Ussher Queens College, City University of New York; David Vail Bowdoin College; Vivian Grace Valdmanis University of the Sciences in Philadelphia; William Van Lear Belmont Abbey College; Lane Vanderslice Hunger Notes; Lise Vesterlund University of Pittsburgh; Michael G. Vogt Eastern Michigan University; Paula B. Voos Rutgers University; Mark Votruba Case Western Reserve University; Susan Vroman Georgetown University; Howard M. Wachtel American University; Jeffrey Waddoups University of Nevada—Las Vegas; Norman Waitzman University of Utah; Lawrence A. Waldman University of New Mexico; John F. Walker Portland State University; William Waller Hobart and William Smith Colleges; Jennifer Warlick University of Notre Dame; Matthew Warning University of Puget Sound; Bernard Wasow The Century Foundation; Robert W. Wassmer California State University—Sacramento; Sidney Weintraub Center for Strategic and International Studies; Mark Weisbrot Center for Economic and Policy Research; Charles L. Weise Gettysburg College; Thomas E. Weisskopf University of Michigan—Ann Arbor; Christian E. Weller Center for American Progress; Fred M. Westfield Vanderbilt University; Charles J. Whalen Perspectives on Work; Cathleen L. Whiting Williamette University; Howard Wial The Brookings Institution; Linda Wilcox Young Southern Oregon University; Arthur R. Williams Rochester—Minnesota; Robert G. Williams Guilford College; John Willoughby American University; Valerie Rawlston Wilson National Urban League; Jon D. Wisman American University; Barbara L. Wolfe University of Wisconsin—Madison; Edward Wolff New York University; Martin Wolfson University of Notre Dame; Brenda Wyss Wheaton College; Yavuz Yasar University of Denver; Anne Yeagle University of Utah; Erinc Yelden University of Massachusetts—Amherst; Ben E. Young University of Missouri—Kansas City; Edward G. Young University of Wisconsin—Eau Claire; June Zaccone National Jobs for All Coalition and Hofstra University; Ajit Zacharias Levy Economics Institute of Bard College; David A. Zalewski Providence College; Henry W. Zaretsky Henry W. Zaretsky & Associates, Inc.; Jim Zelenski Regis University; Andrew Zimbalist Smith College; and John Zysman University of California—Berkeley.

Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. WOOLSEY), a member of the committee and a long-time proponent of increasing the minimum wage and making our economy fairer.

Ms. WOOLSEY. Mr. Speaker, 40 years ago, I was a single mother with three small children; and although I was employed, I was forced to go on welfare. I know what it is like to try to get by on a paycheck that is not enough to meet ends.

Like my experience, today there are many, many Americans who are working so hard who are earning the minimum wage who are still coming up short. And, Mr. Speaker, the majority of these Americans are women and most of them have children. They put in a full 40-hour work week. They still live below the poverty line.

This is absolutely unacceptable, because in a prosperous Nation like ours

it should be a violation of a person's civil rights not to provide adequate compensation for their work.

Mr. Speaker, we must ensure that working people earn enough to care for themselves and their families.

I urge my colleagues to support H.R. 2 and support the millions of working Americans who so desperately need a raise in the minimum wage.

Mr. McCRERY. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia, a member of the Ways and Means Committee, Mr. LINDER.

Mr. LINDER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise to oppose this political effort to fix prices. Dr. Milton Friedman spoke on this issue 31 years ago. He noted that the proponents of increasing the minimum wage are well-meaning do-gooders, but they are playing politics with people's futures.

These ideas always have two groups of sponsors, the well-meaning do-gooders and the special interests who are using the do-gooders as front men.

Since there is absolutely no positive objective achieved by a minimum wage other than costing beginning workers their jobs, the real purpose is to reduce competition for unions so that it is easier to maintain the wages of their privileged members higher than the others.

The minimum wage says that employers must discriminate against those with low skills. If you have a job that is worth \$5 an hour, you may not employ that person. It is illegal.

So who pays? The 1981 Minimum Wage Study Commission concluded that a 10 percent increase in the minimum wage reduced teenage employment by 1 to 3 percent. From 1981 to 1990, the minimum wage did not rise, and teen unemployment fell from 25 percent to 15 percent. After the 1990 increase, teen unemployment rose to more than 20 percent. The 46 percent rise between 1977 and 1981 cost 644,000 jobs among teens alone.

Who else pays? Small business. A small business with five minimum wage positions would face more than \$21,000 in additional wage costs. That does not include increases in payroll and unemployment taxes nor wage demands from other employees looking to stay ahead of the minimum wage. For many businesses, small businesses, a higher minimum wage simply equates to a major tax hike. That is what this is.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. SIRES).

Mr. SIRES. Mr. Speaker, I thank the gentleman for yielding me this time.

Members, I rise in support of H.R. 2. I am proud to be a Member of Congress at a time when I can help the nearly 13 million American workers that will benefit from an increase in the minimum wage, including the almost 2.8 million Hispanic workers whose quality of life will be greatly improved by this legislation.

For the past 9 years, America's working families have not received a pay raise. Today, minimum wage employees working 40 hours a week, 52 weeks a year, earn \$5,000 below the poverty level for a family of three. How can we allow so many hardworking families to live in poverty?

Increasing the minimum wage to \$7.25 an hour will give our working families an additional \$4,400 a year. This will help them meet critical needs such as rent, health care, child care, and food. I urge all Members to please support this legislation.

In this 110th Congress, we must reaffirm the American Dream that rewards hard work with good pay and the opportunity to support strong and healthy families. An increase in the minimum wage will help us achieve this goal. I urge all of my colleagues to support this legislation.

Mr. McCRERY. Mr. Speaker, I include in the RECORD a report from the Congressional Budget Office as to the cost to State, local, and tribal governments and to the private sector of the provisions of the legislation before us; simply about \$1 billion to governments and about \$16 billion to the private sector, mostly small businesses.

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
Washington, DC, December 29, 2006.

Hon. WILLIAM "BILL" M. THOMAS,  
Chairman, Committee on Ways and Means,  
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am pleased to respond, in the attachment to this letter, to your questions about the potential effects on government revenues and outlays that could result from enactment of an increase in the federal minimum wage rate from \$5.15 to \$7.25 per hour.

In addition, at the request of Congressman McKeon, CBO has prepared a cost estimate (dated December 29, 2006) for H.R. 2429, the Fair Minimum Wage Act of 2005, which would raise the minimum wage to \$7.25 in three steps over a two-year period. A copy of that estimate is also attached.

If you require additional information about the effects of increases in the minimum wage, CBO will be pleased to provide it. The staff contacts are Paul Cullinan, Ralph Smith, and Mark Booth.

Sincerely,

DONALD B. MARRON,  
Acting Director.

Attachments.

CONGRESSIONAL BUDGET OFFICE RESPONSES TO QUESTIONS POSED BY CONGRESSMAN THOMAS ABOUT THE EFFECTS OF INCREASING THE FEDERAL MINIMUM WAGE

*Question.* How many workers currently earning under or just above \$7.25 an hour would be affected? Does CBO believe that a higher minimum wage will result in increased unemployment among this group?

*Answer.* According to data from the Current Population Survey, in October 2006, there were approximately 8.4 million workers usually paid on an hourly wage basis whose wage rate was between \$5.15, the current federal minimum wage rate, and \$7.25; two-thirds of them were paid more than \$6.00 per hour.

The number of workers at or just above the federal minimum wage rate has been declining and is expected to continue to decline because of market forces and actions taken by many states. As of October 2006, 20 states and the District of Columbia had laws that required employers covered by their legislation to pay wage rates above \$5.15 per hour.

In 2007, eight more states will fall in that category. Some states, including California and Massachusetts, will have minimum wage rates above \$7.25. Thus, the number of people that would be directly affected by an increase in the federal minimum wage rate and the magnitude of the wage adjustments that would be required of employers are expected to diminish over time.

The potential employment and unemployment impacts of raising the federal minimum wage rate to \$7.25 per hour are difficult to predict, but are likely to be small. Economists have devoted considerable energy to the task of estimating how employers would respond to such a mandate. Although most economists would agree that an increase in the minimum wage rate would cause firms to employ fewer low-wage workers, there is considerable disagreement about the magnitude of the reduction. The main reason for that disagreement is the difficulty in distinguishing the effects on employment that were attributable to past changes in the minimum wage from those that were attributable to other changes in the labor market.

Moreover, the results of such analyses are difficult to apply to future changes because labor market conditions will be different. Many of the attempts to estimate the employment impacts of increases in the minimum wage were based on data from periods in which the federal minimum wage was much higher, as a percentage of average wages, than it is now or will be when any proposed increases would take effect. Likewise, the number of people paid at the federal minimum wage rate is much smaller now than it was prior to previous increases even though the labor force has grown significantly.

Employers could respond to an increase in the federal minimum wage in many different ways. Some would reduce the number of workers they employed or cut back on the number of hours worked by some of their employees. Because many of the workers in the affected wage range are on part-time schedules, reducing the hours of employment might be easier to do than it would be if all workers were employed on fixed eight-hour schedules.

Other ways that employers might respond to an increase in the federal minimum wage would not involve adjustments in employment levels or hours. Employers might screen job applicants more closely to select employees from whom they would expect higher productivity. Some employers might reduce fringe benefits for their employees. Some employers might attempt to pass along at least a portion of the additional payroll costs to their customers by raising prices. They might be successful in doing so if their competitors were also faced with higher labor costs because of the increase in the minimum wage.

Any reductions in the growth in employment resulting from such an increase in the minimum wage rate would not necessarily result in a corresponding increase in unemployment—that is, the number of people actively seeking work. The impact on the level of unemployment would also depend on how the changes in work opportunities resulting from an increase in the minimum wage rate affected people's decisions about participating in the labor force.

*Question.* Does CBO expect there to be any increased or decreased spending on work support programs such as the Earned Income Tax Credit, Medicaid, or Food Stamps? Is there an expected increase or decrease in the number of people participating in these anti-poverty programs as a result of higher wages resulting from the minimum wage?

*Answer.* The increases in the minimum wage on the order of magnitude suggested in

your letter could affect federal spending, but the Congressional Budget Office (CBO) judges that those effects would be small. Moreover, whether those impacts would be an increase or decrease in spending is uncertain because the result would depend on the income and family characteristics of the affected individuals. Some workers would see their incomes increased, but others might see their work hours and earnings decline (or sometimes eliminated completely) as employers responded to the increase in the minimum wage. CBO expects that, in many cases, those groups of workers would have similar characteristics and therefore similar tendencies to participate in public programs. For those workers newly unemployed, increased participation in assistance programs would generate significant additional costs on a per-case basis, but decreased costs for workers with increased earnings would offset most or all of that effect.

The majority of minimum-wage workers do not receive any benefits under the Earned Income Tax Credit (EITC), Food Stamp program, or Medicaid. Those eligible for EITC payments could receive either higher or lower payments depending on whether or not they were in the "phase-in" or the "phase-out" income ranges. Workers would lose EITC payments if they were in the phase-out range and received higher earnings, and they would gain EITC payments if they were in the phase-in range and received higher earnings, within limits. CBO's analysis suggests that more affected workers are in the phase-out range than in the phase-in range. However, the implicit tax rate for EITC recipients in the phase-out range is generally much lower than the rate of benefit accrual for recipients in the phase-in range. As a result, CBO's preliminary analysis suggests that the phase-in and phase-out effects would virtually offset each other and total EITC payments would be little changed.

Food Stamp benefits would fall for some workers, but could rise for others if they were among those in the labor force who saw their work hours decline. Similarly, some Medicaid recipients would reach income levels that would make them ineligible for that coverage, while others whose work hours were diminished might become eligible.

*Question.* Will there be significant increases in the amount of payroll or income taxes collected as a result of the increased income from affected workers?

*Answer.* CBO's estimate of the potential effects of an increase in the minimum wage on federal revenues is similar to that for spending—the impact would be small and of indeterminate direction. The effective tax rates for workers whose income would rise are not likely to be very different from those who might see their hours and earnings decreased. Those effective tax rates reflect payroll taxes (for Social Security, Medicare, and Unemployment Insurance) and income taxes.

*Question.* What effect will the increased minimum wage have on the unemployment insurance program? Does CBO expect that state unemployment payroll taxes will need to be increased or that unemployment benefit payments will increase as a result of any unemployment resulting from the increase in the minimum wage?

*Answer.* CBO estimates that increases in the minimum wage would have a negligible effect on the unemployment insurance (UI) program. Unemployment benefits might rise slightly from any increase in unemployment that might ensue, but only a very small share of minimum-wage workers end up qualifying for benefits. Initially, taxes under the program could rise or fall depending on what happened to earnings under the annual cap on taxable wages. Moreover, to the ex-

tent that the balances in the state UI accounts deviated from a state's desired position, the state would adjust its tax rates and benefit provisions to offset those deviations, CBO assumes. Thus, CBO expects the net effect on the UI program to be neutral over time.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE  
*H.R. 2429—Fair Minimum Wage Act of 2005*

*Summary:* H.R. 2429 would amend the Fair Labor Standards Act (FLSA) to increase the federal minimum wage in three steps from \$5.15 per hour to \$7.25 per hour. The bill also would apply the minimum wage provisions of the FLSA to the Commonwealth of the Northern Mariana Islands (CNMI). The Congressional Budget Office (CBO) estimates that enactment of an identical bill in the next Congress would have no significant effect on the direct spending and revenues of the federal government. Because a very small number of federal employees are paid the federal minimum wage, the bill would have a minor effect on the budgets of federal agencies that are controlled through annual appropriations.

The bill would impose mandates, as defined by the Unfunded Mandates Reform Act (UMRA), on some state and local governments, Indian tribes, and private-sector employers because it would require them to pay higher wages than they are required to pay under current law. The bill also would preempt the minimum wage laws of the CNMI. CBO estimates that the costs to state, local, and tribal governments and to the private sector would exceed the thresholds established by UMRA. (The thresholds in 2007 are \$66 million for intergovernmental mandates and \$131 million for private-sector mandates, both adjusted annually for inflation.)

For the purposes of this estimate, CBO assumes the legislation will be enacted by March 1, 2007. If so, the minimum wage would rise from \$5.15 to \$5.85 on May 1, 2007, to \$6.55 on May 1, 2008, and to \$7.25 on May 1, 2009.

Estimated cost to the Federal Government: CBO estimates that enacting H.R. 2429 would have no significant effects on the federal budget.

Affected workers and their families could experience changes to their incomes that would affect the benefits they receive from federal programs such as the Earned Income Tax Credit (EITC), Food Stamps, and Medicaid. However, CBO judges that in aggregate any such impacts would be small, and could result in either higher or lower spending in those programs. Most workers in the affected wage range do not currently participate in those programs. CBO's analysis of the EITC indicates that those workers who are in the earnings range where the EITC is phased out would receive reduced payments that would virtually offset the additional benefits received by those in the phase-in range. Similarly, those Food Stamp participants whose earnings rose would receive fewer benefits, but workers who could not find work at the higher wages or whose hours were cut back would likely claim higher benefits.

The potential revenue effects are similar—small and of indeterminate direction. CBO expects that the workers with increased earnings would have characteristics similar to those whose incomes fall as a result of unemployment or reduced hours. Consequently, the marginal tax rates for the two groups would be comparable, and the changes in the minimum wage would result in little change in aggregate tax revenues.

Intergovernmental and private-sector impact: The amendment would impose both intergovernmental and private-sector mandates, as defined in UMRA, because it would require employers to pay higher wages than

they are required to pay under current law. In addition, it would preempt the minimum wage laws of the CNMI. That preemption also is considered a mandate.

To estimate the direct cost to employers of raising the minimum wage (that is, the cost of the new requirement absent any change in their behavior), CBO used information on the number of workers whose wages would be affected in May 2007 and subsequent months, the wage rates these workers would receive in the absence of the bill, and the number of hours for which they would be compensated. The estimate was made in two steps. First, CBO used data from the Current Population Survey to estimate how much it would have cost employers to comply with the mandate had they been required to do so in late 2006. Second, that estimate was used to project the costs to employers beginning in May 2007, taking into account the expected decline over time in the number of workers in the relevant wage range. Those estimates take into account the fact that some states already have, or will have, minimum wages higher than the current federal minimum wage.

