

Capitol Alert

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Senate passes minimum wage boost for California SB 3 would raise wage to \$11 an hour on Jan. 1

Wage tied to inflation in 2019 Sen. Connie Leyva: 'All work has value'



Organized labor has been leading a push to raise the minimum wage in Los Angeles and other cities across California and the country. | Genaro Molina Los Angeles Times

As labor unions lead a nationwide push for a higher minimum wage, the California Senate on Monday approved raising the state's required hourly rate to \$11 in 2016 and \$13 in 2017.

Under Senate Bill 3, which passed by a vote of 23-15, California's minimum wage would also begin increasing annually in 2019 based on inflation. The measure heads next to the Assembly.

"The president of the United States has defined income inequality as the defining challenge of our time," said Sen. Mark Leno, D-San Francisco, who authored the measure. "Wages are growing at the slowest rate relative to corporate profits in the history of the United States of America.

"We must do more to address this, and we can."

Leno pursued a similar minimum wage increase last year that passed the Senate but failed in an Assembly committee.

Since then, several major cities have raised their wage floor, including San Francisco and Los Angeles, which will both reach \$15 per hour in the next few years. After joining striking fast-food workers in protest, Sacramento Mayor Kevin Johnson said last November he would also explore raising the city's minimum wage above California's \$9-per-hour rate.

Introducing SB 3, Leno noted that a minimum wage of \$13 per hour would equate to about \$26,000 per year, just above the federal poverty line. He tried to appeal to Senate Republicans, making the argument that higher wages would lead to greater consumer spending and drive the economy.

"There are thought leaders on the conservative right who support increasing the minimum wage," Leno said. "We taxpayers subsidize employers who pay sub-poverty wages," because those workers get public assistance for housing, food and health care.

None were convinced, and they were joined by Sen. Richard Roth, D-Riverside, in voting no on the bill.

"It's a capitalistic society," said Sen. John Moorlach, R-Costa Mesa. "We need to honor the work of those that are creating the jobs, that are paying the taxes ... With a minimum wage increase, you are attacking businesspeople who are subsidizing this state and this nation."

The California Chamber of Commerce placed SB 3 high on its annual list of “job killers,” bills that the powerful business lobby argues would have a negative economic impact on the state, and their argument was echoed during Monday’s debate.

“Let’s work together to find real solutions to create jobs and lift people out of poverty,” said Sen. Jeff Stone, R-Temecula, “not kill jobs, as this measure would unfortunately do.”

Two other moderate Democrats – Sens. Steve Glazer of Orinda and Cathleen Galgiani of Stockton – left the room during the vote. But the remainder of the caucus carried the bill, speaking passionately about the difficulty that many workers face in supporting their families on low wages.

“There is not honor in going out and working hard and then you got to go beg for” help, said Sen. Bob Hertzberg, D-Los Angeles. “When you get out there and get a job, you should have enough money to feed your family. You should have enough money to pay for the roof over your head and decent conditions.”

“The problem is, we want to pick and choose the work that we value,” added Sen. Connie Leyva, D-Chino, the measure’s co-author. “All work has value.”

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Raising the minimum wage

Current law:

The federal minimum wage is \$7.25 an hour. In California, the wage is \$9 an hour, scheduled to go up to \$10 an hour on Jan. 1.

About the bill:

Boosts minimum wage to \$11 per hour on Jan. 1 and \$13 an hour on July 1, 2017. Beginning in 2019, it requires the minimum wage to be increased annually based on inflation.

Other cities:

San Francisco will raise its minimum hourly wage to \$15 by 2018. Los Angeles also will boost its base pay to \$15 an hour by 2020; and Chicago and Seattle have taken similar steps. Sacramento, New York City, Washington, D.C., and others also are considering wage proposals.