

Honest debate needed to raise the minimum wage

The 2014 General Assembly convened on Jan. 14, and it has been great getting back to legislative business after a six-month recess. As the session moves ahead between now and June, I am expecting a busy year with a number of hot-button items coming before the legislature.



DELAWARE VOICE

JEFF SPIEGELMAN

One of the main issues legislators will be addressing this year is how to fill a projected \$150 million revenue shortfall. We will learn more when the Governor unveils his budget proposal on Jan. 30. I will certainly keep you updated as legislative proposals are offered to help fill the significant budget hole that many of us are expecting during this cycle.

Also this month, I expect a vote in the House on a bill to raise the minimum wage in Delaware by \$1. Senate Bill 6 would happen in two phases. First, the legislation would raise the minimum wage from the current hourly rate of \$7.25 to \$7.75 on June 1. Then by June 2015, the hourly rate would be

increased by an additional 50 cents to \$8.25. The Senate passed the measure last year.

I am opposed to this bill in its current form because I believe now is not the time to burden many of our already struggling small businesses with another employee expense. Our small business owners are already facing increased costs through higher workers compensation premiums, increased unemployment taxes, additional regulatory burdens, and higher expenses as a result of the implementation of the federal Affordable Care Act. To place another expense on our local businesses during a time in which our state's economy is still in recovery mode, would be irresponsible on the lawmakers' part.

In listening to many of my constituents' concerns, I understand a lot

of the arguments supporting an increase to the minimum wage. As such, I would still like to offer a couple of discussion points as possible alternatives as the debate continues. I would like consideration to be given to the following ideas:

» If this proposal were to be approved, we should consider allowing an adjustment period before the minimum wage hike takes effect. Our small businesses could be facing a major economic burden if they were to endure the increase all at one time. A \$1 hike should come in smaller increments over a longer, more extended time period and after our economy has shown sustained improvements.

» We should be open to a realistic discussion on whether the minimum wage is actually a "livable" wage – a rate that would allow individuals

and families to meet minimum standards of living. According to the National Employment Law Project, "even after the 2007-09 federal increases, the minimum wage remains far too low to sustain working families." I would agree in stating that the modern intent of raising the minimum wage would not be sufficient enough to ensure the basic needs of many of our lower wage earners could be

met. Until this fundamental piece of the minimum wage debate is honestly addressed, efforts to provide more income for those workers most in need of meeting a basic standard of living remain largely insufficient.

I expect the vote on Senate Bill 6 to occur before the legislature adjourns for its six-week budget break at the end of the month. I am always open to hearing

your thoughts and opinions on this matter, as well as other important legislative issues impacting you and your family. Please feel free to contact me directly at (302) 399-7728 or Jeff.Spiegelman@state.de.us to share any questions or concerns you may have about Senate Bill 6.

State Rep. Jeff Spiegelman serves the 11th District and sits on the House Economic Development Committee.



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