BEFORE THE NEW YORK STATE SENATE
STANDING COMMITTEE ON LABOR

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PUBLIC HEARING

TO REVIEW OF LOCAL MINIMUM WAGE PROPOSALS:

S.4919, S.5914, S.6455, S.6516, S.6537, and A.8767

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Legislative Office Building
Van Buren Hearing Room A - 2nd Floor
181 State Street
Albany, New York

June 2, 2014
10:00 a.m. to 12:00 p.m.

PRESIDING:

Senator Diane J. Savino
Chairwoman

PRESENT:

Senator Jose R. Peralta (RM)

Senator Bill Perkins

Senator Gustavo Rivera

Senator James Sanders, Jr.

Senator Daniel Squadron

Assemblyman Brian Kavanagh

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SENATOR SAVINO: We are awaiting Senator Peralta.

And, we want to make sure we have everyone who's participating or testifying. Make sure you have your name on the list, or see my trusty assistant.

I say this all the time, but then people go ahead and read the whole thing: If we can get to potential questions, because I think that's what we'll want to hear.

Let's wait a few minutes.

Talk a amongst yourselves, and we'll get started very soon.

Thank you.

[Pause in the proceeding.]

[The hearing resumed, as follows:]

SENATOR SAVINO: We're having a bicameral hearing this morning. We're being joined by Assemblyman Brian Kavanagh.

Senator Peralta has arrived, and so we're going to get started with this hearing on -- there's several pieces --

First of all, I'm Senator Diane Savino. I represent the 23rd Senate District, which is South Brooklyn and parts of Staten Island.

And I am the current Chair of the Senate Labor Committee.

And currently in the Labor Committee there are several pieces of legislation that address the issues of minimum wage, local control of minimum wage, or raising the minimum wage above what is currently the state minimum.

So in an effort to kind of shed some light on some of these issues, we thought it was a good idea to hold a hearing here of the Senate Labor Committee, to examine the different bills that are currently before us, and see if we can arrive at a way to define what should be the proper floor for the state of New York, including its various localities, and what can we do to make sure that that floor does not become that ceiling.

It is no mystery to anyone that I have always believed very strongly in the labor movement.

I believe the union movement is the best way to improve terms and conditions for employees. And organizing should always be one of our ultimate goals as we examine labor, wage, and hour policy.

So with that being said, I'm going to introduce my colleague Senator Peralta, who's going to make an opening statement, followed then by

Senator Bill Perkins, and Senator Gustavo Rivera.

I have reminded them all, we only have the room till noon, and we really want to hear what you guys have to say.

But, take it away.

SENATOR PERALTA: Thank you, Senator Savino.

As a Ranking Member of the Labor Committee, I'm happy to be here today to participate in this incredibly important forum.

The issue that we're discussing today is whether the State should give local governments the authority to set a higher minimum wage within their own boundaries.

I'm going to start today's hearing by noting that we shouldn't need to have this discussion today, for two reasons:

One, it's been just over a year since the State passed the minimum-wage hike into law in last year's budget, but this conversation remains all too necessary.

Last year we adopted a minimum-wage increase, that over 3 years will get the minimum wage to $9 an hour.

That's a lower and slower minimum-wage hike than many of the options that have been put forward

by the Senate Democratic Conference, the Assembly Majority, and the Governor.

At the same time, last year's minimum-wage increase failed to raise the minimum wage for tip-workers, failed to provide automatic cost-of-living adjustments to the minimum-wage rate in the future, and even gave away millions of dollars to subsidize the minimum-wage hike for businesses that hire young employees, with a tax reimbursement.

The other reasons we shouldn't need to have this conversation is that today's discussion is generally about empowering local communities to decide the minimum wage for their own borders.

In a state with such a proud tradition of home rule, it's an unfortunate happenstance that the court of appeals determined in the 1960s that local governments cannot raise the minimum wage themselves.

And let's be clear:

Today's conversation isn't just about the minimum wage.

It's even about whether local governments can set specific labor standards for contractors who benefit from local tax dollars.

Last year, New York City's living-wage law, which applies only to certain contractors doing business with the City, was thrown into jeopardy by a State Supreme Court judge based on the same 1964 case.

It's for both of these reasons that the legislation we're discussing today is so important.