CBO estimates that the costs to state, local, and tribal governments would exceed the threshold established by UMR for intergovernmental mandates (\$66 million in 2007, adjusted annually for inflation) in each year beginning in fiscal year 2008. We also estimate that the costs to the private sector would exceed the annual threshold established in the law for private-sector mandates (\$131 million in 2007, adjusted annually for inflation) in each year beginning in fiscal year 2007. The following table summarizes the estimated costs of those mandates.

ESTIMATED COSTS OF MANDATES IN H.R. 2429

	By fiscal year, in billions of dollars—				
	2007	2008	2009	2010	2011
COSTS TO STATE, LOCAL, AND TRIBAL GOVERNMENTS					
Increase the federal minimum wage .....	*	0.1	0.2	0.3	0.3
DIRECT COST TO THE PRIVATE SECTOR					
Increase the federal minimum wage .....	0.3	1.5	4.0	5.7	5.0
Apply the minimum wage to the CNMI .....	*	0.1	0.1	0.2	0.2

Estimate prepared by: Federal Costs: Christina Hawley Anthony; Impact on State, Local, and Tribal Governments: Theresa Gullo; Impact on the Private Sector: Ralph Smith.

Estimate approved by: Robert A. Sunshine, Assistant Director for Budget Analysis and Bruce Vavrichek, Assistant Director for Health and Human Resources.

Mr. Speaker, I yield 2½ minutes to another member of the Ways and Means Committee, the gentleman from Pennsylvania (Mr. ENGLISH).

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I rise as a longtime advocate of raising the minimum wage, as someone who supports the McKeon-McCrery alternative because it is balanced and provides incentives for investment and small business and job creation. As someone who worked 10 years ago for the last increase for the minimum wage, working very closely with my then colleague Mr. Quinn of Buffalo, we were able to achieve that.

Today, we have an opportunity to raise the minimum wage, but because of the procedural restrictions we face on the floor some are going to be left

behind and that is particularly disappointing.

While H.R. 2 will provide a \$2.10 raise for American workers, sadly, it fails to take into account many Americans with disabilities who are in our workforce. These are disabled Americans who receive SSI disability benefits who are active participants in the workforce and maintaining jobs that give them great satisfaction. Unfortunately, they are left behind because, currently, SSI beneficiaries are limited to \$900 per month in order to remain eligible to receive benefits. If the wage hike under consideration today goes into law without raising an earnings limit for people on SSI, Americans with disabilities engaged in full-time employment would either potentially lose their benefits or have to cut back on their hours. That is a decision they shouldn't have to make.

Mr. Speaker, this is not only a disincentive to work, it is a woefully shortsighted policy, which hopefully we will be able to correct before this law goes into effect.

I introduced H.R. 290 which would ensure that workers with disabilities would not lose their payments through raising the earnings limitation on SSI. I wasn't able to offer that provision today because no amendments are being allowed. The result, unfortunately, is, having barred Republicans from having offered this change as an amendment, the majority has created as real victims not House Republicans but Americans with disabilities. And that is a shame.

Although an increase in the minimum wage is critical, and I strongly support this bill, I sincerely hope that the new majority will move ultimately to rectify this inequity in this Congress.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1½ minutes to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Speaker, I thank the gentleman.

Mr. Speaker, we finally are going to raise the minimum wage. No gimmicks, no combination with extraneous legislation, just a straight up or down vote to raise the minimum wage from what has become the lowest purchasing power in half a century.

New Jersey instituted a fair living wage a year or so ago; and, guess what, the increase did not result in layoffs. That indeed has been the experience of every previous increase around the country. With a minimum wage salary of a little over \$10,000 a year, health premiums are that much, how do you expect a family to get along? This will benefit 13 million people, millions of children, millions with children to support, millions as head of household.

Now, you have heard about the fairness and the compassion arguments for this increase. We really must emphasize the solid economic arguments that this increase, like all previous increases, will benefit the entire econ-

omy. Workers will benefit. Businesses will benefit. Far from lopping off the lowest rung of the ladder, as our colleagues have argued, this will raise the entire ladder. The economics are clear. We have seen it again and again.

Mr. MCCRERY. Mr. Speaker, I yield myself such time as I may consume.

The gentleman from New Jersey talked about the experience in New Jersey of increasing the minimum wage, and he stated that no jobs were lost. He didn't cite any study to that effect. He just stated it. There are studies, though, that show that after the increase in minimum wage in the 1990s, there were, in fact, job losses. 146,000 jobs were cut from restaurant payrolls, and operators of restaurants signaled plans to postpone hiring an additional 106,000 new employees because of the raise of the minimum wage. And, also, the Bureau of Labor Statistics data shows that following the increase in minimum wage, net increase in jobs were significantly reduced around the country. And whether that is a coincidence or not, we don't know, but certainly the evidence is fairly clear that there was an impact.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas, a member of the Ways and Means Committee, Mr. BRADY.

Mr. BRADY of Texas. Mr. Speaker, I think we are missing a historic opportunity to change the paradigm to really help workers get into a living wage for the long term. The fact is, an increase to \$7.25 an hour will still leave a single mom with a child at or near poverty. And there is no doubt that a video store owner in Texas or anywhere else with five workers, when faced with a \$25,000 increase in payroll and no chance they are going to rent that many more videos, are going to look at whether they can afford all those workers.

Remembering well the minimum wage jobs I held when younger and also having worked hard to make a small business payroll, I think we need new thinking. America's goals should not be to raise the minimum wage; our goals should be to get workers off it and into good-paying jobs that you can raise a family on.

So rather than recycle the same 60-year-old arguments, why don't we help workers break out of the minimum wage trap? Rather than raise the minimum wage, let employers create education debit cards where workers can take those debit cards to the local community college or the trade schools so they can get a real job. Let business and professions, whole industries contribute to those debit cards so we can train workers for the jobs of today which are crying for many American workers. And since Congress is eager to do this pay raise on someone else's dime, let small businesses deduct and receive credit those dollars, receive a tax credit for their education contributions above the current state of minimum wage.

□ 1145

In effect, rather than a jobs bank, create a skills bank for workers in the 21st century. Give workers an opportunity to get out of a struggling job that leads nowhere and give businesses the skilled workers they need to compete and win against international competition. We have done it before with welfare. The Republican Congress and Democrat President worked together. We sent a strong signal we would no longer give up on workers, relegating them to a subsistence living generation after generation. We ought to do it again.

I oppose this bill.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky (Mr. YARMUTH) on behalf of raising the minimum wage.

Mr. YARMUTH. Mr. Speaker, it is with great pride that I rise for the first time in this body in support of American working families.

Teddy Roosevelt first suggested that all hardworking Americans should earn what he called a living wage. Today, a century later, millions of Americans have been denied his great vision due to baseless fear tactics involving unemployment and a slowed economy. But America's minimum wage was raised regularly for 60 years, and the economy grew, in no small part due to those actions.

Raising the minimum wage never led to unemployment. It always forced higher wages across the board, and it helped to forge a healthy and vibrant economy.

In my district, 30,000 men and women go to work every day working for minimum wage and come home to a life of poverty. It is our responsibility, our moral obligation, indeed, our great opportunity to ensure that all hardworking Americans have the opportunity to provide for themselves and their families. We have the unique opportunity to approach Teddy Roosevelt's vision that, for an American who works hard, a living wage is the absolute minimum.

I urge my colleagues to supports the measure.

Mr. MCCRERY. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. KELLER).

Mr. KELLER of Florida. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise today to urge my colleagues to support the Working Families Wage and Access to Health Care Act. This vital legislation will benefit employees by increasing the Federal minimum wage from \$5.15 per hour to \$7.25 per hour, while also helping employers provide affordable, quality health insurance through small business health plans.

During my 6 years serving the people of Central Florida, I have met with literally hundreds of small business owners. Their number one concern has consistently been the skyrocketing cost of health insurance. Of the 45 million

Americans without health insurance, 60 percent are small business employees and their families. By allowing small businesses to join together and purchase health insurance through national associations at group rates, it will lower insurance premiums by up to 30 percent.

Small business health plans, or association health plans, as they are also known, are not a new idea. Since first being introduced in the 104th Congress, a variation of small business health plan legislation has passed the full House on six different occasions, including during the 109th Congress when 36 Democrats voted for it.

An increase to the minimum wage does not come without a cost, and that cost is going to be borne by our Nation's small businesses. Therefore, it makes perfect sense to me that Congress should offset the cost of the wage increase with a decrease in the cost of providing health insurance.

Mr. Speaker, I am going to vote "yes" on increasing the minimum wage no matter what. But I am also going to vote "yes" to increase workers' job security by lowering the health insurance costs for small businesses through AHPs, and I urge my colleagues to do the same.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1½ minutes to the gentleman from Massachusetts (Mr. TIERNEY), a member of the committee.

Mr. TIERNEY. Mr. Speaker, I thank the gentleman from California for yielding.

Mr. Speaker, I am glad to be able to rise today in support of this increase in the minimum wage. We should all be a bit ashamed of the fact that it has been 10 years since we have had the last increase. Every year low-wage workers are left behind while CEOs get more and more money. This is not some valid exercise of a well-oiled free enterprise system. This is a disgrace, and most Americans are repulsed by that fact.

Some people here are trying to make the case today that there is some benefit of a full-time worker making \$10,700 a year, leaving a family of three \$6,000 below the poverty level. There can be no benefit, Mr. Speaker, in that condition.

Let us be clear. Raising the minimum wage is going to dramatically improve the lives of millions of Americans, whether Milton Friedman agrees or not. When you make \$4,400 more a year than you made in the past year, full-time year-round workers with a family of three can afford a year's worth of groceries. They can afford 1½ years of heat and electricity. They can afford 9 months of rent, and they can afford the full 2-year tuition for a community college degree for a parent or a child. That is how we get Americans on the prosperity ladder. That is how we give them opportunity.

There are those that argue that the increase in the minimum wage is going to hurt the economy. I suggest that

that is not true at all and that rhetoric doesn't comport with reality. 650 economists say otherwise; reality says otherwise. The fact of the matter is that the Fiscal Policy Institute reports that States with a higher minimum wage than that have added jobs to the retail industry.

We have to move in the right direction with this bill.

Mr. MCCRERY. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. GARRETT).

Mr. GARRETT of New Jersey. Mr. Speaker, I rise to oppose this harmful legislation and to oppose the Democrats' plan to interfere with and interject themselves in individuals' personal decisions as to where they are going to work.

I also stand here, actually, in awe of the omniscient view the other side of the aisle has of themselves, this all-knowing, all-seeing view that they know better than families do as to where they are going to work and micromanage their lives. Regardless of whether it is a kid in Iowa after school working on a farm throwing hay or it is a woman in Chicago working at a high-tech plant on an assembly line or it is a man in New York going back as a second career trying to get a job in the finance industry, the other side of the aisle would tell us that each one of those individuals should be paid exactly the same, regardless of their age, regardless of the work, regardless of their experience, regardless of demographics, and regardless of the cost of living in those areas. I tell you, Mr. Speaker, it is unfair.

And, finally, Mr. Speaker, this body, which has been unable to get its finances and house in order for the last 40 years, is in no position to be telling the American public and the families of this country how they should be getting their finances in order.

This is an unfair bill, Mr. Speaker, and I oppose this legislation.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1½ minutes to the gentleman from New York (Mr. ARCURI).

Mr. ARCURI. Mr. Speaker, I thank my colleague from California for yielding.

Mr. Speaker, it is with tremendous pride that I rise today to deliver my first formal remarks on the floor of this fine institution on such an important issue. That, of course, is providing a fair and decent wage to our Nation's most economically disadvantaged.

Nine years is far too long for anyone to wait for a wage increase, especially a single mother who works 40 hours a week but still has to face the decision of whether to buy food or medicine for her children. I find it unconscionable that, in a country as rich as ours, anyone working full time should have to make such a decision.

Opponents argue that raising the minimum wage will only stifle economic growth and force employers to lay off workers. I couldn't disagree

more. For starters, the logic just doesn't add up. Take, for instance, a small family-owned mom and pop grocery store in Upstate New York, which I represent. Some argue that the owners of that store would have to hang up a going out of business sign on their window because of the costs associated with the wage increase. But that thinking only looks at half the issue. The additional business that they will get as a result of the more disposable income that people have to spend in their store would clearly make up for it.

Mr. Speaker, I am proud to be part of a Congress that will not maintain the status quo, and I urge my colleagues to support this long-overdue wage increase, not because it is the easy thing to do but because it is the right thing to do.

Mr. McCRERY. Mr. Speaker, I yield 2½ minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I thank the gentleman from Louisiana for yielding.

I find today a lot of questions, a lot of unanswered questions, and a lot of half decent debate going on.

I wonder, first of all, why we didn't bring this bill through committee. Certainly if it is a good idea, it would have been something worth debating and perhaps some amendments. But under the new "open rule" Democrat Party, I understand we can bypass the committee and not have any hearings or amendments.

The next question is, why are so many people who were opposed to the Bush tax cut for the lower income going from 15 percent to 10 percent tax bracket, why are they now so compassionate to the poor?

And I have to ask, also, why are you stopping at \$7 an hour? If it is good for the economy and good for the workers, as we keep hearing over and over again, why do we stop at \$7 an hour, this arbitrary number? Nobody can make a living at \$14,000 a year. Why not go to \$8 an hour, \$9 an hour, \$10, \$20 an hour? Heck, if it is good for the economy, let us go to \$50 an hour. And if we had a committee hearing, maybe we could have some answers on that.

Question: If it is so good for the economy, why does the Congressional Budget Office rate it as a \$5 to \$7 billion unfunded mandate on our small businesses, which are the economic engines of the economy? How come the Hoover Institute estimates that it will actually get 20 percent of the minimum wage workers out of work because people will say you are not worth that much money? Those are questions that we don't have answers to.

Another question that I have is we keep hearing that the minimum wage hasn't been increased in 9 years, when, in fact, since 1997, 29 States have increased their minimum wages. We do not hear about that because I guess we are against States' rights in any form around here. That seems to be a taboo kind of thing.

But what is also interesting is that 85 percent of the people who make minimum wage are well above the poverty level. Why? Because 52 percent of the people on minimum wage are teenagers, 30 percent are part time, and 40 percent have never had a job before. In fact, if we want to take a real serious look at poverty, we need to look at the correlation between poverty and hours worked a week. The reality is so many people are working less than 40 hours a week.

The second point, very important, is marriage. If you want to get a lot of the children who are in poverty out of poverty right now, get the mom and dad to marry each other.

Now, that wasn't in the first 100-hour agenda. I understand. We are rolling out the moldy, oldie golden hits of Democrat thought. But let's get into poverty and let's have some real hearings.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself 30 seconds.

Essentially, the case that the gentleman from Georgia makes, it just doesn't reflect the reality on the ground. As those States have increased the minimum wage far above the Federal minimum wage, their economies have expanded, job hiring has expanded, business growth has expanded far faster than in those States that thought it was in their interest to keep a lower minimum wage.

And I also find it interesting that in my own State of California the business organizations support an increase in minimum wage to \$8 an hour and our economy continues to grow and continues to add those jobs. So the real-world experience is different than data from 20 years ago.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. HINOJOSA), a member of the committee.

Mr. HINOJOSA. Mr. Speaker, I rise in strong support of H.R. 2.

I am proud that 110th Congress has made giving America's lowest-paid workers a raise one of its first legislative actions. It is long overdue.

Many families work hard but struggle with low wages. It is unconscionable that in America we have millions of people working full time and year round and still living in poverty. At \$5.15 an hour, a full-time minimum wage worker brings home \$10,700 a year, nearly \$6,000 below the poverty level for a family of three. An average Fortune 500 CEO earns more before lunchtime than a minimum wage worker makes all year.

American families have seen the real income drop by almost \$1,300 since 2000, while the costs of gasoline, heating fuel, and health care have soared. For families living on minimum wage, this means a greater struggle to put food on the table and pay the rent. Minimum wage families struggle with the cost of daycare and health care. They struggle to provide a sound education for their children, and for many college is a dream beyond their reach. Today, we

are doing something to ease that struggle.

