Legislation to Increase Minimum Wage Dies in Assembly Committee

Legislation to increase California's minimum wage died in the State Assembly just one day after a poll conducted by the California Wellness Foundation found that 68 percent of Californians support it. Senate Bill 3 (Leno) would have increased the minimum wage to \$13 an hour over the next two years. Despite the fate of the bill, the poll indicated that proponents of the measure had gained considerable ground in recent months.

Senate Bill 3 was introduced on the heels of Assembly Bill 10 (Alejo), legislation signed by Governor Brown in 2013 that increased the minimum wage from \$8 an hour to \$10 an hour by January 1, 2016.

If signed into law, SB 3 would have punished California's small business owners who are already struggling to afford the skyrocketing costs of workers' compensation, energy use, and the Affordable Care Act.

Auto shop owners in particular are already forced to pay employees who provide their own tools two times the minimum wage, and this legislation would have further threatened their ability to stay in business.

It's important to note that even Governor Brown's Finance Department opposed SB 3. A July <u>report</u> release by the department stated that "the net impact of an increased minimum wage on California's economy and state budget is likely to be negative," and it would "lead to slower employment growth."