



February 6, 2019

Congressman Bobby Scott
Chairman, Committee on Education and Labor
U.S. House of Representatives
Washington, D.C. 20515

Congresswoman Virginia Foxx
Ranking Member, Committee on Education and
Labor
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Scott and Ranking Member Foxx,

On behalf of the more than 170,000 bipartisan members and supporters of the American Association of University Women (AAUW), I would like to thank you for the opportunity to submit this letter in advance of the Committee's hearing on "*Gradually Raising the Minimum Wage to \$15: Good for Workers, Good for Businesses, and Good for the Economy.*" I respectfully ask that this letter be included in the hearing record.

The Raise the Wage Act (H.R. 582/S. 150) is critical legislation, which would gradually increase the federal minimum wage from \$7.25 to \$15 per hour by 2024, and then require that the minimum wage increase based on changes in the median wage. It would also eliminate the tipped minimum wage and prohibit the use of subminimum wages for employees with disabilities.

Today, millions of women live in poverty because our federal minimum wage is inadequate for ensuring the economic well-being of workers and their families. The federal minimum wage is currently only \$7.25 per hour and just \$2.13 per hour for tipped workers. Women comprise a majority of the low-wage workforce, and African American women and Latinas are significantly overrepresented in the low-wage workforce.¹ Nearly two-thirds of minimum wage workers in the United States are women, as well as two-thirds of workers in tipped jobs.² Some workers with disabilities are paid a subminimum wage through certificates issued by the Department of Labor. This is not even close to a living wage, which is necessary to lift workers out of poverty. A woman with two children working full-time at minimum wage earns a yearly salary of \$14,500, \$5,000 below the poverty line.³

Congress must take action to increase the minimum wage by passing the Raise Wage Act of 2019 (H.R. 582/S. 150). If enacted, this legislation would raise the federal minimum wage to \$8.55 this year and increase it over the next five years until it reaches \$15 an hour in 2024, phase out the outdated subminimum wage for tipped workers, and also sunset the ability of employers to pay workers with disabilities a subminimum wage.

Women's overrepresentation in low-wage jobs is a significant factor contributing to the gender pay gap. Currently, women working full-time, year-round are typically being paid only 80 cents for every dollar paid to men.⁴ The pay gaps have grown even wider for women of color. African American women and Latinas make, respectively, 61 and 53 cents on the dollar as compared to non-Hispanic, white men.⁵ Women make up nearly 58 percent of the workers who would benefit from a \$15 minimum wage, making this bill instrumental for helping to close the gender wage gap.⁶ According to estimates that came out

just this week from the Economic Policy Institute, increasing the federal minimum wage to \$15 by 2024 would give more than 31 percent of all working women a raise, including 41 percent of African American working women, 38 percent of working Latinas, 29 percent of white working women, and 23 percent of Asian working women.⁷

Raising the minimum wage is one action that Congress should take to ensure the economic security of families across the country. I thank the Committee for taking up this issue and urge you to swiftly pass the Raise the Wage Act (H.R. 582/S. 150). Cosponsorship and votes associated with this bill may be scored in the AAUW Action Fund *Congressional Voting Record for the 116th Congress*. Please do not hesitate to contact me at 202/785-7720 or Anne Hedgepeth, Director of Federal Policy, at 202/785-7724, if you have any questions.

Sincerely,



Deborah J. Vagins
Senior Vice President, Public Policy and Research

cc: Members of the House Education and Labor Committee

¹ Jasmine Tucker and Kayla Patrick, “Women in Low-Wage Jobs May Not Be Who You Expect,” (NWLC, August 2017), <https://nwlc-ciw49tixgw5lbab.stackpathdns.com/wp-content/uploads/2017/08/Women-in-Low-Wage-Jobs-May-Not-Be-Who-You-Expect.pdf>.

² Julie Vogtman, “The Raise the Wage Act: Boosting Women’s Paychecks and Advancing Equal Pay,” May 2017, <https://nwlc-ciw49tixgw5lbab.stackpathdns.com/wp-content/uploads/2017/05/Raise-the-Wage-Act-Boosting-Womens-Pay-Checks.pdf>.

³ *Id.* See also U.S. Census Bureau, “Poverty Thresholds: Poverty Thresholds by Size of Family and Number of Children,” (September 2018), <https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html>.

⁴ Kevin Miller and Deborah J. Vagins, “The Simple Truth about the Gender Pay Gap” at 5 (AAUW, Fall 2018), <https://www.aauw.org/research/the-simple-truth-about-the-gender-pay-gap/>,

⁵ *Id.* at 9.

⁶ David Cooper, “Raising the federal minimum wage to \$15 by 2024 would lift pay for nearly 40 million workers” (Economic Policy Institute, February 2019), <https://www.epi.org/files/pdf/160909.pdf>, Figure G.

⁷ *Id.* at Appendix Tables 7-10.