Raising the minimum wage is a first step and a clear signal that we in Congress will do something. Raising the Federal minimum wage from \$5.15 to \$7.25 an hour will add \$4,400 to the income of full-time year-round workers, enough for a low-income family of three to afford a year of groceries.

Mr. Speaker, it has been 10 years since our lowest-paid workers got a raise. In intervening years we in this body have seen many pay raises. Americans in the top income brackets have seen their earnings soar. On top of that, they have been the biggest beneficiaries of generous tax cuts.

I urge all my colleagues to support this legislation.

□ 1200

Mr. McCRERY. Mr. Speaker, at this time I would yield 2 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Texas (Mr. SAM JOHNSON).

Mr. SAM JOHNSON of Texas. Mr. Speaker, while I am not sold on the effectiveness of a minimum wage increase, I rise in support of increasing the number of Americans with health insurance.

Too many working Americans have a job but aren't insured because their employers cannot afford to purchase quality health care plans. This is particularly true of small businesses where it is difficult to pool risk, and the regulatory environment is overwhelmingly complicated. Currently, small businesses are denied the ability to purchase health coverage with the benefits large companies and unions have enjoyed for decades.

So today, as part of a comprehensive motion to recommit, the Republicans will offer a proposal to address health care for many small businesses: association health plans. AHPs would increase small businesses' bargaining power with health care providers, give them much-needed freedom from a costly State-mandated benefit package and lower their overhead costs by as much as 30 percent.

By pooling their resources and increasing their bargaining power, AHPs will help small businesses reduce their health insurance coverage costs. As you have heard me say before, if it is good enough for Wall Street, it is good enough for Main Street.

By making health care more affordable, AHPs will expand access to quality health care for people for whom it is currently out of reach: uninsured working families. That is something my friends on both sides of the aisle can agree on.

It is no wonder my AHP bill has had unwavering bipartisan support in the House for nearly a decade now. I look forward to working with my colleagues to make AHPs law this year. Small businesses need help now. Vote "yes" on the motion to recommit.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1¾ minutes to the

gentleman from Oregon (Mr. WU), a member of the committee.

(Mr. WU asked and was given permission to revise and extend his remarks.)

Mr. WU. Mr. Speaker, I have a statement which I will submit for the RECORD, but I want to speak for a moment from my personal experience.

I have owned a business. I have met a payroll. But I have also worked for relatively low wages. I have worked in decommissioned ships that were both extremely hot in the hold and also filled with asbestos. I have worked in a dog food factory. But my real minimum wage job was as an assistant dishwasher in a Chinese restaurant owned by friends of my parents. I saw how hard those full-time workers worked.

I was an assistant dishwasher, and I saw how the full-time dishwasher got his fingers burned, how the cooks got their hands cut. And they worked for minimum wage just like me, but I was a teenager. And I came home to my parents' home. I said to my parents, Those people work awfully hard, and they deserve more. We ought to have a union. I never got to go back to work at my parents' friends' restaurant.

There are times when there is unequal bargaining power, when there are market failures, and there is a very legitimate role for the public sector and for joint action.

I ask my friends on the other side of the aisle whether they would roll back the 40-hour work week. I ask my friends if they would roll back worker safety provisions and roll back child labor laws. Your time has passed a century ago. It is long due to pass an increase in the minimum wage.

I rise in strong support of raising the minimum wage.

We tend to assume that employment is the solution to poverty. And in the past we have enacted legislation that reflects our commitment to training and placing individuals into jobs. While I strongly support efforts to increase employment, a job is not the complete answer to poverty. Far too many families who work full time still live below the poverty line. In fact, since the late 1970s, the number of full-time workers who live in poverty has doubled.

The reason for this is our low minimum wage. In 1996, after a 5-year freeze, Congress enacted legislation to raise the minimum wage from \$4.25 an hour to \$5.15 an hour—still well below the value of the minimum wage at its peak in 1968 at \$8.49 in 2005 dollars. Now, 10 years have passed without an increase in the minimum wage. Meanwhile, the number of Americans who live in poverty has increased by 5.4 million during the Bush administration.

Today, a minimum wage worker working full time earns only half the poverty level for a family of four. A single parent working full time at the current minimum wage cannot support one child above the poverty threshold.

More than one-quarter, 26 percent, of the 13 million workers who would benefit from a minimum wage increase are parents. Sixty percent of these workers are women.

History has shown that a minimum wage increase does not decrease employment or in-

crease inflation. In fact, in the four years after the last minimum wage increase passed, the economy experienced its strongest growth in over three decades. Yet a minimum wage increase does raise the wages of low-income workers in general, even those who earn more than the minimum wage, the "lifting all boats" effect of an increase in the minimum wage. It moves working families out of poverty.

Unfortunately, the Republicans leadership has resisted all efforts to increase the minimum wage.

The Fair Minimum Wage Act, of which I am proud to be an original cosponsor, will raise the minimum wage to \$7.25 over a 2-year period.

It is time to raise the minimum wage. No one should work full time jobs, or even work multiple jobs, and still live in poverty.

Mr. MCCRERY. Mr. Speaker, just in response to the gentleman from Oregon, no one here is suggesting that government does not have a legitimate role to play in protecting workers' rights. That is not the point of the alternative that we are trying to offer here today.

Our point is that the businesses that will be most directly impacted by the increased mandated burden of costs need to be helped so that we minimize the job loss that we know will come as a result of that.

So I agree with the gentleman: There is a legitimate role, and we are not arguing that. In fact, our alternative does increase the minimum wage and gives help to those businesses that will most directly be impacted.

I don't have time to yield, but I will talk to the gentleman off the floor.

Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. REYNOLDS), another distinguished member of the Ways and Means Committee.

(Mr. REYNOLDS asked and was given permission to revise and extend his remarks.)

Mr. REYNOLDS. Mr. Speaker, I thank the gentleman for yielding me 2 minutes.

Today's debate is really about missed opportunities. We all know that small businesses are the engines of our Nation's economic growth and that they provide the vast majority of jobs in so many of our local communities across the country.

But today, the new Democratic majority misses an opportunity, an opportunity not only to raise the minimum wage but to provide urgently needed help to those small businesses and to address health care needs of their employees.

Mr. Speaker, our Republican alternative, the Working Families Wage and Access to Health Care Act, addresses these needs. In addition to providing an increase to minimum wage, our approach would be: extending small business expensing through 2010; it would shorten the depreciation period for new restaurant construction through 2007; and it would end an unnecessary surtax that is an extra burden on low-income workers.

Our approach also would be to expand workers' access to affordable health

care through small business health plans, an important priority that has long enjoyed broad, bipartisan support.

Mr. Speaker, my colleagues on the other side of the aisle, particularly the newly elected Members of the new majority, should be asking themselves a question this morning: Why is their Democratic leadership forcing them to vote against a commonsense, bipartisan approach that the Democratic leader in the other body has already embraced? In addition to being a missed opportunity to address the real needs of small business, this is just bad politics by this untested majority.

Mr. Speaker, this could have been a much better bill if Democrats had fulfilled their promises to go through the regular committee process. If the new majority had allowed the Ways and Means Committee an opportunity to fully debate the issue, I am confident we could have put together a balanced and bipartisan package and met the needs of workers in small businesses.

I voted for the minimum wage increase some 5 months ago when 158 of my Democratic colleagues voted against it. They missed an opportunity then. They are missing one now. I urge support of the Republican alternative.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself 15 seconds.

Mr. Speaker, I noticed in the Congressional Daily that the Republican ranking member on this committee says he does not expect the health care package to be part of minimum wage. So, once again, we have a mismatch here of hijacking this bill to improve minimum wage for the lowest-wage working people.

Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio (Ms. SUTTON).

(Ms. SUTTON asked and was given permission to revise and extend her remarks.)

Ms. SUTTON. Mr. Speaker, I thank the kind gentleman from California for yielding me this time.

Mr. Speaker, I rise in strong support of raising the minimum wage to help our working families. In November, many Americans cast their votes for change because they were tired of the economic injustices working families have suffered over the last decade. Those who went to the polls want action on a clean bill from a Congress that has failed to raise the Federal minimum wage for nearly 10 years.

Voters in Ohio and five other States who believed in our democracy passed minimum wage increases. This is not only about increasing wages, it is about changing the way we treat our working men and women. And it is about traditional American values of fairness and opportunity. It is about paying rent, putting food on the table and paying for our children to go to college.

Mr. Speaker, the voters have given us a mandate. This is part of America's agenda. Today we act mindful of that mandate to help working families across this Nation by raising the minimum wage.

Mr. McCRERY. Mr. Speaker, I yield the balance of my time to the gentleman from New York (Mr. REYNOLDS), and I ask unanimous consent that he be allowed to control that time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. REYNOLDS. Mr. Speaker, I now call upon the distinguished gentleman from Texas, Mr. Pete Sessions, for 2 minutes.

(Mr. SESSIONS asked and was given permission to revise and extend his remarks.)

Mr. SESSIONS. Mr. Speaker, I include for the RECORD a press release by the Employment Policies Institute and an op-ed by George Will that was in the Dallas Morning News on this issue.

Mr. Speaker, I rise today opposed to this bill, this bill that did not go through regular order nor through the Rules Committee, not even to be a secret vote in the Rules Committee. And I argue against this bill for the reasons we have not had a chance to vet the bill, to tell the truth that there will be over 1.6 million people that will lose their job directly related to this action by Washington, D.C., The Federalist Society, the Democratic Party in Washington, D.C., who will control not only their jobs but take away from small businesses the opportunity to be competitive in a competitive world.

Mr. Speaker, we are going to cause these 1.6 million people to lose their jobs as a result of their inability to be able to compete in marketplaces and to raise their own wages.

Mr. Speaker, I will tell you that these 1.6 million jobs were important to families and people. It may not be much of a job. It may be in a small rural community, but they were jobs that were important to those people. They are jobs, even if not high-paying jobs, that would provide them the opportunity to get up and find self-worth and go and do their very best, perhaps not just with limited resources but with the very best that community may offer.

These are the types of stories that would be told if we had followed regular order, if the committees had been able to vet this, if we had known more about the ability to hear experts testify about what is actually going to happen.

We hear the words about food on the table. We hear about having people earn more money. That is great. But 1.6 million jobs will be lost from our economy as a result of what the Democrat Party does. I say, shame on us. I will oppose this. I will be for the Republican alternative that encourages better jobs.

EMPLOYMENT POLICIES INSTITUTE: MINIMUM WAGE HIKE THREATENS HEALTHY U.S. ECONOMY

WASHINGTON, DC.—Despite the flourishing U.S. economy and record low unemployment level, low-skilled jobs—such as the retail and

leisure and hospitality industries—are in decline. These jobs will be further threatened by the prospect of a federal minimum wage hike, warns the Employment Policies Institute (EPI).

Decades of economic research prove that raising the minimum wage reduces job opportunities, particularly for people with few skills. When faced with the increase in labor costs that attend minimum wage hikes, employers often respond by hiring more skilled applicants, automating jobs, or cutting back on customer service.

Contrary to the opinion of proponents of minimum wage hikes, a rising tide doesn't necessarily lift all boats, and an extremely healthy skilled job market often masks an ailing low-skilled job market.

"The unintended consequences of a minimum wage hike will disproportionately affect low-skilled jobs while skilled labor may continue to flourish," said Jill Jenkins, EPI's chief economist. "In other words, if two computer programmer jobs are created and one less grocery store checker is hired, the net job creation is positive, but you're still seeing a decline in entry-level job opportunities."

A study by economists at the Federal Reserve found that every 10% increase in the minimum wage leads to a 2%-3% decrease in employment overall. When you focus on the job loss suffered by low-skilled individuals such as high school drop-outs or minority teens, the increase in unemployment is as high as 8.5% for every 10% increase in the minimum wage, according to research from Cornell and the University of Connecticut.

"Instead of pushing for a minimum wage increase, lawmakers could affect real change by promoting expansion of the Earned Income Tax Credit (EITC)," added Jenkins. "The EITC effectively targets benefits to families in need without jeopardizing jobs."

GEORGE WILL: HERE'S A BETTER PROPOSAL FOR THE MINIMUM WAGE

A federal minimum wage is an idea whose time came in 1938, when public confidence in markets was at a nadir and the federal government's confidence in itself was at an apogee. Today, raising the federal minimum wage is a bad idea whose time has come for two reasons:

The first is that some Democrats have a chronic and evidently incurable disease—New Deal Nostalgia. Second, the president has endorsed raising the hourly minimum from \$5.15 to \$7.25 by the spring of 2009.

Democrats consider the minimum wage increase a signature issue. Yet consider these statistics:

Most of the working poor earn more than the minimum wage, and most of the 0.6 percent (479,000 in 2005) of America's wage workers earning the minimum are not poor.

Only one in five workers earning the federal minimum lives in a family with a household earning below the poverty line.

Sixty percent work part-time, and their average household income is well over \$40,000. (The average and median household incomes are \$63,344 and \$46,326 respectively.)

The federal minimum wage has not been raised since 1997, so 29 states with 70 percent of the nation's workforce have raised their own minimum wages. The problem is that demand for almost everything is elastic: When the price of something goes up, demand for it goes down.

But suppose those scholars are correct who say that when the minimum wage increased slowly, the impact on employment is negligible.

Still, because of large differences among states' costs of living and the nature of their economies, Sen. Jim DeMint, R-S.C., sen-

sibly suggests that each state should be allowed to set a lower minimum.

It should be the same everywhere: \$0. Labor is a commodity; governments make messes when they decree commodities' prices. Washington, which has its hands full delivering the mail and defending the shores, should let the market do well what Washington does poorly. But that is a good idea whose time will never come again.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentleman from Arizona (Mr. GRIJALVA), a member of the committee.

Mr. GRIJALVA. Mr. Speaker, I rise in support of H.R. 2 to give the American people who have to work the hardest for the very least a long overdue raise and increase the minimum wage.

The current minimum wage has effectively knocked off the lowest rungs of the economic ladder of this country and kept millions of our Nation's working families in a paycheck-to-paycheck life of insecurity and struggle.

Today's economy is keeping millions of our fellow Americans from owning homes, achieving stability and prosperity. Low wages are slowly suffocating the American Dream. Today we take a deep breath.

The day has finally come when Congress has a chance to reward work and support families by putting a fair value on the work of our people. Today we can say clearly that family values should not be code for spiteful and divisive politics but a real policy of valuing families and the work of mothers and fathers.

Today is a historic day. I am proud to join with my colleagues in support of H.R. 2 in raising the minimum wage for American workers.

Mr. REYNOLDS. Mr. Speaker, I yield 1½ minutes to the gentleman from Georgia (Mr. GINGREY).

Mr. GINGREY. Mr. Speaker, the minimum wage has not increased in 9 years. Yet over the past decade, we have experienced vast economic growth, record low unemployment and, in the last 3 years, the creation of 7 million new jobs. Without a doubt, at 4.5 percent, our unemployment rate is so low that some employers seek out illegal foreign workers to fill the jobs that they say a lot of Americans won't take.

If we raise the minimum wage, businesses will have to find a way to offset added labor costs by one of two things, raising prices on goods and services or laying off workers. This is simple economics that many of my colleagues on the other side of the aisle cannot seem to accept or understand. When prices go up, demands go down. In other words, as the minimum wage grows, so does the unemployment rate.

Furthermore, Mr. Speaker, unlike the debate in the Senate, H.R. 2 comes to the floor with no committee hearings, no committee votes, no opportunities for amendment. While our colleagues in the other body work on a compromise with President Bush,

Members of the House of Representatives are shut out of any constructive debate.

As a former member of the Rules Committee, I am extremely disappointed in the majority's failure to live up to its promises and allow an open and fair process on such a crucial issue.

□ 1215

For the benefit of the workforce, I ask my colleagues, vote against the minimum wage increase. Protect our small businesses. Let's sustain this economic growth.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee (Mr. COHEN).

Mr. COHEN. Mr. Speaker, on November 7, the voice of the American people rang out clearly across this land: Our country is out of balance. The few have prospered while many have languished.