Empowering local governments to set the minimum wage within their own borders will promote broader labor protections, raise the living standards of millions of New Yorkers, and ensure that political gridlock in Albany doesn't get in the way of a raise for hard-working low-wage workers, some who are here today.

If enacted, the legislation in front of us today would give 3 million low-wage workers a raise, a real raise, compared to last year's deal.

And this legislation has the added benefit of giving the state flexibility to set different standards that take into account the 43 percent difference in the cost of living between the least and most expensive parts of our state.

I know that I speak on behalf of the members of the Senate Democratic Conference when I say that we support this proposal, and look forward to

providing the votes necessary for its passage.

I'm happy to be a part of today's discussion, and I'll be listening closely to our esteemed panelists.

Thank you very much.

[Applause.]

SENATOR SAVINO: Senator Perkins.

SENATOR PERKINS: Thank you very much.

I want to especially thank you, Senator Savino and Senator Peralta for convening us today.

It's a very, very important occasion, and I'm very pleased we are convened here today, because that means it's not too late to establish a living-wage rate and empower municipalities to establish minimum-wage standards that reflect local needs this session.

I commend my colleagues in the Senate Democratic Conference, including Leader Stewart Cousins and Senator Squadron, for being absolute champions of thoughtful proposals that will allow for higher minimum wages at local option, independent of living wages by large, predominant, and well-heeled interests.

This is one of those rare public-policy

discussions that not only feels right in your head and your heart because you are empowering communities and practically helping to lift families out of poverty, but also makes sense with respect to the rationality and statistical demonstration.

New York State Labor Law is clear.

As a matter of public policy, it holds that, quote, employment of persons at sufficient rates of pay threatens the health -- insufficient rates of pay threatens the health and well-being of the people of this state, and injures the overall economy, end quote.

The current minimum-wage ceiling constitutes an insufficient rate of pay for many, when reviewed in light of the overall cost of living, including the individuals who I represent in the 30th Senatorial District.

Furthermore, I would argue that the current minimum wage also -- is also insufficient in other areas of the state, represented on the dais here today, including Brooklyn, Staten Island, Syracuse, Rochester, Long Island, and Queens.

Establishment of a living wage with regard to certain sectors of our economy, married with local control over minimum wages across our state, is a

broad and equitable approach that will forever end the current cannibalization of low-wage workers in the Empire State by greedy corporate interests.

Thank you.

[Applause.]

SENATOR SAVINO: Senator Rivera.

SENATOR RIVERA: Thank you, Senator Savino.

I represent a district in the Bronx, the 33rd District. It has about 318,000 people. The median income is about $25,000 a year in 2014.

I am very glad that we're having this conversation.

I'm very glad that I'm here with my colleagues in the Democratic Conference who have always stood up to a -- for a robust minimum wage.

And I'm looking forward to an evidence-based discussion, since there's always -- we are always accused of just being this far-left fringe that speaks without knowing.

And this is why it's very important to have folks that do know what they're talking about.

Maybe we don't; but, certainly, you do.

So I am looking forward to hearing from you, from hearing from the workers here, and, most importantly, fighting to make sure we can get this

done this year.

Thank you.

[Applause.]

SENATOR SAVINO: Thank you.

We're going to proceed with our first panel.

Before us on the policy panel are:

Ken Jacobs, chair of the Labor Center at University of California;

Valerie Ervin, served on the Montgomery County, City of Maryland;

Erik Retting, northeast outreach manager of Small Business Majority;

Michael Kink, executive director of the Strong Economy For All Coalition, and, many other endeavors;

Tsedeye --

I can never say your last name.

-- Gebreselassie, staff attorney at the National Employment Law Project;

And, Paul Sonn, general counsel at the National Employment Law Project.

So I guess we will start with Ken.

MICHAEL KINK: Sorry, Senator.

Tsedeye and I, we're going to present a brief PowerPoint first.

SENATOR SAVINO: Oh, okay.

MICHAEL KINK: Sorry if it wasn't clear.

SENATOR SAVINO: So then we'll start with Tsedeye, and Michael Kink, first.

Take it away.

MICHAEL KINK: Thank you so much, Senator, for the opportunity to testify here.

We're happy that you will be able to hear from experts, from faith leaders, from workers themselves, on this effort to use both public-sector and private-sector power to raise wages for workers, with a combination of government action and unionizing action.

