



A higher minimum wage would help Alabama families get ahead and strengthen our state's economy

Too many hard-working Alabamians aren't paid enough to get ahead. Alabama ranks in the bottom third of states for average hourly wages. Around 77,000 Alabamians earn wages at or below the \$7.25 per hour minimum established by the federal government in 2009, and another 394,000 earn less than \$10 an hour. In the absence of a state minimum wage, Birmingham in 2015 set its own minimum wage of \$10.10 per hour, for implementation by mid-2017. However, the Alabama Legislature overruled, or pre-empted, that measure in 2016 with a state law that prohibits local governments from mandating a minimum wage and other employment practices.

The “pre-emption law” underscores the need for Alabama to create a state minimum wage. Forty-five other states have their own minimum wage law, and 29 of them have state minimum wages that exceed the federal level. HB 26, sponsored by Rep. Juandalynn Givan, D-Birmingham, proposes to:

- Establish an Alabama minimum wage at \$10 per hour.
- Adjust the minimum wage every three years to reflect increases in the Consumer Price Index.
- Require that wages for tipped employees be at least 30 percent of the federal or state minimum wage, whichever is greater.
- Require that employers ensure tipped employees' combined wages and tips equal the minimum wage.

The benefits would be widespread. The Alabama Minimum Wage Act would:

- Raise incomes for the 471,000 Alabamians who now earn less than \$10 an hour, and likely prompt raises for many others who earn slightly above that amount.
- Reduce income inequality by lifting thousands of Alabama families out of poverty.
- Increase consumer spending, boosting state and local economies and tax revenues.
- Make sure wage protections keep pace with inflation.

BOTTOM LINE: By setting a state minimum wage of \$10 per hour, Alabama would help hundreds of thousands of families make ends meet, boost consumer spending and strengthen our state's economy.