America has become a land of the haves and the have-nots. The disparity of wealth among the richest and poorest in this country is the greatest it has been in nearly 100 years. We have laws which provide every sort of tax break for those who are thriving, while the people who are struggling daily to put food on the table and pay their utility bills have not seen a raise in the minimum wage in nearly 10 years.

Seven dollars and twenty-five cents. Seven dollars and twenty-five cents. Many haves in this country spend that much each day on their Starbucks with a dollop or a twist. Those of us who don't struggle to make ends meet, this is truly the time to walk in our brother's and our sister's shoes, shoes that need soling, not polishing.

This is not just an economic issue, it is a moral issue. Prosperity is not the property of the few, it should also be available to the least of us.

As I left the Memphis airport, a hard-working man for Northwest Airlines said to me, Congressman, will you pass the minimum wage? To him and many others, the thousands in District Nine, I say, yes, we will do that.

This is an opportunity for us to help people who need help. And I say to my fellow so-called "do-gooders" of the world, let us make America more fair, more humane and more just.

Mr. REYNOLDS. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. BILIRAKIS), for his first floor speech as a new Member of the House of Representatives.

Mr. BILIRAKIS. Mr. Speaker, I thank the gentleman for yielding.

I rise today in support of House Resolution 2, the Fair Minimum Wage Act, to increase our Nation's minimum wage. It has been nearly a decade since this standard has been updated. I am pleased that we are here today to give many hardworking men and women a much-needed raise.

I am concerned, however, that the bill in its current form may adversely impact our Nation's small businesses,

which are the backbone of our robust economy. I am also disappointed that my Republican colleagues and I will not have an opportunity to strengthen this bill by including provisions to help reduce any potential unintended consequences that raising the minimum wage may have on our employers. For that reason, I intend to support the Republican motion to recommit so that we can put more money in the pockets of hardworking Americans while protecting our small businesses.

Mr. REYNOLDS. Mr. Speaker, I yield back the balance of my time to the gentleman from California (Mr. MCKEON).

The SPEAKER pro tempore. Without objection, the gentleman from California will control the time.

There was no objection.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1½ minutes to the gentleman from New Jersey (Mr. PAYNE), a member of the committee.

Mr. PAYNE. Mr. Speaker, I stand in strong support of the passage of H.R. 2, the Fair Minimum Wage Act of 2007, which would help nearly 13 million American workers and their families by increasing the Federal minimum wage by \$2.10 an hour. Let me thank the chairman, GEORGE MILLER, for bringing this very important legislation to the floor.

The intent of the bill is to raise the minimum wage from \$5.15 to \$7.25 an hour, but let me just say this: When I hear naysayers say that this will eliminate jobs, back in 1994, when New Jersey had the highest minimum wage in the country, we compared the job growth of low-income jobs in New Jersey to those in Pennsylvania. Not only was there no negative impact on low-income jobs in New Jersey, but actually during that period of time, in the middle nineties, the minimum wage jobs in New Jersey grew at a higher rate than they did in Pennsylvania, which proved that the increase in the minimum wage did not run jobs out of the area. That was done by the American Economic Review.

Just recently, a survey was taken that showed that 83 percent of Americans support an increase of \$2 or more in the minimum wage, and a survey this week from the Associated Press found that 80 percent of Americans support an increase in the rate. So there has been consistent support from the public in the United States of America. That is why we going in a new direction.

Mr. MCKEON. Mr. Speaker, I am happy to yield 3 minutes to the gentlelady from Oklahoma (Ms. FALLIN), a new Member of this Congress, for her maiden speech on the House floor.

Ms. FALLIN. Mr. Speaker, it is a great pleasure to be here today.

Mr. Speaker, over the past 12 years, I have had the opportunity to serve as Oklahoma's Lieutenant Governor and, more importantly, Oklahoma's official small business advocate. I spent years

traveling throughout our State visiting with our small business owners and their employees, and they are truly the economic engine of many of our communities in our State.

In our State, 97 percent of Oklahoma's businesses have 100 or fewer employees and are small businesses, and employers in our State employ over 600,000 workers that are small business workers, which means that 50 percent of our jobs are related to small business.

Mr. Speaker, my concern is that a 41 percent increase in the minimum wage places a real burden on our small businesses. It is a burden that could mean layoffs. It is a burden that could mean bankruptcy for others.

The Federal Government cannot force small businesses to shoulder that burden alone. If the government is to raise our current minimum wage, it must pursue a balanced plan that will provide serious tax relief and regulatory relief to those who will be hit hardest by a minimum wage increase.

A plan without balance will not lift up the American workers. It will actually drag down small business. The Congressional Budget Office has estimated that increasing the minimum wage to \$7.25 an hour will cost small businesses somewhere between \$5 billion to \$7 billion nationwide. And when small businesses fail, minimum wage earners will suffer. The Hoover Institute estimates that fully 1.5 million small business workers nationwide may lose their jobs if an unbalanced minimum wage hike is passed.

So it is clear to me that a minimum wage increase plan without a plan to offset the burden placed upon small business will be harmful to our economy, and this Congress must not sabotage the machine which powers our economy and gives life to so many of our communities, which is small business. We must help our Nation's workers in a responsible fashion and avoid a plan which I believe is well-intentioned but could be devastating to employers and employees alike.

It is for this reason that I strongly encourage my colleagues to reject anything short of a balanced plan to raise the minimum wage unless one has a plan that offsets the burden placed upon small business and has serious and appropriate tax and regulatory relief.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina (Mr. SHULER).

Mr. SHULER. Mr. Speaker, I thank the gentleman from California.

Mr. Speaker, it has been 10 long years since Congress has raised the minimum wage. This is the longest period between raises in the minimum wage since it was enacted in 1938. The American people have spoken very clearly. It is time to raise the wages of our lowest-paid workers.

Our families have been squeezed: an increase at the gas pump, an increase at the grocery store, an increase in

health care and an increase in childcare. It is time that we give back. As a part of Congress, we should be an example. We shouldn't always be following our States, as my great State of North Carolina has increased the minimum wage. We should be leading by example.

That is why it gives me great privilege to support this bill. It is our moral commitment to the families of this country, and that is why I strongly support this measure.

Mr. McKEON. Mr. Speaker, I am happy to yield 2 minutes to the gentleman from South Carolina (Mr. WILSON), a member of the committee.

Mr. WILSON of South Carolina. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I rise today in opposition to H.R. 2 and in favor of the alternative. Circumventing market forces to mandate an arbitrary Federal minimum wage increase is bad economic policy. If it is done, however, we must offer protection for America's small businesses. Refusing to do so will ultimately hurt the very workers it intends to help.

We all want employees to make more than the minimum wage; and, through tax cuts, 7.3 million jobs have been created in the past 40 months by workers keeping their own money.

When the minimum wage is increased, unfunded mandated costs on small businesses increase. As a result, business owners must be forced to cut jobs or reduce entry level workers to avoid incurring additional expenses.

Republicans are seeking to provide relief for these businesses by offering alternative health care plans and tax incentives. Unfortunately, House Democratic leadership has shunned the proposal supported by Senate majority leader HARRY REID, President Bush and House Republicans.

I urge my colleagues on both sides of the aisle to support the Republican alternative, which will ensure businesses receive the protections they need and our economy continues to thrive.

In conclusion, God bless our troops. We will never forget September 11.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentlewoman from New York (Mrs. MCCARTHY), a member of the committee.

Mrs. MCCARTHY of New York. Mr. Speaker, I thank my chairman of education for bringing this important matter to the floor.

Mr. Speaker, I know Congress isn't used to having straight, clean bills. We can do this. Ten years I have been in Congress, and 10 years we have been trying to get the minimum wage raised. We talk about small business. There is not one person on the Democratic side that doesn't support small businesses, but we also support those people that are trying to make a living wage.

By estimates, there are 623,000 single women raising families trying to make a living. I go to the grocery store. I fill

up my gas tank. We are very privileged here to make a very nice salary. Yet we are denying those that need our help the most to give them some sort of life. \$7.25. Who the heck can live on that, even if you work 60 hours a week? And, by the way, these people that are working these jobs on minimum wage usually have two jobs, sometimes three.

It is time that we do this. It is the moral and right thing.

Mr. McKEON. Mr. Speaker, I would be happy to yield 2 minutes to the gentleman from North Carolina (Mr. MCHENRY).

Mr. MCHENRY. Mr. Speaker, I thank my colleague from California for yielding this time.

Mr. Speaker, I think there is a critical point that is being overlooked in this debate on the minimum wage. We need to talk about the people that this minimum wage increase will be a barrier to their employment, for example, the physically, emotionally and mentally handicapped in this country.

I have in my district, in Cleveland County, Cleveland Vocational Industries, a community-based organization. What they do is they train workers with disabilities to fulfill certain assembly line packing and labeling projects, what some of us would call menial labor or very simple tasks. But it is a very positive thing. It is a great way to train and employ people that otherwise cannot be trained and employed.

What is going to happen is these are about 8 percent of the total minimum wage earners in this country, those with disabilities. What that is going to do is harm them in their ability to get contracts with businesses.

This is a very nice idea, to raise people's wages, but the impact it is going to have among the least among us will be that they will simply not have a job. I think that is being lost in this debate, and I think that is what we need to be concerned about.

Let's talk about the facts about the minimum wage. That is what is lost here. This is high-minded rhetoric. What the Democrat majority wants to do, Mr. Speaker, is use other people's money to pay other people. Well, that is a very nice thing to do, a nice offer, a very nice thing, to write a check for somebody else.

All right. Let them pay somebody else. That is a nice obligation that we are passing on, this unfunded mandate.

Eighty-five percent of minimum wage earners in this country are teens or adults who live alone or second earners; a married couple, one goes and works part-time. Eighty-five percent of them fall in those categories. So they are talking about making a minimum wage on this and providing for a family of 10, or whatever. It is just empty rhetoric and crazy talk.

So let's talk about affecting and helping people through training and access to health care and support the Republican alternative.

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Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. LEE), a long-time battler for economic and social justice.

Ms. LEE. Mr. Speaker, I want to thank the gentleman for his bold and consistent leadership to raise the minimum wage. This is an important ethical and moral issue that speaks directly to our values as Americans. It is a shame and disgrace that in the wealthiest and most powerful country in the world, 37 million people live in poverty. Raising the minimum wage is one major step to reduce poverty, and we must do this.

As a former small business owner, I can tell you that small businesses are more profitable when workers are treated fairly. Thirteen million Americans, many of whom are women and people of color, will benefit from this increase.

Let us live up to our moral responsibility and help the least of these who struggle each and every day just to make ends meet. They deserve this increase, and they have earned it. Let us do the right thing and pass H.R. 2 in the memory of Dr. Martin Luther King, Jr., whose birthday we celebrate on Monday, who died, who gave his life seeking justice for sanitation workers.

Mr. McKEON. Mr. Speaker, I am happy now to yield 2 minutes to our new colleague, my neighbor from California (Mr. MCCARTHY).

Mr. MCCARTHY of California. I thank the gentleman from California for yielding.

Mr. Speaker, I believe Congress is a marketplace of ideas, and at the end of the day, the best ideas should win. Unfortunately, with the process today, that will not happen.

Allowing a vote on an alternative minimum wage approach is in America's best interest. Republicans offer a balanced approach to increase the minimum wage and provide offset tax relief for small businesses to take on the increased labor cost for the minimum wage hike.

The unbalanced approach of the Democratic bill, H.R. 2, to solely increase the minimum wage is irresponsible. Never mind that the basic economic statement setting an artificial price floor like the minimum wage could actually raise unemployment.

The Federal Reserve study states that if H.R. 2 is enacted, a million restaurant workers could lose their jobs.

I can tell you, as a former small business owner, personally, this is a tough decision. I came to Congress to work to increase opportunities for all Americans, not to harm workers and small businesses. I listened to the debate today, and I listened to the other side, as a freshman. If you look at the Republican bill, it is a compromise. It is a common solution. The minimum wage will be increased, but what else will happen? There will be greater healthcare for the workers. There will

be tax relief where you can expense off when you are buying business equipment. What happens? The workers of America are more competitive in a global economy for the 21st century.

And I ask my colleagues on the other side; last week on this floor I listened closely to what our Speaker said. Speaker PELOSI said, "Let's work in a spirit of partnership, not partisanship." Well, I will tell you, the Republican bill is just that, it is a partnership that lets the power of the idea win at the end of the day.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1¼ minutes to the gentleman from California (Mr. BACA).

Mr. BACA. Mr. Speaker, I rise in support of H.R. 2 and thank the gentleman from California for being bold enough to carry this important legislation to help the American people.

I rise today to call for a vote to raise the minimum wage. This increase must happen for humanitarian justice. Americans are suffering.

Let's get back to basics. The minimum wage has not increased. The minimum wage was passed 10 years ago, and during the 10 years, people have struggled to put food on the table, gas prices have increased, the cost of public transportation has increased, the cost of clothes has increased, the cost of housing has increased, the cost of buying food has increased, not to mention every other cost of living in America has increased.

This bill is not about continued greed or about outsourcing, but it is about American families and improving their quality of life.

Let's get back to basics: \$5.15 an hour is poverty. We need this bill because 40 percent of minimum wage workers are the sole bread winners in their families. Nineteen percent of minimum wage earners are Hispanic Americans, and 15 percent are African Americans.

It is time. It is time to care for working families of America and to give them a wage that is just, a wage that is fair.

Mr. McKEON. Mr. Speaker, I am happy now to yield 1½ minutes to the gentleman from Puerto Rico (Mr. FORTUÑO), a member of the committee.

Mr. FORTUÑO. I thank the gentleman from California.

Mr. Speaker, I stand here today in strong support of a Federal minimum wage increase that is applicable under the same terms and conditions to all 50 States and Puerto Rico. I support a Federal minimum wage increase because it would strengthen the economy as well as provide long overdue benefits to our working, middle-class families who are the backbone of our Nation's economy.

However, I am concerned that the bill under consideration, while seeking a long-awaited increase in the Federal minimum wage, does nothing to offset the impact on small businesses and their workers. This is particularly important for Hispanics in the United States who, according to a recent re-

port released by the U.S. Census Bureau, are opening businesses at a rate that is three times as fast as the national average.

Only one bill, the Working Families Wage and Access to Health Care Act, offers a balanced approach that would provide for a minimum wage increase without threatening the backbone of our economy or penalizing small businesses. Our bill increases the minimum wage in exactly the same increments as the bill before us today but also expands affordable health care to many of the working families benefiting from the increase and includes some important tax protection alternatives for small businesses and their workers. The Working Families and Access to Health Care Act should be carefully considered and, at the very least, deserves to be discussed.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. GENE GREEN).

Mr. GENE GREEN of Texas. Mr. Speaker, I rise in support of this extremely important legislation for America's workers. The last 10 years we have seen these tired old Republican arguments against increasing the minimum wage while the huge wealth of the highest paid in our country increases. We have not raised the minimum wage since 1997. When adjusted for inflation, the minimum wage is the lowest it has been in 50 years. That is 10 years of wasted opportunity on this floor that is being corrected today.

A minimum wage worker full-time makes \$10,700 a year. That is well below the poverty level. We need to provide a lift for these hardworking Americans. I agree with the late U.S. Senator from Texas, Ralph Yarborough, when he said, "Let's put the jam on the lower shelf for the people."

This increase will provide much needed help to the lowest wage earners in our country. Their needs and dreams are no different from anyone else's. These wage earners want to earn a decent wage to be able to put dinner on the table for their families. It is not too much to ask that we raise the minimum wage after a decade of taking no action on this important part of the American economy.

Passing this bill today is the right step, and I urge my colleagues to support it.

I rise today to support this extremely important legislation for America's workers. The last ten years we have seen these tired old Republican arguments against increasing the minimum wage while the huge wealth increases of the highest paid in our country.

We have not raised the minimum wage since 1997. When adjusted for inflation, the minimum wage is the lowest it's been in 50 years. That's 10 years of wasted opportunity.

A minimum wage earner working full-time makes only \$10,700 a year. This is well below the poverty threshold for a family of three.

We need to provide a lift for these hard working Americans. I agree with our late U.S.