It's one of the most exciting things that's happened in a long time in this area, and we're happy to be here in Albany to talk about it.

The fact that we're dealing with here is that New York has the worst income inequality in the country. We have the biggest division between the rich and the poor of any other state.

[PowerPoint presentation begins.]

MICHAEL KINK: And, if you look at the shift in just the last several decades, we've seen a dramatic increase in incomes for the top 1 percent, while the bottom half of the population has actually

gone backwards.

We're also dealing with the fact that the New York economy is only growing low-wage jobs.

Net, you know, this is the only area where jobs are growing.

We're losing high-wage jobs, we're losing medium-wage jobs, but we are gaining low-wage jobs.

So we're proud that the New York economy is gaining jobs, but the types of jobs that we're gaining often don't people -- pay people enough to get out of poverty.

One in three workers now in New York is working in low-wage jobs.

Women have been hit harder by this low-wage economy. They're a majority of low-wage workers, they're a majority of fast-food workers. And women workers are 30 percent more likely than men to be paid low wages.

There's a lot of reasons for that, but the fact is, that's the economy that we have right now.

Low-wage workers are also no longer teenagers. Right?

That is a popular impression.

The fact is, that more and more adults are working low-wage and fast-food jobs.

70 percent of fast-food workers are the main earners for their families.

2.8 million adult New Yorkers work low-wage jobs, and that's a lot of folks that need support.

The bigger picture here is that we have corporate profits at an 85-year high and worker wages at a 65-year low.

So, the economy is generating a lot of money for corporations. Right?

We've all seen corporations sitting on multi-billion-dollar pools of profits.

McDonald's last year made $6.3 billion, one company.

Workers, on the other hand, are barely getting by or going backwards.

We've also seen taxpayer subsidies directly to these companies.

We did a report with other researchers from UC Berkeley last summer that showed that New York taxpayers are spending $700 million a year on supports for fast-food workers alone.

There's a lot of other categories of low-wage workers; but, specifically, for the fast-food industry: McDonald's, KFC, Pizza Hut, Wendy's.

You saw the stories about McDonald's

encouraging their workers to apply for food stamps.

That is subsidized by New York taxpayers to the tune of $700 million a year.

Now, the bosses in these big companies are doing very well.

Right?

Fast-food CEOs are among the highest-paid workers in America. Their average pay is $23 million a year, and their pay has gone up 400 percent since the year 2000.

Fast-food workers are among the lowest-paid workers in America. Their average pay is about 9 bucks an hour, and it's gone up .3 percent since 2000.

Right?

So the CEOs have gone up 400 percent in the last 14 years. The workers have stayed flat.

We saw the 50th anniversary of the March on Washington last summer. They were marching for a $2.00 minimum wage, which was subsequently achieved.

That would be $13.39 today.

That's what Dr. Martin Luther King, that's what the leaders of unions from around the country, were fighting for.

We have always been working -- unions,

faith leaders, community groups, workers themselves -- for the kind of wage that will lift people out of poverty.

And that what's we're fighting for today.

So, I think I'll turn it over to Tsedeye Gebreselassie to talk in more detail about our philosophy.

[Applause.]

TSEDEYE GEBRESELASSIE, ESQ.: Thanks, Mike.

So not only -- just to continue directly off of what Mike was saying, not only are higher minimum wages crucial in this economic environment that's characterized by stagnant and declining wages and this explosion in low-wage job growth, they're also immensely popular. They're the most popular political policy that you can think of, with strong majorities, including Republicans, in support of raising the minimum wage.

But despite all this; despite the economic need for it, despite the popularity of it, minimum wage increases continue to be very difficult to win both on the federal and state level.

Before the last increase that was -- the much-welcome increase that was passed in New York last year in the state's minimum wage, the last time

the State voted to raise the minimum wage was in 2004. So it was a very long time.

And on the federal level, the minimum wage has been $7.25 an hour since 2009, which means that every year that goes by, workers are, effectively, seeing a pay cut because the cost of living is going up but the minimum wage is not.

So the question for us now is: How can we boost paychecks and raise wages in New York?

And we think that one of the best ways to do it is to give localities across the state the power to enact minimum wages that are higher than the state level.

It's something that's supported, not just by the economic evidence, as others on this panel will talk about in a second, but also broadly supported by the public all over the state in every region of the state.

