

REVISED

STATEMENT OF PURPOSE

RS29279 / H0497

This legislation will:

- Raise the hourly minimum wage to \$15 per hour in a two-step process. The minimum wage will increase \$2.75 to \$10 per hour, effective July 1, 2022. Then after two years, increase by \$5 to \$15 per hour. Thus moving from \$7.25 to \$15 in 2 years;
- Eliminate \$3.35 per hour tipped wages as all hourly workers will earn the standard minimum wage;
- Eliminate the \$4.25 per hour training wages for all workers under 20 years of age for the first 90 days of employment. All hourly workers will earn the standard minimum wage;
- Permit cities and counties across the state to set minimum wages higher than state minimum wages;
- Annually adjust Idaho's minimum wage in accordance with the changes of the Consumer Price Index; and
- If the federal minimum wage ever exceeds the IDAHO minimum wage, all employees will receive the federal minimum wage even if they are otherwise exempt from federal minimum wage law.

FISCAL NOTE

The first step in increasing the minimum wage to \$10 per hour affects 77,754 jobs with an estimated \$204 million in additional payroll. During the second year, the same 77,754 jobs will remain at \$10 thus the increase in payroll is constant over two years. By the end of the second year, employers would have paid \$408 million in payroll at the new rate. On the third year, a minimum wage increase to \$15 per hour will affect roughly 268,000 jobs. These jobs will increase payrolls by \$1.6 billion a year; see supporting documentation.

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).