Senator from Texas Ralph Yarborough when he said "Let's put the jam on the lower shelf for the people."

This increase will provide much needed help to the lowest wage earners of our country. Their needs and dreams are not different than anyone else's.

These wage-earners want to earn a decent wage and be able to put dinner on the table and provide for their families.

It is not too much to ask that we raise the minimum wage after a decade of taking no action on this important part of the American economy.

Passing this bill today is a step in the right direction and I urge my colleagues to vote in favor of this resolution and put the jam on the lower shelf.

Mr. McKEON. Mr. Speaker, might I inquire as to the remaining time.

The SPEAKER pro tempore. The gentleman from California has 33 minutes, and the gentleman from northern California has 47 minutes.

Mr. McKEON. Mr. Speaker, I am happy now to yield to the gentleman from California, a good friend and colleague, Mr. ROHRBACHER, 4 minutes.

Mr. ROHRBACHER. Mr. Speaker, I rise in opposition to this proposal to increase the minimum wage by \$2.10 an hour over the next 2 years.

What we are witnessing today, of course, is the quintessential example of political figures offering something for nothing. We can just bestow upon the American people \$2.10 an hour, and there is no cost to it. Well, if that is really the case, and there is no downside, why are we such pikers? Why are we not offering a minimum wage hike of \$5 an hour? Or \$10? Or maybe even \$20 an hour more? We know that that is not realistic because there is a downside that can be calculated. In fact, by mandating the pay raises that we are talking about today, economists have estimated that about 1.6 million people, the people at the very bottom rung of our economic ladder, will be put through great hardship. They won't be hired, or they will be fired because their salary now must be allocated in these small businesses which, of course, is where most of the employment takes place, their salaries will now have to be allocated to the other employees. Yes, there is a cost to pay when you mandate someone in their operation gets paid more money, and the burden will be borne by the very lowest level of employees. That is what this proposal is all about.

Now, there is a way to actually help people have higher salaries. I happen to believe in high wages. I am not a pro-management guy. I believe in higher wages for the American people, and there is a way that we can achieve higher wages for the American people, especially those at the lowest income. But those who are advocating that we raise the minimum wage wouldn't think about advocating this solution. And that solution is very easy for the American people to understand: We have an out-of-control flow of illegal immigrants into our country. If we

would commit ourselves to solving that problem, to get control of this massive flow of illegals into our country, we would have more than a doubling of this minimum wage. We would have wage earners all up and down the scale, even at the very bottom of the scale, help.

But, no. Why aren't we doing this? Because, yes, there is a price to pay for that as well. Getting control of illegal immigration, making sure that our employers are not hiring illegals, who would pay that price? People who come to this country illegally would pay that price. Their lives would be harder. It would be tougher on them. But we are supposed to be representing the interests of the American people. Yes, we sympathize with people who come here illegally. We sympathize with those people overseas, but if we raise the minimum wage this way, there will be more illegals who will come to this country to get that higher minimum wage, and our own people at the bottom rung of the economic ladder will be put out of a job.

Let's watch out for the interests of the American people. Let's commit ourselves to getting control of the massive flow of illegals into our country, and then we can raise the wages of everyone. Let's not offer people stunts and schemes like this of the minimum wage, of offering them something for nothing. Let's really help them out.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. I thank the distinguished chairman of the Education and Labor Committee and thank him for his leadership.

Mr. Speaker, there is a biblical story about the children of Israel in the desert seeking the promised land for 40 years. I would like to tell my good friend that there are American workers who are deserving and in need of an increase in the minimum wage, and we know that for 51 years we have had the lowest valued minimum wage in America. It is clear that the minimum wage increase would help reverse the trend of declining real wages for low-wage workers, American workers, and that, between 1979 and 1989, the minimum wage lost 31 percent of its real value, American workers.

What about the waitress who stopped me in a restaurant and said, When are you going to raise the minimum wage? A woman raising children who, with the minimum wage, will be able to have an opportunity to get a car loan to get a car to get her children to school or to the doctor or to be able to do the things that we in America enjoy doing, being with our family, providing them an opportunity?

This is a moral issue. I ask my colleagues to support the increase in the minimum wage for Americans across America.

I thank the gentleman for yielding. Mr. Speaker, I rise in strong support of H.R. 2, the "Fair Minimum Wage Act." With the adoption of this bill, the House of Representatives will take the first step in making good on its commitment to working-class Americans that one of the first concerns of the Congress is the well-being of ordinary Americans who work hard, play by the rules, and are struggling to get by through no fault of their own. We Democrats promised to chart a new direction for America if the voters entrusted us with the majority. They did and with our votes today in support of H.R. 2, we are making good on our promise.

Mr. Speaker, before I discuss the importance of this bill in detail, I wish to commend Chairman MILLER, Speaker PELOSI, Majority Leader HOYER, Majority Whip CLYBURN, and the rest of the Democratic leadership, as well as my colleagues in the Congressional Black Caucus, which was led so ably last Congress by Congressman WATT and is now led Congresswoman KILPATRICK. Because of their resolve and visionary leadership, more than 13 million workers will soon receive a long overdue raise. What difference an election makes!

#### AMERICANS DESERVE A RAISE

H.R. 2 helps the most deserving American families by raising the minimum wage from \$5.15 to \$7.25 over three years. Mr. Speaker, did you know that the value of the current minimum wage represents a 51-year low? Today's minimum wage of \$5.15 today is the equivalent of only \$4.23 in 1995, which is even lower than the \$4.25 minimum wage level before the 1996–97 increase. It is scandalous, Mr. Speaker, that a person can work full-time, 40 hours per week, for 52 weeks, earning the minimum wage and would gross just \$10,700, which is \$5,888 below the \$16,000 needed to lift a family of three out of poverty. In 2005, the average CEO was paid 821 times the amount earned yearly by a minimum wage worker.

Mr. Speaker, since 2000 the cost of college tuition has risen 57 percent, which is only slightly less than the increase in the cost of gasoline. Health insurance premiums have skyrocketed by 73 percent and inflation is up 13.4 percent. But during that time, the minimum wage has not increased one cent. That is unconscionable and downright un-American. Happily, the Fair Minimum Wage Act, H.R. 2, will change this sorry state of affairs.

Mr. Speaker, today more than ever America's hard-working families are feeling squeezed, living paycheck to paycheck. I can tell you Mr. Speaker that record prices at the pump, skyrocketing health care costs and the rising cost of college in the face of falling or flat wages, are squeezing hard-working Texans in my Houston-based Congressional District as they struggle to make ends meet.

That is why I support increasing the minimum wage. For Texas workers the basic cost of living is rising; it is only fair that the pay for hard-working Texans does too. Nearly 890,000 hard-working Texans would directly benefit from raising the federal minimum wage to \$7.25 an hour, and 1,774,000 more Texans would likely benefit from the raise.

Raising the minimum wage is vital for Texas families. At \$5.15 an hour, a full-time minimum wage worker in Texas brings home \$10,712 a year—nearly \$6,000 below the poverty level for a family of three. An increase of \$2.10 an hour would give these families a much needed

additional \$4,400 a year to meet critical needs such as rent, health care, food and child care. The increase in the minimum wage before us today will not allow workers to live as large as the typical CEO, who now earns 821 times more than a minimum wage worker, but at least it will allow these low-wage workers to make a little better life for themselves and their families.

A minimum wage increase would raise the wages of millions of workers across America: An estimated 6.6 million workers (5.8 percent of the workforce) would receive an increase in their hourly wage rate if the minimum wage were raised from \$5.15 to \$7.25 by June 2007.

Due to "spillover effects," the 8.2 million workers (6.5 percent of the workforce) earning up to a dollar above the minimum would also be likely to benefit from an increase.

Raising the minimum wage will benefit working families:

The earnings of minimum wage workers are crucial to their families' well-being. Evidence from the 1996–97 minimum wage increase shows that the average minimum wage worker brings home more than half (54 percent) of his or her family's weekly earnings.

An estimated 760,000 single mothers with children under 18 would benefit from a minimum wage increase to \$7.25 by June 2007.

Single mothers would benefit disproportionately from an increase—single mothers are 10.4 percent of workers affected by an increase, but they make up only 5.3 percent of the overall workforce. Approximately 1.8 million parents with children under 18 would benefit.

Contrary to popular myths and urban legends, adults make up the largest share of workers who would benefit from a minimum wage increase:

Eighty percent of workers whose wages would be raised by a minimum wage increase to \$7.25 by June 2007 are adults (age 20 or older).

More than half (54 percent) of workers who would benefit from a minimum wage increase work full time and another third (34.5 percent) work between 20 and 34 hours per week.

Minimum wage increases benefit disadvantaged workers and women are the largest group of beneficiaries from a minimum wage increase: 60.6 percent of workers who would benefit from an increase to \$7.25 by 2007 are women.

An estimated 7.3 percent of working women would benefit directly from that increase in the minimum wage.

A disproportionate share of minorities would benefit from a minimum wage increase:

African Americans represent 11.1 percent of the total workforce, but are 15.3 percent of workers affected by an increase.

Similarly, 13.4 percent of the total workforce is Hispanic, but Hispanics are 19.7 percent of workers affected by an increase.

The benefits of the increase disproportionately help those working households at the bottom of the income scale:

Although households in the bottom 20 percent received only 5.1 percent of national income, 38.1 percent of the benefits of a minimum wage increase to \$7.25 would go to these workers.

The majority of the benefits (58.5 percent) of an increase would go to families with working, prime-aged adults in the bottom 40 percent of the income distribution.

Among families with children and a low-wage worker affected by a minimum wage increase to \$7.25, the affected worker contributes, on average, half of the family's earnings. Thirty-six percent of such workers actually contribute 100 percent of their family's earnings.

A minimum wage increase would help reverse the trend of declining real wages for low-wage workers. Between 1979 and 1989, the minimum wage lost 31 percent of its real value. By contrast, between 1989 and 1997 (the year of the most recent increase), the minimum wage was raised four times and recovered about one-third of the value it lost in the 1980s.

Income inequality has been increasing, in part, because of the declining real value of the minimum wage. Today, the minimum wage is 33 percent of the average hourly wage of American workers, the lowest level since 1949. A minimum wage increase is part of a broad strategy to end poverty. As welfare reform forces more poor families to rely on their earnings from low-paying jobs, a minimum wage increase is likely to have a greater impact on reducing poverty.

Mr. Speaker, the opponents of the minimum wage often claim that increasing the wage will cost jobs and harm the economy. Of course, Mr. Speaker, there is no credible support to such claims. In fact, a 1998 EPI study failed to find any systematic, significant job loss associated with the 1996–97 minimum wage increase. The truth is that following the most recent increase in the minimum wage in 1996–97, the low-wage labor market performed better than it had in decades. And after the minimum wage was increased, the country went on to enjoy the most sustained period of economic prosperity in history. The economy created more than 11 million new jobs and experienced historic low unemployment rates, increased average hourly wages, increased family income, and decreased poverty rates.

Mr. Speaker, studies have shown that the best performing small businesses are located in States with the highest minimum wages. Between 1998 and 2004, the job growth for small businesses in States with a minimum wage higher than the Federal level was 9.4 percent compared to a 6.6 percent growth in States where the Federal level prevailed.

So much for the discredited notion that raising the minimum wage harms the economy. It does not. But raising the minimum wage increases the purchasing power of those who most need the money, which is far more than can be said of the Republicans' devotion to cutting taxes for multimillionaires.

Mr. Speaker, Americans overwhelmingly side with progressive principles of rewarding hard work with a living wage. A post-election Newsweek poll found that 89 percent of Americans favored raising the minimum wage. Last November, voters passed all six State ballot initiatives increasing the statewide minimum wage. The case for raising the minimum wage is so compelling that in the 2004 election, even voters in Florida and Nevada, two States won by President Bush, overwhelmingly approved ballot measures to raise the minimum wage. In Nevada's richest county, Douglas, where President Bush received 63.5 percent of the vote, 61.5 percent of voters supported raising the minimum wage.

Mr. Speaker, in October 2006 the Economic Policy Institute released a statement in sup-

port of the minimum wage increase signed by 665 economists, including 5 Nobel Laureates. According to these eminent economists, "a modest increase in the minimum wage would improve the well-being of low-wage workers and would not have the adverse effects that critics have claimed."

Members of Congress have legislated a minimum salary for themselves and have seen fit to raise it nine times since they last raised the minimum wage. It is time we gave the Americans we represent a long overdue pay raise by increasing the minimum wage to \$7.25 over 3 years. Even this amount does not keep pace with the cost of living. The minimum wage would have to be increased to \$9.05 to equal the purchasing power it had in 1968. And if the minimum wage had increased at the same rate as the salary increase corporate CEOs have received, it would now be \$23.03 per hour.

The American people demand that the minimum wage be increased. Low-wage workers, many of whom live in your district and mine, badly need the money. They have waited much too long. I urge all Members to support this necessary and timely legislation. Vote "aye" on H.R. 2, the Fair Minimum Wage Act.

Mr. McKEON. Mr. Speaker, I am happy now to yield 2 minutes to the gentlelady from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. I want to thank the ranking member for yielding me time.

Mr. Speaker, I rise in support of the legislation to raise the Federal minimum wage to \$7.25 per hour. It has been 10 years since Congress passed legislation to increase the minimum wage, and I am pleased that we are going to pass such an increase today.

I have supported an increase in the minimum wage since coming to Congress, and I have voted for it both as part of a package including a permanent solution to the death tax. And I will vote for it as a stand-alone bill. The minimum wage in my home State of West Virginia is \$5.85 an hour, with recent increases already scheduled to be \$6.55 this June and then \$7.25 in June 2008. Twenty-eight other States have enacted minimum wages that are higher than the Federal minimum wage, and I am pleased today that we will vote to increase the minimum wage for workers across the country.

I will vote for H.R. 2 because it will improve the quality of life for low-wage workers in my congressional district and across the Nation. This legislation would be much better, however, if it included the elements of the Republican alternative offered by Ranking Member McKEON and Ranking Member McCRERY.

□ 1245

Millions of small business employees across the country lack health insurance. It is probably the largest segment of working Americans who are unable to afford and cannot find health insurance, a vitally important part of leading a good-quality life here in the United States.

We should authorize association health plans, allowing small companies

to bind together through trade associations to create the economies of scales necessary to reduce the cost of health care. This is essential. It makes certain that we should act to offer affordable health care coverage for workers at the same time we are increasing the minimum wage.

The Republican substitute, by offering tax relief that would lead to new job creation and by offering affordable health care in addition to increasing the minimum wage, would help millions more Americans than the bill we are considering today, and I regret we are not taking the more comprehensive approach.

Nonetheless, this legislation will help many women and men across the country, and I intend to support it.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1¼ minutes to the gentleman from Texas (Mr. RODRIGUEZ).

Mr. RODRIGUEZ. Mr. Speaker, I rise in support of the minimum wage and indicate to you that it is time that we take this measure and make it happen.

Let me thank Chairman MILLER on his efforts and just indicate to you that the State of Texas is the one that has the most to gain. We have over 900,000 such workers that would be impacted by this piece of legislation. And, for those, let me also indicate that in Texas nearly 70 percent of low-wage employees work full time. I will repeat that. Seventy percent of low-wage employees work full time. And, among those, almost 40 percent of the low-wage workers are sole breadwinners. Forty percent are sole breadwinners. So this is something that is critical. This is something that is important, something that needs to happen.

The minimum wage increase improves the economic well-being of our families. It provides for better living conditions and improving the quality of life. And I cannot comprehend why Members of Congress that have been here over 10 years, who have voted on their own increase each time, and yet not allow an opportunity for individuals that are in the lowest part of the wages in this country be able to get a pay increase.

Mr. McKEON. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. PENCE).

(Mr. PENCE asked and was given permission to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, I rise in respectful opposition to H.R. 2, the Fair Minimum Wage Act of 2007. And I do so understanding that what I do may well be misunderstood by some of my constituents at home and even by some looking on in this debate. But let me say emphatically that a 41 percent increase in the minimum wage that is brought to the well of Congress without providing any relief to small business owners and family farmers is irresponsible and unwise, and it will harm both the wage payer and the wage earner.