The consensus is that the statewide minimum wage should be a floor; it should not be a ceiling.

And we've seen, I mean, there has been an explosion in activity on the state and local level to raise the minimum wage.

My colleague Paul Sonn will talk a little bit about some of the campaigns that are happening right

now.

I just want to mention, Seattle, there's an "APPROVED" stamped over that because that city just finalized a deal last week to enact a $15-an-hour citywide minimum wage that will apply --

[Applause.]

TSEDEYE GEBRESELASSIE, ESQ.: That's right.

That is just a year and a half after many of the workers in this room started to go on strike to demand better pay and higher wages.

And it's happening in Seattle.

We want it to happen in New York, but we are constrained, you know, under our current system.

The other thing that I just wanted to point out is that, these local campaigns to raise the wage on the local level, they also have an effect on building momentum towards statewide increases. And we've seen that happen in states that have used this power.

In California, for example, San Jose became the most recent state [sic] to enact a city minimum-wage law back in 2012, to $10 an hour. Just a year later, the state followed suit.

In New Mexico, Albuquerque, back in 2006, which covers about 25 percent of the state, enacted

a minimum wage of $7.50 an hour.

A year later, the State went from $4.25, to $7.25, an hour.

And I'll leave Maryland to my colleague Valerie who can talk about the effect of local minimum wage in the state of Maryland.

So that's my final message: It's time to raise the wage, and keep raising it everywhere across New York.

Thank you.

[Applause.]

SENATOR SAVINO: So who wants to go next?

Before you start, we're being joined by Senator James Sanders.

[Applause.]

KEN JACOBS: Thank you for inviting me today.

I'm Ken Jacobs, the chair of the UC Berkeley Center for Labor Research and Education;

And along with Michael Reich and Miranda Dietz, co-editor of the book "When Mandates Work: Raising Labor Standards at the Local Level," that looks at the empirical evidence about what's happened when local jurisdictions have both raised the minimum wage and done other labor-standards policy.

This presentation draws both, from our book, and research we carried out from the city -- for the City of Seattle as they were in their deliberations.

And I'm going to talk briefly about what cities and counties have done to date in setting local minimum-wage standards; the research of the impact on those laws, using mainly San Francisco as a case study; and finish with some lessons and conclusions.

So, nine cities and counties have passed, across the board, minimum-wage laws to date.

Another three have industry-targeted laws, generally in the hotel industry.

And, Seattle's proposed $15-an-hour minimum wage, as mentioned, was passed out of committee last week, and will be voted on the full city council tonight.

And laws are under consideration in a range of other cities, as mentioned.

So what do we know about the impact of those laws?

The oldest of the laws, San Francisco and Santa Fe, are fairly well-studied.

So looking at San Francisco, you have, uhm -- the minimum wage is currently $10.74 an hour. But

on top of that, there is an additional requirement for employers to meet minimum health-spending standards.

So for large employers, that's $2.44 an hour.

So the effective minimum compensation for a large employer in San Francisco, and that's 100 or more, is a little over $13 an hour.

And California minimum wage is going up, overall, to -- San Francisco's minimum wage is currently 34 percent above the state.

The state is going up to $10 an hour, and San Francisco is now discussing a higher increase.

So if we look at the impact, the minimum-wage law has had its intended effect. It's put $1.2 billion extra in the pockets of low-wage workers in San Francisco over the last decade.

And this slide compares the earnings for the bottom 10 percent in San Francisco with the rest of the Bay Area counties.

So what you see is, in 2003, earnings at the bottom 10 percent were the same in San Francisco as the rest of the Bay Area counties.

In the rest of the Bay Area, as in the rest of the United States, wages at the bottom were stagnating, and then declined when the

Great Recession hit.

In San Francisco you can see, in 2004, after the law went into effect, raises at the bottom went up, and then they stayed up because of indexing.

So by 2012 you have a large gap, as San Francisco went up and stayed there, and what's happened in the rest of the surrounding areas, in terms of wages for low-wage workers.

So what happened to employment and the economy?

If we look at overall employment in San Francisco and the surrounding areas, I don't have that slide, but the lines are very similar. The patterns follow very, very closely in terms of job creation in San Francisco and the surrounding counties.

