

Commerce and Labor Committee House Bill 69 Sponsor Testimony Representatives Dontavius Jarrells & Brigid Kelly Legislation to Increase the State Minimum Wage

November 29th, 2022

Chairman Stein, Vice-Chair Johnson, Ranking Member Lepore-Hagan, and members of the Commerce and Labor Committee. Thank you for the opportunity to provide sponsor testimony on House Bill 69, legislation that would increase the minimum wage in the State of Ohio.

There is no denying that the COVID-19 pandemic has exacerbated many issues facing the people of Ohio. From the health and safety of our loved ones to the increasingly urgent mental health crisis, this public health emergency has upended life for many Ohioans in countless different ways. Undoubtedly, the most painful of these problems is the economic turmoil many families across Ohio are facing.

In June 2022, the inflation rate in the United States reached a staggering 9.1%, exceeding a 40-year high that has devastated the financial situation of working families across the nation. Multiple unavoidable crises have caused this tragic predicament, such as supply chain issues and an unwavering war in Ukraine; however, avoidable in this situation is our inaction as leaders in Ohio, and I believe raising the state minimum wage is necessary to help those who are struggling.

Though the COVID-19 pandemic and the subsequent inflationary crisis paining our nation have brought economic issues to the forefront, these problems existed long before this virus's existence. As a kid, I watched

my mom juggle multiple jobs, countlessly struggling to make ends meet; these challenging circumstances are too often an everyday reality for so many Ohio families. Because of my experience growing up, raising the minimum wage is a personal journey for me. Everyone deserves a wage that dignifies their contribution to our communities and covers basic living expenses.

H.B. 69 raises the basic state minimum wage rate to \$10.00 per hour. In the original bill, this increase would have begun on January 1st, 2022, but an amendment could easily address this timing issue to give the bill impact. In addition to the initial increase, the bill also increases the basic state hourly minimum wage by \$1.00 each year for the five years following the first increase.

As for tipped employees, H.B. 69 initially increases the state minimum wage to \$5.00. Further, the bill increases the state hourly minimum wage for tipped employees by \$.50 each year for the five years following the initial increase.

Finally, H.B. 69 requires, beginning January 1st, 2028, the minimum wage rates to be adjusted annually based on the Consumer Price Index, in accordance with Ohio's constitutional minimum wage requirements.

Proof of how effective this bill would be is in the numbers. A 2019 Policy Matters Ohio report found that increasing Ohio's minimum wage to \$15 would lift wages for some 2 million Ohio workers, nearly 37 percent of the wage-earning workforce, with the average affected worker taking home an additional \$4,252 annually. Proponents of the wage increase say it better aligns wages to increased productivity, which, since 1979, has risen six times faster than hourly compensation for the typical U.S. worker.

Before I turn it over to Representative Kelly for additional remarks, I want to close by simply saying this — we must support Ohio working families by alleviating the economic stress so many are facing. **This is how we build a better, stronger, and more equitable Ohio for all of us.**