An excessive increase in the minimum wage will hurt the working poor, Mr. Speaker, and especially those who are trying to begin the American Dream by entering the workforce at entry level jobs. Minimum wage increases, the unbroken record of our economic history attests, raise unemployment among the young, minorities and part-time workers, the very people that a minimum wage is thought to help. And sadly, for reasons I don't entirely understand, for every increase in the Federal minimum wage, African Americans have been hit the hardest with the advent of jobs that are lost with an increase in the minimum wage.

It would be the late economist Milton Friedman, a Nobel laureate, who said, "The high rate of unemployment among teenagers, and especially black teenagers, is both a scandal and a serious source of social unrest." And then he went on to say, "It is largely a result of minimum wage laws."

I believe the minimum wage and this increase is one of the most anti-minority, anti-poor laws that we could bring into this Congress. It violates fundamental free market economics, and it will cost jobs.

The Heritage Foundation recently reported that for every 10 percent increase in the minimum wage there is a loss of 2 percent of entry level minimum wage jobs. This means, for what we consider today, we literally could see evaporate overnight 8 percent of the entry level jobs in this country.

I recently received an e-mail from a small sub sandwich restaurant owner in Anderson, Indiana, who told me of his frustration about what Congress would consider today, Mr. Speaker; and he begged me to ask for balance and justice for the wage payer as well as the wage earner. He said he had 200 applications on file, but he knew that if Congress passed this irresponsible 41 percent increase in the minimum wage, not only would he not be able to extend opportunity to some, he would have to cancel jobs for others.

Let us serve the wage earner and the wage payer. Let us reject this irresponsible increase in the minimum wage.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. HARE), a member of the committee.

Mr. HARE. Mr. Speaker, the Fair Minimum Wage Act is an important step toward strengthening America's middle class by providing hardworking Americans with the wages they have earned. I rise in strong support of this legislation.

As the son of a union machinist and a former employee of a clothing factory, I understand the struggles many Americans face in trying to meet basic needs at minimum wages. Increasing the minimum wage from \$5.15 per hour to \$7.25 per hour provides a necessary raise to 13 million of America's lowest paid workers.

For too long we have ignored the plight of American working families.

Providing a more reasonable wage is not only a commonsense issue but a moral one as well, and I am proud that one of my first few votes in the Congress of the United States will be to extend economic fairness and justice to deserving workers.

Mr. MCKEON. Mr. Speaker, might I inquire again the time remaining.

The SPEAKER pro tempore. The gentleman from California has 24½ minutes, and the gentleman from northern California has 44 minutes.

Mr. MCKEON. Mr. Speaker, we will reserve and let them take some time to kind of even that out.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1¼ minutes to the gentlewoman from California (Mrs. NAPOLITANO).

Mrs. NAPOLITANO. Mr. Speaker, a minimum wage increase is crucial for all Americans, more so for women and minorities.

Es de maxima importancia que este Congreso eleve el salario minimo, especialmente para las mujeres y menoresias.

Ten years of neglect, plus inflation, have left workers living below poverty.

Diez anos de olvido, mas la inflacion, han dejado a nuestros trabajadores en pobreza.

1.4 million working women will be main beneficiaries for an increase from \$5.15 to eventually \$7.25 per hour in 2 years, of which 33 percent are African American and Hispanic female workers.

Mas de uno punto cuarto millon de mujeres trabajan -seran las beneficiarias el cual son Hispanas y AfroAmericanas del salario de 5.15 a 7.25 pro hora.

It helps economic social conditions, reduces pay gaps. It helps the economy. More money spent will create more career opportunities through affordability of education.

Ayuda a la economia nacional ya que se gastara mas dinero.

Mujeres encabezadas de su familia podran tener mas dinero para mantener su familia.

Women breadwinners can increase economic and financial independence.

Enough talk. Take action. Have a conscience. Help America. Vote for the minimum wage increase.

The SPEAKER pro tempore. The Chair requests that the gentlewoman from California (Mrs. NAPOLITANO) provide a translation, of her remarks.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1½ minutes to the gentleman from Ohio (Mr. KUCINICH), a member of the committee.

Mr. KUCINICH. Mr. Speaker, I rise today in strong support of the Fair Minimum Wage Act of 2007.

Over the past 9 years, as the price of food has increased and the cost of housing swelled beyond the reach of many workers, the purchasing power of the minimum wage has fallen to its lowest level in 51 years.

Since 1997, the Federal minimum wage has been stalled at \$5.15 an hour

without an increase or adjustment. This stagnation of the minimum wage has left families with no guarantee that a full-time job will enable their most basic needs to be met.

At the current minimum wage, a worker spending 40 hours a week, 52 weeks a year on the job, earns less than \$11,000 a year, leaving them more than \$5,000 below the poverty line for a family of three. That is shameful.

The passage of the bill today will directly help those families.

It is estimated that 5.6 million workers will receive an increase in their hourly wage if the minimum wage were raised to just \$7.25 an hour. An additional 7.4 million workers earning up to a dollar above the new minimum wage would also benefit. In total, 13 million workers will be aided by this necessary legislation.

The passage of this bill is a first step towards the greater goal of a living wage for every American worker because, even as it goes to \$7.25 an hour, there are many families who are still going to find themselves within the circumference of poverty. There are people who are looking forward to the action of this Congress.

But let it be said that the long-term objective, to ensure that workers are able to afford adequate housing and support their families, cannot be forgotten by this Congress.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1¼ minutes to the gentlewoman from Florida (Ms. CASTOR).

Ms. CASTOR. Mr. Speaker, I urge my colleagues to throw a lifeline to the hardworking men and women in America by voting to increase the minimum wage from \$5.15 to \$7.25. It is no secret that health care costs are rising, along with property insurance, and it takes a lot to pay the rent these days. So, in a country where the average CEO earns more before lunchtime than the average minimum wage worker earns all year, this Congress must take action.

The increase in the minimum wage will help women, in particular, who comprise nearly two-thirds of all minimum wage workers. Many serve in the lowest-paying jobs back in our home towns, backbone jobs like child care, food service and cashiers. Many are women of color struggling to make ends meet for \$5.15 an hour.

In my district, according to the United Way of Tampa Bay, over 40 percent of the residents live in poverty. Well, we are going to lift them up. We are going to lift up millions of children by raising the minimum wage. American workers are long overdue for a raise because past Congresses have not increased the minimum wage in 10 years. But we are headed in a new direction now to improve the economic security for hardworking Americans. Step number one, raising the minimum wage.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1¼ minutes to the gentlewoman from California (Ms. LINDA T. SÁNCHEZ).

Ms. LINDA T. SÁNCHEZ of California. Mr. Speaker, I rise in support of the Fair Minimum Wage Act. This bill will help nearly 13 million workers and their families by raising the minimum wage.

The value of the minimum wage is lower than it has been in half a century. Instead of providing a living wage to hard-working American families, the minimum wage is a poverty wage. It is nearly \$6,000 short of the Federal poverty line for a family of three if a minimum wage worker works full time.

Shouldn't having a job raise you out of poverty, instead of trapping you in it?

The minimum wage has stagnated since 1997, but wages have soared for those highest on the income scale.

The average CEO of a Standard & Poors 500 company made \$13.5 million in 2005.

The average CEO makes 821 times as much as a minimum wage worker.

With salaries like these it is clear why an average CEO earns more before lunchtime than a minimum wage worker earns all year.

□ 1300

The average CEO is doing just fine looking out for himself. But America's most vulnerable families need somebody who is looking out for them.

This bill is a good bill, it is an important bill, and it is the right thing to do. I hope all my colleagues will join me in voting "yes" on H.R. 2.

Mr. MCKEON. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. CHABOT).

Mr. CHABOT. I thank the gentleman for yielding.

Mr. Speaker, as the ranking member of the Small Business Committee, I rise in opposition to this legislation as it is being offered to us today because it does not offer our Nation's small businesses the help that they need to pay for what amounts to a tax increase. Small businesses are the backbone of our Nation's economy.

Over the last decade, small businesses have annually created 60 to 80 percent of America's new jobs; 99 percent of all businesses in the U.S. have 500 employees or fewer, and that is what constitutes a small business by definition in this country, 99 percent. We are a Nation of small businesses. Yet, we are debating a bill today that fails to take into consideration the impact such legislation could have on the bottom line of those small businesses, the most prolific job creators in our economy.

Mr. Speaker, the simple fact of the matter is that this bill increases costs for mom-and-pop businesses, the Congressional Budget Office, CBO, estimates it to be \$5 to \$7 billion, without providing them the opportunity to grow their business and thus create more jobs. This bill does nothing to help small businesses lower their health care costs through association health plans. It does nothing to elimi-

nate the egregious death tax that forces the sale of so many family businesses and small farms around the country, and it does not provide incentives for small business owners to invest in and grow their businesses and thus create the jobs or the futures for the teenagers and many other people who are coming up in this country.

Mr. Speaker, our Nation's small businesses deserve better, and this House should do better. So vote "no" on H.R. 2.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. I thank my colleague.

Mr. Speaker, I rise in strong support of H.R. 2. As cochair of the Congressional Caucus for Women's Issues, I am so proud to stand with many of my colleagues, as we repeat over and over today how vital this legislation is for women across this country. Women lag far behind men in terms of earnings. Nearly two-thirds of all minimum wage workers are women, many raising children.

This bill translates into over 9 million women who will benefit from a long overdue increase in their take-home pay. It is abominable that for the past 10 years we have sat by and watched the cost of everything skyrocket. Health care, child care, food, rent, anything you could think of, except for wages.

Minimum wage earners often are single moms and have been forced into longer hours, more jobs, more time away from their families, which, too often, has its own set of unfortunate consequences.

It is time that we all vote "yes" on H.R. 2. Take a great step forward towards achieving economic equality for women. Indeed, the benefits will be there for all Americans.

Mr. MCKEON. Mr. Speaker, I yield 2 minutes to the gentlewoman from Tennessee (Mrs. BLACKBURN).

Mrs. BLACKBURN. Mr. Speaker, you know, this is such an interesting debate that we come here to have on the minimum wage issues. All of our economic issues debates end up being such interesting debates, and I always love it when I hear the statements made that this is wrong and that is wrong, and our focus becomes, let us go to the government and expect the government to fix it.

Mr. Speaker, you know, we know that just is not so. I have found it so interesting that you would hear from people that it appears that the Republicans never raise the minimum wage. What about 1994? What about 1997?

Then we hear all of this about explosive costs. But what we are not hearing is that per capita disposable income has risen 9.2 percent in real dollars since 2001.

All the millions of jobs that have been created, nearly 7 million since 2003 alone. The reason this happens is because of good economic policy, be-

cause of good tax policy, because in leaving more money with the individuals that earn it and not doing things that are going to harm small business, as the gentleman from Ohio said, most of our Nation's jobs are created through small businesses.

We know from the Congressional Budget Office, the CBO, they estimate that a minimum wage increase without considerations for small businesses and their workers would impose a 5 to \$7 billion unfunded mandate on small businesses.

Now, I ask my colleagues from across the aisle, are they willing to stand up today and pass an unfunded mandate, a 5 to \$7 billion unfunded mandate on our Nation's small businesses? We know, raising the minimum wage will reduce employment, and I encourage my colleagues to oppose the Democratic bill.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. I thank the chairman of the committee for bringing this important bill to the floor.

Mr. Speaker, the minimum wage is a women's working issue, and it is an issue for our children with over 1.4 million working mothers across this country who earn the minimum wage.

I would say to my colleagues on the other side of the aisle, what is it worth to you to have someone lift and bathe your elderly sick relative in a nursing home and empty their bed pans? Is it worth more than \$5.15 an hour?

How about cleaning the bathrooms of the Democratic and Republican Conventions? People tend to not pay attention to those workers. How about washing dishes in restaurants across this country? How about caring for dozens and dozens of 3-year-olds in daycare centers across this Nation? How about those women that lift all those heavy trays at those restaurants that you all eat in, bringing food to the people across this Nation? Surely it is worth more than \$5.15 an hour.

Even when it is raised to \$7.25 an hour, if a woman has children, she is going to live in poverty anyway, so she has to work two jobs, most of them without health insurance. Preserve the value of work in this country. Vote for the increase in the minimum wage. It is the right thing to do.

Mr. MCKEON. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. Mr. Speaker, it has been an interesting debate today. We have heard on the other side: Today is the day I am going to vote to give the American worker a raise. Would that we all had that kind of power. Unfortunately, with this, we can dictate that. Unfortunately, somebody else has to pay that wage.

It is simply not right to inject ourselves into the free market in that way. Yes, it would be nice if everyone could make a larger wage.

The problem is, the price of everything is elastic. When the price goes

up, the demand goes down. Those are the irrefutable laws of the free market. To think that we can simply go in and dictate and change things that way is wrong.

Less than a month ago I was in Cuba. Now, in Cuba, a janitor makes the same as a doctor. Some might say that is a good thing until you realize that they both make about \$20 a month. It is not good when government controls the price and wage and controls the economy.

I am not suggesting that we are anywhere close to that, but supposing that we can inject ourselves and have this week wage controls, a little later this week, price controls in the form of negotiating with companies what drugs are going to cost, is simply the wrong direction to go.

I would urge everyone here to reject the notion that we as Members of Congress should inject ourselves into the free market in that manner.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. SOLIS).

Ms. SOLIS. Mr. Speaker, I rise in strong support of the Fair Minimum Wage Act, H.R. 2. As you know, women and minorities make up a disproportionate number of those earning minimum wage. In fact, they haven't seen a wage increase in 10 years. Too many single head-of-household women struggle to make ends meet, some working two and three jobs every single day to make sure that their children are cared for and the rent is paid for; 61 percent of those are sole bread earners. One-third of those, as you know, are women raising their children. Most don't even have an opportunity to have health care coverage. African American women and Latinas only make up 23 percent of the workforce, but they represent 33 percent of the women only receiving minimum wage.

This fair minimum wage package will allow for 1.4 million working moms to get an increase in pay. Let us not forget those women who are working in the garment industry in the Northern Mariana Islands who only earn \$3.05. These women also work up to 20 hours a day in squalor with no health care and no reform in labor.

I stand up for those working women and men, and urge the support of H.R. 2.

Mr. MCKEON. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri (Mr. AKIN).

Mr. AKIN. Mr. Speaker, there is a cynic that once said that one of the things that we learn from history is that we learn nothing from history. I don't accept that entirely, but it certainly appears to be that way on the floor of the U.S. Congress today.

You don't have to look in the recent past; you go back to 1640 in England. And they had wage and price controls. They thought it was a compassionate thing to set a price on a loaf of bread, a day's labor and a ton of coal. Then

the Black Death came along and killed a whole lot of their workforce, and the price for a day's labor remained the same. England and their economy languished until a guy came along that the Brits don't even like by the name of Oliver Cromwell, and he abolished all of the government wage and price controls, and the economy surged.

The effect of an increase of 40 percent on minimum wage is going to be several things. The first thing it is going to do is: any job between the current minimum wage and the \$7 is going to do one of several things. First, it will be exported overseas. If it is not exported, it will be taken on the black market by, perhaps, some illegal immigrant who is willing to work for less than the minimum wage. Or it will just be passed on to everybody as an increase in cost of living.

Those are the alternatives. It would be very nice if we could, by mandate from this floor, say that everybody is going to make a lot more than that. Why not \$20 an hour? The reason is because what happens is we become less competitive, and we ship the jobs overseas.

We are proposing that if we are going to do this, particularly to all of these jobs in small businesses, that we at least give the small businesses some kind of a break to compensate and to try to provide some health care for some of those people. That is the reason why we are opposing just a straight 40 percent increase, because the effect is going to be, yes, some people are going to get more money, but a lot of jobs, it is just like taking the old chain saw out and chopping off another low rung in the ladder.

There are people who will end up in welfare accordingly. Vote "no" on House Resolution 2.