If we look at the restaurant industry where you have a high concentration of low-wage workers and labor is a relatively high share of total operating cost, that's employment in the surrounding counties in that period, and that's San Francisco.

San Francisco actually goes up a little faster than the surrounding counties.

In -- my colleagues have tested this data using a variety of methods and controls to check for

various -- what could be causing this, and they came back with the same conclusion, that the minimum wage did not hurt employment or economic growth in San Francisco.

And studies of Santa Fe have found similar results.

And this really mirrors the national research.

Colleagues at Berkeley and UMass Amherst looked over a 16-year period, across state border lines, because we found all these changes in state minimum wages.

So they looked at the counties on either side of the border, and looked a restaurant growth, and said: Okay, has there been any difference in employment growth across those county borders?

And, so, this is all across the United States; and, again, they found the same results, that there's no measurable impact on employment.

There's a massive new synthesis of the minimum-wage research over the last 20 years by Belman and Wolfson, and they said, again, effects of minimum wage on employment are vanishingly small and not statistically significant even in the most

generous tests.

So I think that's really how economists are -- more and more, are viewing the situation today.

So how are costs absorbed?

Right?

If we don't affect employment, what does happen?

One is -- and I'll go through this quickly, and then if there are questions, we can go into it.

But, there is very strong evidence of -- that minimum wage has reduced turnover. And, turnover is costly to employers.

And, so, about 20 percent of the total costs of the minimum-wage increase is saved through the reduction in turnover and related costs.

There's strong evidence on improved firm performance.

We -- studies have found performance improvements in a range of areas, including worker performance, morale, customer service, absenteeism, lower grievances, better equipment maintenance, less equipment damage.

That also has -- all of those have costs to employer -- and savings for employers.

But, increase in minimum wages are partially passed through in the form of slightly higher prices. And that's, mainly, you see it in the restaurant industry. It's pretty negligible in other sectors.

Generally, there was a study done by the Federal Reserve in Chicago, Aaronson [ph.], and found, every 10 percent increase in the minimum wage is about a .7 percent increase in restaurant prices.

Pretty small.

26 percent increase in the minimum wage in San Francisco led to a 2.8 percent increase in full-service restaurants. A little more in limited-service restaurants.

And then the final -- and the reason they can do that is, it's a rule that's across the board.

A lot of restaurants say, Well, we won't be able to compete.

But since everyone has to follow the same rules, they are able to pass through some of it in prices without suffering a competitive disadvantage.

And then the evidence around profits is really unclear. It hasn't been well-studied.

We don't seem to see any impact on profits in the United States.

They have seen some in England.

So, in conclusion:

Local minimum-wage laws are smart economic policies, in that they reflect the local economic diversity within states and address local economic needs.

The appropriate minimum wage in New York City and in Utica just aren't going to be the same.

And that's true with San Jose, California, in the Central Valley of California.

Japan has long recognized this. And there's a 30 percent higher minimum wage in Tokyo and Osaka than there are in many of the other areas of the country, because that reflects the differences in economic conditions and differences in costs.

And, it's important to see that the local minimum wage is really a complement, not a substitute for state and national standards.

So as mentioned earlier, after San Francisco and San Jose showed that a $10 minimum wage was workable, the State has now decided to increase to that level, and most cities are going up.

And, so, I think that the general notion has been proposed recently, as I understand by the Governor, in terms of raising the state standard,

$10.10, and indexing, while then allowing room for cities to move, that's smart economic policy.

Local minimum-wage laws are an effective policy to improve the income of low-wage workers, as mentioned. And they really do have their intended effects.

And I think that's the important thing, in terms of really benefiting low- and middle-income families.

And it's important to note that the wage stagnation and decline is not just a question for the lowest-wage workers.

Sometimes we hear people say, Well, minimum wages are ill-targeted because not all the workers are in poverty.

That's true, but, wages have stagnated or declined for the bottom 60 percent of workers in the United States in the last decade.

So to the degree this also helps the middle-income families, that's also a positive economic outcome.

And then, as noted, there's really no discernible effect on employment from these laws. And we discussed how they're -- how those costs are absorbed.

So, that's the -- I'd be happy to answer any questions when we're all done.

SENATOR SAVINO: When we get to the -- the rest of the panel, then we'll have questions for you.

[Applause.]

SENATOR SAVINO: Valerie.

