



Representative Hearcel F. Craig
26th House District

**Economic Development, Commerce and Labor Committee House Bill 86
Sponsor Testimony
Representatives Hearcel F. Craig and Rep. Kent Smith
Increase State Minimum Wage
December 4, 2018**

Chairman Young, Vice Chairman Riedel, Ranking Member Lepore-Hagan and members of the Commerce and Labor Committee, thank you for the opportunity to give sponsor testimony on House Bill 86. I would also like to thank Rep. Smith for allowing me to join him in sponsoring this important piece of legislation.

Currently, the state minimum wage is \$8.30 per hour and will increase to \$8.55 per hour beginning January 1, 2019. The basic state minimum wage is currently set pursuant to the Minimum Age Amendment of the Ohio Constitution (MWA). House Bill 86 sets a higher minimum wage rate while retaining the annual recalculation requirement.

House Bill 86 would increase the state minimum wage to \$10.10 per hour beginning January 1, 2019. It also increases the minimum wage for workers who are under 16 years of age or who are employed by a business with gross annual receipts of \$305,000. HB 86 would also allow tipped employees to be paid less than, but not less than half, the basic state minimum wage rate as long as the employer provides proof wages and tips paid employees meet or exceed minimum wage. Under our proposal, the minimum wage for tipped employees increases to \$5.05 an hour.

As of July 1, 2018, half of all states and Washington, D.C. have a higher minimum wage than Ohio. We do not want to fall behind on ensuring that our minimum wage workers are earning comparable wages to the rest of the country. Of the 24 states with higher minimum wages, 14 are above \$10 an hour.

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Raising the minimum wage not only benefits hourly workers, it benefits Ohio businesses by injecting millions of dollars back into our local economies. A \$10.10 minimum wage would go a long way to reducing poverty and income inequality as well as increasing economic security for Ohio families.

More than 1.5 million Ohioans live in poverty, and of those, 14 percent have incomes below the poverty line of \$24,860 for a family of four. About 20 percent of the children and 15 percent of working-age women and 12 percent of working-age men live below the poverty line.

Franklin County, which I represent, has a relatively low unemployment rate and the local economy is thriving. Yet, despite the growth and economic vitality, our poverty rate stands at 16 percent. One in four Franklin County children live in poverty. Their parents struggle to put food on the table, even though many are employed and working full time.

These statistics, these disparities right here in our own backyard, are tragic—and preventable. By raising the minimum wage, we aren't just giving folks a few extra bucks each paycheck, we're recognizing the dignity of their work, whether they're a line cook on the east side or janitor in a downtown high rise. By adopting HB 86, we have the opportunity to begin to reverse some of the historic disparities we're seeing, not only here in Franklin County, but in communities across Ohio. It is time to raise the minimum wage.

Thank you for allowing me to testify on this critical bill. I will now take any questions the committee or the chair may have regarding my proposal.