The SPEAKER pro tempore. For purposes of the managers being guided, Mr. MILLER of California has 35¾ minutes. Mr. MCKEON of California has 17 minutes.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, it is rather interesting that speaker after speaker gets up on the other side of the floor and in spite of the economic evidence of how well those States that have raised their minimum wages are doing compared in terms of job creation and economic growth to those States that kept the minimum wage low; it is rather compelling and overwhelming evidence in terms of higher job growth and higher economic growth, significantly higher even in the retail professions in those States that increased the minimum wage.

It is also rather interesting in light of the fact that the Gallup Poll of small business owners in March of last year said the overwhelming majority of small business owners, 86 percent, say the minimum wage had no impact on them. Nearly half the small business owners, 46 percent, supported the increase in the minimum wage.

It is an interesting dynamic you are talking about, but it is almost 20 years out of date in terms of the economics, what is taking place, as States have continued to raise the minimum wage, and the economic growth that has followed the wage increases that have followed, the growth and retail, which is very difficult in a competitive area, and the job growth that was created in those areas because people had money to put into the economy.

Mr. Speaker, I yield 1 minute to the gentleman from Maine (Mr. MICHAUD).

□ 1315

Mr. MICHAUD. I thank the gentleman for yielding 1 minute.

Mr. Speaker, I come to this floor as a proud union member after working 28 years at a paper mill in Maine. I come here as cochair of the Labor and Working Families Caucus. I come on behalf of the hardworking men and women of the State of Maine, and I am here to say we need to pass this legislation. The salaries of Members of Congress have increased by \$31,600 since 1997, while the minimum wage continues to earn just \$10,700 a year. Today, the average CEO earns more before lunchtime the very first day he goes to work than the minimum wage earner earns all year long. What kind of priorities are these?

We sometimes forget the face of the minimum wage worker. They aren't the corporate giants. They aren't the special interests. They are the hardworking men and women of this country, and they deserve a raise.

There is still more that we can do to help our people in this country work their way out of poverty and achieve prosperity, but increasing the minimum wage is a necessary first step.

Mr. MCKEON. Mr. Speaker, I am happy to yield 2 minutes to the gentleman from Georgia, a member of the committee, Mr. PRICE.

Mr. PRICE of Georgia. Mr. Speaker, I thank my chairman for yielding me the 2 minutes' time.

I stand in support of more jobs and in support of all workers, understanding that there are consequences to what we do here and some of those consequences are unintended. When we increase the minimum wage, unless employers receive some sort of benefit, they hire fewer workers. Fewer workers. It discourages businesses from hiring the least-skilled workers who need the most assistance. Losing access to entry level positions deprives many unskilled workers of the opportunity to learn the skills that they need to advance up the career ladder.

Did you know that businesses actually cut the number of unskilled and disadvantaged workers on their payrolls after an increase in the minimum wage and that raising the minimum wage to \$7.25 an hour would cost at least 8 percent of affected workers their jobs? Minimum wage jobs are entry level positions that teach career skills that make workers more productive and enable them to earn a raise.

Two-thirds of minimum wage earners earn a raise within a year.

And, finally, why are there conflicting reports? How can each side produce numbers in their support? Well, it is because it is difficult if not impossible to count the results. Why? Because regardless of what we do here, regardless of what we make the minimum wage, it is really zero. What we can't count are jobs that are never offered. If we pass this, small businesses don't miraculously get more money to pay workers, so they hold off on hiring, and those jobs that are never offered are never counted.

I urge my colleagues to support a commonsense plan that will increase the minimum wage and increase business resources to provide that wage and save and increase the number of jobs.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Speaker, I thank the distinguished chairman for allowing me to speak.

My colleagues, I cannot believe some of the rhetoric I am hearing from the Republican side of the aisle. The Republican ploy of combining tax cuts for the rich with the minimum wage increase is just simply mean-spirited and wrong. This bill should be passed cleanly and on its own. It has been close to 9 years since the last increase in the minimum wage, the second longest period without a pay raise since the Federal minimum wage law was first enacted in 1938.

While wages have remained stagnant, basic costs of living have skyrocketed. America's current minimum wage is simply not a liveable wage, and families are struggling to make ends meet as their living standards decline. An increase in the minimum wage is desperately needed if we are to lift those who are falling further and further behind. Raising the minimum wage is an issue of fairness, and it is time that we treat all working Americans with the fairness and equality they deserve.

I commend the Democratic leadership for including this in the first 100 hours of the 110th Congress. Some 7.3 million people will benefit from a raise in the minimum wage, and we need to do this forthwith. Please vote for the bill.

Mr. McKEON. Mr. Speaker, I yield myself 30 seconds.

My colleague, the chairman of the committee, earlier read a statement from a Member of the other body. I would like to read a couple of them.

Senate Majority Leader HARRY REID said, "If it takes adding small business tax cuts to get a minimum wage increase, we are going to do it."

Senate Finance Committee Chairman MAX BAUCUS said, "This Congress promised to raise the minimum wage, and we will. We also need to pass meaningful small business incentives along with the minimum wage increase. We can do both, and we will."

I commend them. I applaud them, and I am hopeful that when we leave this body, we will join together in a bipartisan, bicameral way.

Mr. Speaker, I yield 2½ minutes to the gentleman from Idaho (Mr. SALI).

Mr. SALI. Mr. Speaker, a number of my colleagues have pointed out the problems with raising the minimum wage; that it is an unfunded mandate on small business, will likely result in the loss of over 1 million jobs for low wage earners, that it will eliminate entry level jobs and actually hurt the poor more than it helps them.

The negative impacts will result naturally from the rules and principles of the free market. In my college courses, I learned that the rules and principles of free markets are the rules and principles that every business and worker are subject to in every transaction, every negotiation and every new idea. That is, those negative effects of this bill are unavoidable with its passage. In spite of the negative effects, this bill does seem destined to pass.

As a freshman Congressman, the likely passage of this measure has taught me a new principle: The force of Congress can be brought to bear and justified to suspend those natural laws which would otherwise control important matters. The well-intentioned desire of Congress to help the poor apparently will not be restrained by the rules and principles of the free market that otherwise do restrain American businesses and workers. Apparently, Congress can change the rules that would otherwise affect the affairs of mankind.

So, Mr. Speaker, I have asked my staff to draft a measure I call the Obesity Reduction and Health Promotion Act. Since Congress will apparently not be restrained by the laws and principles that naturally exist, I propose that the force of gravity by the force of Congress be reduced by 10 percent. Mr. Speaker, that will result in immediate weight loss for every American. It will immediately help reduce obesity problems in America. Weight loss will also help to promote the overall health of Americans as we have been vigilantly advised by our health care.

Mr. Speaker, I thank this body for the education I have received from the passage of this bill. Since the basis for the use of Congress's power is the same with both measures, I would also ask that everyone who is supporting the measure before us consider becoming an original cosponsor of the Obesity Reduction and Health Promotion Act, and I have a copy.

Mr. Speaker, I close by noting that, with the new principles I have learned, it appears to me that with Congress the sky is the limit.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, it has been 10 years since this Congress last approved an increase in the minimum

wage. In that time, increasing numbers of families have fallen out of the middle class, victims of economic pressures from rising health care and college tuition costs to gas prices, and an economic policy from an administration that has always seemed to push working families aside.

Raising the Federal minimum wage from \$5.15 to \$7.25 an hour is so important so the fundamentals of our economy remain strong. But that barely masks the troubles that families face. Household incomes are down nearly \$1,300 from 2000, employee compensation at its lowest level in 40 years. This economy is not producing rising living standards for most families. Today we can expect to have the first sustained period of economic growth since World War II that fails to offer a comparable increase in wages for workers.

Raising the minimum wage is not about handouts or making political statements but rather raising the earnings floor for workers in this country. Indeed, today a full-time minimum wage worker still earns only \$10,700 a year. My colleagues on the other side of the aisle, we make almost \$163,000 a year, and we are opposed to \$2 in a raise for working families? My friends, walk in the shoes of people who work every single day for a living. This Congress in the last session barely worked 2 days a week here for \$163,000 a year. Take heed. Raising the minimum wage has big consequences.

You know, 4 years after the last minimum wage increase, the American economy experienced its strongest growth in over three decades. Between 1997 and 2003, small business employment grew in States that had a higher minimum wage than those with a Federal minimum wage.

Mr. Speaker, it comes down to priorities. It is long past time here that this Congress recognize that we have an obligation to work to raise the standard of living in America for every single family, not just for the few at the top of the heap. That is what this legislation is about, and I am proud to support it.

Mr. McKEON. Mr. Speaker, I am happy to yield 2 minutes to the gentleman from Tennessee (Mr. WAMP).

Mr. WAMP. Mr. Speaker, I thank the distinguished ranking member.

For 12 years I have come to the floor defending our free enterprise system and standing up for market forces in setting prices, costs, and wages. But I have to tell you, 9 years without a minimum wage increase is a problem, especially since, over those 9 years, corporate leadership has let us down in this country time and time again not honoring the traditions of responsibility to their workers and their stockholders. So, last year, I was one of the leaders asking us to increase the minimum wage but putting a very reasonable death tax exemption of \$5 million on to the legislation, and it passed this House with a strong support and almost passed the Senate, missing by

two votes. That is the best way to raise minimum wage.

The second best way is to add associated health plans, to give benefits for small businesses increasing the minimum wage.

I am going to continue to argue that that is the best way, but let me surprise you and tell you that even if that doesn't pass today on final passage, I am going to vote to raise the minimum wage, because you can't defend not raising it for 9 years if we are going to have a minimum wage. That debate is for another day, whether you should set wages or not. But with a minimum wage, you can't defend not raising it. The President needs to sign and increase the minimum wage.

Let's do it the right way though. But if that fails, we will vote for this and send it to the President, and I will bet he signs it because it is time for workers to have an increase. But we need to recognize the free enterprise system is what everybody values about this country most of all. They are moving towards free markets. Let's not trample on the markets, but let's recognize that 9 years is long enough, and at the end of the day, we will increase the minimum wage and send it to the President.

Now, how is that for bipartisan, Mr. MILLER?

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1½ minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's courtesy.

We listened to our friends on the other side of the aisle cite averages, but those averages include the incomes of people like Bill Gates. They ignore the realities of 100 million lower-income Americans who are struggling to even approach middle income and who have been suffering a decline in recent years. These are people who pay more for food, for housing, for transportation. They are discriminated against by payday loans and subprime lending. Some are too poor to qualify for the child tax credit because of the perverted tax priorities that the Republicans have had in the last 12 years.

The dire results that have been cited by my friends on the other side of the aisle are simply hogwash. I come from one of the 28 States that increased its minimum wage and has indexed it automatically for inflation. Since we have done that, our economy is stronger, and our business leadership will tell you that what we have done is fair; it is good for all of us, not just the poor.

I hope this is a first step that is followed by increased awareness and sensitivity to 100 million lower-income Americans. Helping 13 million today with their first pay raise in 10 years is a good start.

Mr. McKEON. Mr. Speaker, might I inquire as to the amount of time remaining.

The SPEAKER pro tempore. The gentleman from southern California has

10½ minutes; the gentleman from northern California has 28 minutes.

□ 1330

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. Mr. Speaker, I thank the gentleman for yielding.

Everybody gets a pay raise, Mr. Speaker, except those who need it most, those who work for thousands of dollars below the poverty level. Small business has gotten the benefit of tax cuts and incentives for years, but the least-paid workers have gotten zero increase. The middle class is screaming about health care costs. Most of these workers don't have any health care. Don't get sick on the minimum wage. And not only the 10 percent of the workforce on the minimum wage will benefit. Other low-wage workers will also get a bump-up as a result.

This should be a matter of conscience. How could we look past these workers for almost 10 years? They serve us at the worst jobs with the lowest pay.

Let me remind us welfare is term limited. These mothers go straight on to minimum wage jobs. Do the family values people really want single mothers to continue to work two jobs just to get food on the table? Believe me, these mothers won't hit the jackpot with this small increase.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1½ minutes to the gentleman from California (Mr. BECERRA).

Mr. BECERRA. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, it is a new day, a new Congress, and a new direction for America.

The previous Congress could have increased the minimum wage, but it didn't. The Congress before that could have, but it didn't.

Every day, over 6 million Americans choose work at \$5.15 an hour over welfare. For 10 years, the old Congress chose to do nothing to reward the labor and dedication of those Americans who do some of the hardest work for the lowest pay.

\$5.15 an hour, that is less than \$900 each month. How much do you pay every month just on your mortgage or your rent, your car payment?

Today, compared to 1997, we pay 25 percent more for a loaf of bread, 77 percent more for college, 97 percent more for health insurance, and 130 percent more for a gallon of gas. But, for those 10 years, the minimum wage has not changed.

Mr. Speaker, every American worker who works hard full time all year should escape the grasp of poverty. The time for excuses expired 10 years ago. It is time to increase the minimum wage for hardworking Americans. This new Congress will deliver for America's workers.

Mr. McKEON. Mr. Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1½ minutes to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Speaker, I thank the chairman. He has put together legislation that should be commended. It is the right thing, the fair thing to do to vote for this legislation today. The Congress will finally take care of our working class brothers and sisters.

I must say, though, that the gentlewoman from Tennessee and the gentleman from Idaho had better get their economics straight. In their logic, we should reduce the minimum wage so we will produce more jobs. If that makes any sense, you are really off the reservation.

My friends, this is an opportunity for us to put aside politics and get to the heart of the issue. At \$5.15 an hour, a full-time minimum wage worker brings home \$10,712. How could anyone live on that sum in this day and age? We all know that, since 2000, the costs of health insurance and gasoline and home heating and attending college have skyrocketed to the tune of almost \$5,000 annually. Clearly an untenable situation for American workers. And just this week Northeastern University put out this report, an increase of productivity for the American worker of 17 percent and an increase in wages of 1 percent.

The little guy is going to get help from this Congress, and you had better get that straight, to all of the folks on both sides of the aisle. The little guy is not going to be forgotten any longer.

This is an important piece of legislation. Raising the minimum wage today will provide an additional \$4,400 a year for a family of three, equaling 15 months of groceries. That is good enough for me.

Mr. McKEON. Mr. Speaker, I yield myself such time as I may consume.

The gentleman said that this Congress will remember the little guy. The small businessmen that we are trying to help, for the most part, are little guys.

I remember when I first started in business. It was a small family business. We had two stores. My dad ran one, and I ran one. I couldn't afford any employees. I had to wait until a friend came in and I could ask him to watch the store for a minute so I could use the restroom or maybe grab a sandwich, or I would just eat standing behind the counter if I didn't have any customers in. So I understand the problems that we are facing.

And if we could all focus back on the debate today, the substitute bill that the Republicans wanted to put into play that Mr. McCRERY and introduced yesterday does exactly the same thing as the Democratic bill on increasing the minimum wage. But it also goes further, to help small businesses to provide health care to the workers, which I think is very important. And

we are missing a wonderful opportunity to join together in a bipartisan way to work to help more people.

Mr. Speaker, I am happy now to yield 3 minutes to the gentleman from New Mexico (Mr. PEARCE).

Mr. PEARCE. Mr. Speaker, I thank the gentleman and thank the colleagues across the aisle for this important debate.

I think one of the things that should be brought to our attention is that the debate is not subject to amendment. We are not able to really consider and take action based on our considerations.

We received a communication from Rebecca Dow, who is the founder and executive director of Apple Tree Educational Center, a nonprofit institution serving low-income/at-risk children in Truth or Consequences, New Mexico. She stated that if a Federal or State minimum wage passes, the reimbursement for child care assistance is going to be so low that providers cannot continue providing service for low-income families. For programs like Apple Tree, it will mean closing. There are going to be unintended consequences.

As a small business owner myself, I will tell you that we are not talking about the middle class working for minimum wage. I will tell you that we are not talking about people who are right in the midstream of the employment force. I will tell you that we are talking about giving jobs to people who are not and have not in the past been hireable.

We brought one man in who was 40 years old, tattoos from one end to the other. He told me after working 6 months he had never had a job, a full-time job, in his whole life. Because we could bring him in at a lower level, we did not have to have productivity, he was allowed to learn on-the-job training. That gentleman is still employed at the company which my wife and I sold after we came here because we were able to give him an entry level wage at an entry level job without much demand for performance.