VALERIE ERVIN: Thank you very much.

Good morning, Chairwoman Savino and members of the Committee.

Thank you for the opportunity to submit testimony this morning.

I'm Valerie Ervin, and I'm a former two-term member of the Montgomery County Council, a home-rule county located outside of the District of Colombia in the state of Maryland.

I'm also, currently, the executive director of the Center for Working Families.

So I'm going to cut to the chase because many --

[Applause.]

VALERIE ERVIN: -- the speakers who have come before me have laid out the context for why we're here, and what I'm going to talk about is my experience as a legislator.

So prior to the coming to the Center for Working Families this past January, I was one of three co-sponsors of a regional minimum-wage bill that covered Prince Georges County in Maryland; Montgomery County, also in Maryland; and the District of Columbia.

The sponsors of the bills in all three of these jurisdictions believed this was our opportunity to move a working-family agenda forward because we knew that pending legislation at the federal level had almost no chance of moving ahead.

And, so, while we shared in common -- what we shared in common was a higher cost of living in our area, that was a huge hurdle for working families.

Montgomery County, where I was a legislator, has something known as a "self-sufficiency standard" for a family that measures the amount of income that is needed to meet basic needs without public assistance or private assistance.

This standard takes into consideration the cost of housing, child care, food, health care, transportation, taxes, and other miscellaneous expenses.

This self-sufficiency standard from Montgomery County indicated the amount needed to

make ends meet for one adult, one preschooler, and one school-aged child, and that amounted to $36.90 per hour; or, $77,933 annually; or, 421 percent of the federal poverty level.

A single adult would need to make $17.07 an hour to meet basics needs.

The minimum wage for Maryland, which passed during this year's legislative session, is being raised to 10.10 an hour, but we know that 10.10 is still not enough.

The bill sponsors in all three jurisdictions decided to move legislation in our respective councils at the same time.

In fact, we moved the bill through committee within days of each jurisdiction's committee votes and final action.

The end result, even though hard-fought in each of our chambers, moved the possibility forward of passing a minimum-wage bill in Annapolis during the recent 90-day legislative session in Maryland.

In fact, Governor Martin O'Malley made the passage of a 10.10 minimum-wage bill his number one priority.

We know that without the coalition that we established through our local legislative authority,

we would not have been able to change the debate that created a statewide minimum wage in Maryland.

Still, those who oppose any increase in the minimum wage will claim that business cannot afford modestly higher wages for their employees, even as the evidence makes clear that businesses that pay fair wages ultimately benefit from reduced turnover, as you've already heard, and higher worker productive.

Also, contrary to common perceptions of low-wage workers, the vast majority are not teenagers.

We heard that already.

We estimate that only 10 percent of the workers earning less than $12 per hour in my county are teenagers.

About 44 percent are between the ages of 20 and 34; 33 percent are between the ages of 35 and 44; and 13 percent are actually 55 or older.

Other workers earning less than $12 per hour in Montgomery County, 55 percent are women.

The majority of these workers has at least some college education, and just less than one-third has children.

About 17 percent of these workers also work

full-time, although about 60 percent of them work less than 20 hours a week.

Those who speak about widespread job loss and negative impact on small businesses, I need to challenge your claims on that.

The minimum wage has been raised in this state and others around the country many times.

There have also been several increases in the federal minimum wage, and in none of these cases that we see the doomsday scenario of job and business loss laid out by some.

In fact, the real strain on economic growth in today's economy stems from the decision made by many national food chains and big-box retailers to inflate their profits by paying rock-bottom wages, which is siphoning of money out of local communities and impoverishing the customer base needed to sustain economic growth, while at the same time experiencing record profits.

We know that 10.10 isn't enough, and we are seeing the emergence of local wage ordinances as a way to generate momentum for further state action and as a corrective for urbanized regions with a standard of living higher than the state as a whole.

The legislation before you would be a huge

step forward in strengthening the self-determination of local jurisdictions based on the local realities in each of them.

They can decide best the appropriate wage for their constituents.

By an enacting this legislation, we can ensure that all of New York's working families are able to support themselves no matter where they live in the state, and pursue the person dream of opportunity for all of its citizens.

Thank you for the opportunity.

[Applause.]

SENATOR SAVINO: Thank you.

Before we move forward we've, been joined by Senator Daniel Squadron.