In the last session, the last Congress, I voted to increase the minimum wage when the protections were there for small businesses. It is the small business people who get caught in the middle.

We heard from our colleagues on the other side that many small businesses support minimum wage. If that is so, they have got the instrument to do something about it. They simply increase wages. But it is those small businesses, family owned businesses, where the decisions are made, on the living room sofa and the dining room table. Those are the people that you are going to put up against very hard economic circumstances, people like Rebecca Dow, who is going to have to close her institution that provides child care assistance for low-income families in an area that has no other provider for this sort of service. I think these are the things that we should be

talking about and should be making allowances for, rather than rushing this bill to the floor in the manner that it is today.

I appreciate your concern for the working families and for the businesses of the country. There are changes that we need to make.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1½ minutes to the gentleman from Massachusetts (Mr. LYNCH).

Mr. LYNCH. Mr. Speaker, I rise in support of raising the minimum wage for America's neediest workers, and I am proud that our Speaker, Speaker PELOSI, and Chairman MILLER have chosen this in the first 100 hours to help America's workers who have not been helped for a long, long time. It has been 10 long years, and America's workers need a raise.

I think this debate really does crystallize the differences between our side of the aisle and our Republican colleagues.

I have heard some arguments here this morning that government should not intervene in the market. But I want to remind my Republican colleagues that these workers are completely powerless to improve their situation.

The age of globalization has made these workers less powerful than they were 10 years ago. According to the Economic Policy Institute, of the nearly 7 million workers directly affected by the minimum wage, 80 percent are adults, 54 percent work full time, and 59 percent are women. The reality is that working families are struggling every day to try to make ends meet.

Look at it this way: In 1997, these workers made \$206 a week for working 40 hours. In 2007, they are making the same \$206. The problem is that while in 1997 it may have got that worker close to the poverty line at the end of the year, now they are \$5,000 below the poverty line because the cost of living has gone up 26 percent.

That is why I encourage my colleagues to join us in supporting the Fair Minimum Wage Act.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1¼ minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, the last time the real value of the minimum wage was this low, Elvis was singing "Heartbreak Hotel." But these days it is poor working folks, who have the heartbreak when the minimum wage is not even close to being a living wage.

We need to take the minimum for wages and raise it, because there is no maximum for prescription drugs, for tuition, for a visit to the doctor, for filling up a tank of gas. Meanwhile, if the gap between the rich and the poor in this country continues to widen the way it has under the Bush Administration, we will soon have the economic features of a third world country. A CEO earns in two hours what hard-working people earn on the minimum wage in an entire year.

As Dr. Martin Luther King, Jr., told workers in 1968, "It is a crime to live in this rich Nation and receive starvation wages." And it is a great wrong to deny the nearly one in five workers in Texas who will get a raise as a result of this bill.

A rising tide does not raise all boats if some of them are anchored to the floor by Republican ideology. The kind of objections we have heard today is why it has taken so long to do so little.

After ten years of doing nothing for the hardest workers, let's approve at least this modest increase.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1¼ minutes to the gentleman from California (Mr. HONDA).

Mr. HONDA. Mr. Speaker, I rise today in support of H.R. 2, the Fair Minimum Wage Act of 2007.

I first want to commend Speaker PELOSI, the Democratic leadership, and Mr. GEORGE MILLER for their leadership in making this issue a priority in the first 100 hours of legislation.

As Chair of the Congressional Asian Pacific American Caucus, I stand here with my friends from the Tri-Caucus in support of increasing the minimum wage to \$7.25 and urge Congress to support a clean vote to this bill.

It has been 10 years since the last increase in the minimum wage; and, adjusted for inflation, the minimum wage is now at its lowest level since 1955.

Over the past 5 years, the number of Asian and Pacific Islander Americans living in poverty has grown by 243,000. In 2005, more than 1.5 million Asian Pacific Islander Americans, nearly 9 percent of all APIA families in the U.S., were living below the poverty line. Certain ethnic communities, such as Hmong Americans and Cambodian Americans, experience poverty at up to three times that rate. The median household income for APIA families is down \$2,157 since 2000.

Now is the time for us to take a step in a new direction and help to improve the quality of life for the estimated 14.9 million workers in this country.

Mr. MCKEON. Mr. Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank Chairman MILLER for yielding, and I want to thank him for bringing this piece of legislation before us.

Mr. Speaker, it is unacceptable that we have waited 10 years to address this problem. Unacceptable. We have waited far too long. Millions of our American citizens, our brothers and sisters, mothers and fathers, are working long hours to receive a minimum wage and are still living in poverty. In 2007, we should be ashamed of ourselves. We can do better. We can do much better as a Nation and as a people.

□ 1345

American workers are suffering. They are struggling to fill their cars

with gas, to put good food on the table. They are working hard, and they are still living in poverty. That is not right. It is not fair, and it is not just. All American workers deserve good pay for hard work. This is a matter of fairness. This is a matter of human decency. This is a matter of human dignity.

Nearly 20 States have increased their minimum wage above the Federal level. It is time for us in Congress to do the same.

In my district, the basic cost of living for a family of three is \$27,000. Even with the increase we are considering today, it is still \$12,000 short.

This is just the first step today, and we must do more for working families in the fight against poverty. President Roosevelt said it best when he said that the test of our progress is not whether we add more to the abundance of those who have much, it is whether we provide enough for those who have too little.

Today, Mr. Speaker, we must pass the minimum wage. It is time that Congress's actions reflect the will of the American people.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1½ minutes to the gentleman from Illinois (Mr. RUSH).

Mr. RUSH. Mr. Speaker, I want to thank the chairman of the committee, Mr. MILLER, for his outstanding work on our behalf.

Mr. Speaker, today is the day that the Lord has made. Let us rejoice and be glad about it.

Today we are here to honor our promise to the American people. They have asked us and we have promised to increase the minimum wage, and we are here to deliver on that promise. I wholeheartedly rise in support of H.R. 2, to increase the minimum wage from \$5.15 to \$7.25 an hour. The American people deserve better.

Mr. Speaker, raising the national minimum wage is a first step in reducing the poverty rate in America. America's families have seen their real income drop by almost \$1,300 since the year 2000 while the cost of health insurance, gasoline, home heating and attending college have increased by almost \$5,000 a year.

As you know, the minimum wage has not been raised since 1997, and that is inexcusable and unconscionable. Mr. Speaker, the Bible tells us that our servant is worthy of his hire. Well, the American people are certainly worth more than the current \$5.15 minimum wage that they are receiving.

Again, I rise in support of this outstanding legislation, and I thank the committee and thank this chairman for being a stellar, outstanding leader in bringing more income to the American household.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1½ minutes to the gentleman from California (Ms. WATERS).

Ms. WATERS. Mr. Speaker, I thank the gentleman from California, Chair-

man MILLER, and I rise in support of H.R. 2, the Fair Minimum Wage Act of 2007.

I am pleased that the Democratic leadership has taken a straightforward, no-holds-barred approach to expediting consideration of this legislation. And frankly, I am ashamed that it has taken so long to increase the minimum wage by so little.

What we do here today is a clear indication of the philosophical difference between Democrats and Republicans. My party, the Democratic Party, has tried to raise the minimum wage for nearly 10 years because we believe in live and let live. We believe that families should be fairly paid for their labor. We believe that wage earners, the true backbone of this Nation, should be able to put food on the table, roofs over their families' heads, clothes on their families' back and to have basic health care.

Mr. Speaker, \$5.15 is totally unacceptable. No family can live on \$5.15 an hour. Many wage earners are working two and three jobs, both husbands and wives and even their children, trying to make ends meet. Americans deserve better, and Americans expect their representatives to assist them in their quest for a decent quality of life.

Today the story will be written about the difference between those who stood up for the least of these and the those who came to this floor and continued to bring unconscionable arguments to deny low-income wage earners a mere \$2.10 increase over their income in a 2-year period.

Many States could not wait for Congress to act, and they have undertaken to increase their wages. In my own State of California, the minimum wage effective January 1 of this year has increased to \$7.25.

Mr. Speaker, 6.6 million people will benefit from raising the minimum wage. The economic gap between the rich and poor is growing. Too many people are living at or below the poverty line. When we pass this bill, we will all feel better about ourselves.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. DAVIS).

(Mr. DAVIS of Illinois asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Speaker, I rise in strong support of increasing the minimum wage. I want to thank Speaker PELOSI and the Democratic Caucus for deciding that this would be a priority for this Congress.

I come from the State of Illinois where, 2 weeks ago, the Governor signed into law a new bill raising the minimum wage to \$7.50 an hour, moving toward a livable wage. So I am so pleased that we are on track to follow the great State of Illinois, and I look forward to the day when we will be talking about a livable wage for every American who works so he and she can earn enough money to take care of the basic needs of their family.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1½ minutes to the gentleman from Maryland (Mr. CUMMINGS).

Mr. CUMMINGS. Mr. Speaker, I rise today in support of the Fair Minimum Wage Act of 2007 because Americans desperately need a raise.

Currently, millions of Americans go to work every day but still cannot afford to make ends meet. Sadly, children are at the losing end of this equation. Seven million families cannot afford to adequately provide for their children because they are working for poverty wages. With this bill, we can begin to turn that trend around.

Working families are the true beneficiaries of this legislation. Nearly 80 percent of affected workers are adults, and 46 percent of affected families rely solely on the earnings of minimum wage workers.

Mr. Speaker, nearly 15 million Americans will likely benefit from this bill, millions of them children whose parents are losing quite a bit of money as we speak.

I want to thank Speaker PELOSI, Representative MILLER, and my friend, STENY HOYER, for their tireless work on this issue.

Mr. MCKEON. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I thank the gentleman from California, and I want to say this legislation gets an "A" in politics and a "D-minus" in economics; an "A" is politics most people aren't going to notice that the very people who are pushing it are the ones who voted against the Bush tax cuts for the low-income bracket, reducing it from 15 percent to 10 percent.

It is going to be good politics because most people will overlook the fact that the majority of the Democrat Party are going to vote against affordable health care for the working poor.

It is good politics because most people won't notice that the Democrats didn't have a committee meeting which would have given them an opportunity to parade out all of these workers who they have been saying over and over again depend on Congress for their salary and wages because apparently they cannot earn more on their own, only Congress themselves can increase this.

It is going to be good politics for them because most people won't realize that, since 1997, in the last 9 years, that 29 States have increased the minimum wage, and that is a fact that keeps getting overlooked.

And it is going to be good politics because most folks know that union wages are going to be linked into this, and it is going to increase the wage salary for the union workers who support them so dearly.

But it is going to be bad economically. As I said, an "A" in politics and a "D" in economics because the reality is that most minimum-wage earners are part-time, and most are well above

the poverty level. Most are teenage workers: 52 percent under 25; 40 percent have never had a job before. It is an entry level job.

If the Democrat Party truly wanted to take on poverty, they would have to say, what is the relationship between marriage and the poverty level, and between hours worked and the poverty level. Because the truth of the matter is if people in poverty, if many of them would marry and many of them would work 40 hours a week, they would be out of poverty. It is not anything I claim to have the franchise on, the knowledge of, all of the information on, but it is an economic fact. I hope that we can have committee hearings on that and discuss that, because if we want to attack poverty, that is where we need to go.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Florida (Ms. CORRINE BROWN).

Ms. CORRINE BROWN of Florida. Mr. Speaker, I have waited a long time for this day. This is a great day. It is a day that the American people have been waiting for a very long time.

Helping the poor is a theme that is stressed throughout the Bible, but it is our responsibility as Members of Congress to help raise the standard.

I am so pleased today that we are going to have an opportunity to have a clean vote on raising the minimum wage for the first time in 10 years.

You know, the sad thing is that a CEO before 12:00 earns more money than a person on minimum wage will earn all year long. In talking to some of the CEOs about it, they mention, maybe we are trying to help students or part-time workers. The truth of the fact is, we are raising the minimum wage. We are providing an additional \$4,400 per year for a struggling family to make ends meet and keep up with the rising cost of living.

This bill is not about students and part-time workers. No, it is about the nearly 13 million full-time workers, many with families to care for, who earn the minimum wage. In my State of Florida, the increase would directly benefit over 200,000 workers and have a positive effect on over a half million people.

Today is a great day for America and for the American worker. I urge my colleagues to vote "yes" on this bill. I hope the Senate passes this version as soon as possible so that we can provide immediate relief to our Nation's workers.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. AL GREEN) who has been a long-time advocate of the increase in the minimum wage, both in this Congress and before he came to this Congress.

Mr. AL GREEN of Texas. Mr. Speaker, it has been said, but it bears repeating, that a person working full time, full time at \$5.15 an hour, will make \$10,700 per year. If that person happens

to have a child, that person is living below the poverty line of \$13,461.

No one in this, the richest country in the world, should work full time and live below the poverty line. In this country, we want people to work their way out of poverty. What better way to have them do this than have a minimum wage that gives people a job and money that takes them above the poverty line.

□ 1400

Mr. Speaker, it is sinful for us to continue this debate without adding that in this country one out of every 110 persons is a millionaire. People don't want welfare. People want self-care. We want to give people the means by which they can say farewell to welfare. Raising the minimum wage will do this.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to begin by thanking the staff of the Education and Labor Committee, Jody Calemine and Michele Varnhagen, for all of their work on this legislation. They have diligently worked for years to get this day to come before the House of Representatives, and I know they have the appreciation of all of the members of our committee.

I also want to thank our newer staff members, Megan O'Reilly, Brian Kennedy and Michael Gaffin, for their good work today and all of their efforts on behalf of this legislation, preparing it for the floor.

I also want to thank my colleagues on this side of the aisle who argued on behalf of this bill to increase the minimum wage, and I want to thank my colleagues on the other side of the aisle who said that they were going to support this measure. They may not fully agree with it, but they said they would support it.

And I want to thank the cosponsors of this legislation, including I believe seven Republicans who were original cosponsors of this legislation and over 193 Democrats on this side of the aisle.

I was especially taken with the remarks of my colleagues on this side of the aisle who understand that this debate is about more than dollars and cents per hour. This is about the values of this Nation. It is about the value we place on work. It is about the statement that we make to people who go to work every day and work terribly hard in very difficult jobs that most people in this country would prefer not to have. But they go to work every day to do that, to provide for themselves, to provide for their children or to provide for their families.

When you talk to minimum wage workers, whether they are providing for themselves or themselves and a child or a child and a spouse, it is tough. It is tough. As the gentleman said on the front page of The Washington Post today, "When I get all done, I have nothing left for me," be-

cause he is also taking care of his parents as he is earning the minimum wage.

So this is a big day. This is a big day because this is the first time in 10 years that the Congress signals that in fact we are going to raise the minimum wage.

It is what our leader, Speaker PELOSI, said she wanted to do in this first 100 hours. In this first 100 hours she wanted to address urgent parts of the national agenda that are of deep concern to the American people. And to over 80 percent of the American people in this country, they understand that the increase in the Federal minimum wage is a matter of morality, it is a matter of their values, it is a matter of the reflection of our Nation. They understand that these people, minimum wage workers in this country, have been working at a wage that is 10 years old. Ten years old. And they understand the unfairness of that, and they understand the difficulty of that.

That is why we brought this bill as a clean bill, because we wanted to highlight and to speak to the Nation about this group of workers who are toiling in spite of the fact that in 28 States they have raised the minimum wage at or above the levels we are talking about. In spite of that fact there are still some 13 million people who are directly impacted by the actions we take here today and the actions we take later on to send this bill to the President of the United States.

There are 13 million people whose economic viability is dependent upon this bill to increase the minimum wage. That is why we have to do this, and that is why I am so terribly proud of the Members who stood up today and argued for this increase in the minimum wage.

Mr. Speaker, I will reserve 5 minutes of my time, yield 1 minute to the gentleman from California (Mr. MCKEON) so he may have a similar amount of time, and yield back the balance of my time over the 5 minutes.

The SPEAKER pro tempore. Pursuant to section 508 of House Resolution 6, further proceedings on the bill will be postponed.

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#### RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 2 o'clock and 5 minutes p.m.), the House stood in recess subject to the call of the Chair.

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□ 1551

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. HASTINGS of Florida) at 3 o'clock and 51 minutes p.m.