And I think --

[Applause.]

SENATOR SAVINO: [Unintelligible] has a fan club.

And I've been informed that Senator Sanders, who got here a little after we started, would like to make an opening statement, so, please, be brief.

SENATOR SANDERS, JR.: No, no. I'm going to be so brief, that I'm going to wait until everyone is finished, and then I'll speak --

SENATOR SAVINO: That's why you're my favorite Senator.

[Laughter.]

SENATOR SANDERS, JR.: She tells that to all of us.

UNKNOWN SPEAKER: [Not on video.]

I know, she told that to me, too, so I don't know what to tell you.

SENATOR SAVINO: Depends on -- I'm fickle. It depends on the moment.

You're my favorite senator right now.

And now we're going to hear from Erik Retting, from -- northeast outreach manager, Small Business Majority.

ERIK RETTING: Well, thank you.

Good morning, Chairwoman Savino and members of the Committee.

Thank you for having me here today to discuss this important -- the importance to small-business owners of allowing local wage authorities to set an increase in their own minimum wage.

A raise up in New York legislation that would allow cities and counties to enact higher local wages above the state's minimum wage would help ensure New York's wage structure makes sense for

local economies.

What's more, it's strongly supported by our small-business community.

New York has the highest level of income inequality in the nation, with roughly 3 million low-wage workers living here in the Empire State.

The current $8 minimum wage, which amounts to about sixteen thousand six hundred and forty thousand dollars -- $16,640 annually, and even the $9 wage set to take an effect in 2016, is not enough for workers in high-cost areas to afford basic living costs.

New York entrepreneurs support granting wage authority to localities because it would help address our severe income inequality while giving a much needed boost to low-wage workers and the economy.

A recent scientific opinion poll released by Small Business Majority found two-thirds of New York entrepreneurs agree cities and counties in the state should set and increase their own minimum wage above the state's to ensure it makes sense for local economies.

Now, our poll found about 74 percent of New York small-business owners support raising the

minimum wage and adjusting it annually to keep pace with the cost of living.

Small employers believe increasing the minimum wage will enhance consumer spending, which can increase the demand for small firms' goods and services, and boost their businesses' bottom lines, while strengthening the economy.

The nearly half of respondents say raising the minimum wage would help make their business more competitive because competitors wouldn't be able to undercut them on labor costs.

About three-fourths of New York small-business owners agree increasing the minimum wage will not only help the economy, it would make low-income consumers more likely to spend money, driving up demand for small businesses' goods and services.

Finally, more than two-thirds believe increasing the minimum wage would help decrease pressure on taxpayer-financed government assistance that's needed to make up for low-wages, as it would help people afford basic necessities that might otherwise be out of their financial reach.

By letting city and county authorities set and increase their local minimum wage to ensure it

meets the needs for the cost of living in their area, more New Yorkers will have more money to spend at small businesses.

This will help them create jobs, which strengthens the economy overall.

The bottom line is, that New York's small-business owners support allowing cities and counties to raise their minimum to compensate for the cost of living, because it's good for business, workers, and the economy.

We hope you will strongly consider small-businesses' strong support as you consider this legislation.

Thank you again for your time and energy on this important issue.

SENATOR SAVINO: Thank you.

[Applause.]

SENATOR SAVINO: Finally, from Paul?

PAUL SONN, ESQ.: Yeah.

SENATOR SAVINO: Okay.

Another PowerPoint? Okay.

I like the PowerPoints.

I have a short attention span.

PAUL SONN, ESQ.: Thank you.

Good morning, Chairwoman Savino and members

of the Committee.

Thanks for the opportunity to testify.

I'm Paul Sonn, with the National Employment Law Project.

As you know, this weekend, the Governor announced his support for a hybrid minimum-wage package that would make very significant progress towards raising the wage floor broadly across the state, while allowing latitude for local variations to address varying local conditions.

It had three components:

One was, a -- raising the statewide minimum wage to $10.10 an hour;

The second is, then indexing it for inflation;

And the third is, allowing localities to go higher, with a 30 percent ceiling on how much higher they could go.

I will briefly touch on the first two elements, and then mostly discuss the third one which has been the subject of the great, as sort of, discussion and debate.

On the first element, it's barely been one year since we worked with you, Senator -- Chairwoman Savino, on raising New York's minimum

wage.

But, already, New York's $9 package, which hasn't been phased in entirely, has been leapfrogged by most of the other high-cost, sort of, coastal states -- or, many of the other high-cost costal states.

You know, 10.10 -- or, $10 and change, as the Governor's proposed, is really the new benchmark for comparable states.

Five states in the past year have already raised they're minimum wages to that level: California; Connecticut and Vermont, our neighbors; Maryland; and Hawaii.

The next couple of months, Maryland and Illinois are expected to do the same -- I mean, Massachusetts, rather, and Illinois, are expected to do the same.

And, finally, actually, California, which was the first to start this way, which was already going to ten, they went -- they're going back and raising the state minimum wage to $13 an hour. And that passed --

[Applause.]

PAUL SONN, ESQ.: -- that passed the California Senate last Thursday, and is now going to

the Assembly, and possibly the Governor.

So, the $10 benchmark is a very reasonably, even modest, benchmark for a high-wage state like New York.

On the second element, cost-of-living indexing, it's a key reform, or commonsense reform, to make sure the minimum wage doesn't erode in value every year.

Thirteen states now have annual cost-of-living indexing.

Since we worked with you last year, that's an increase of three states that have gone -- have adopted it in the last year: New Jersey, Minnesota, and Michigan.

Michigan was just last week, and it is the first Republican majority legislature to adopt cost-of-living indexing.

It's actually a commonsense reform that many voices in the business community back, as giving them predictability, you know, the ability to plan for and absorb regular, you know, modest wage increases.

And that's why, you know, everyone, from Mitt Romney, to a wide range of business groups, back indexing.

But the second -- the third element is this issue of local -- allowing local minimum wages, local variation.

And which -- our organization has worked with most of the cities and counties across the United States that have adopted higher local minimum wages, going back more than ten years.

This slide shows the trend.

You'll see it started -- actually, I think the first one was really in D.C. in '92.

But then it -- a decade ago, in San Francisco, and Santa Fe, New Mexico.

A few more jurisdictions, until you get to this year. And there are, now, a total of 15 -- there are -- 2 laws have already been enacted, and there are 15 more being proposed.

It really -- this is clearly the year that this local minimum-wage idea has gone mainstream.

You know, President Obama called for action by mayors to raise the minimum wage locally in the State of the Union.

Mayor Rahm Emanuel in Chicago has convened -- you know, a moderate has convened a task force to hammer out a Chicago minimum wage.

And now Governor Cuomo has thrown his support

behind the idea in a -- in a certain hybrid form.

We are also seeing that the -- and I should say, also, it's not just, sort of, liberal states.

We see San Diego is proposing a higher minimum wage.

And Oklahoma City actually moved to enact a higher city minimum wage, until the Tea Party Governor there and the legislature kind of stepped in to block them.

The other key element is kind of parallel to the more robust levels we're seeing for state minimum-wage bills. The dollar values for these city minimum wages is really going up substantially.

Back a decade ago, they were in the 7-to-10-dollar range.

Just last year, they were mostly in the 10 or 11 range.

Now the proposals we've seeing span all the way up to $15 an hour, as you heard in Seattle.

And the next slide shows you a chart of the proposals currently being pushed around the country.

There are -- a bunch of the high-cost cities are pushing $15 minimum wages. And then some other jurisdictions are pushing lower levels.

The Governor's proposal to raise the state to

10.10, and then allow localities to go up to 30 percent higher, which would translate to 13 and change, really is a moderate proposal that would fall in the middle of the pack of what other jurisdictions are proposing across the country.

So, I'm just going to turn to the -- kind of the policy pros and cons, and what we really feel are the driving forces behind these local minimum wages, which may strike some observers as surprising that you would attempt to regulate minimum wages at the local level.

So I think one of the -- the key factor driving, we believe, most jurisdictions are -- is addressing regional differences in living costs and economic conditions.

And the number one place you're seeing local minimum wage is being pushed are the kind of high-cost regions:

The -- the D.C. and Maryland suburbs which are, you know, very -- you know, much higher cost of living than the eastern shore;

Silicon Valley, San Francisco, and San Diego in California, much higher cost of living;

Seattle in Washington.

But it's really -- it's not just those areas.

We're actually seeing them also in small cities like Davis, California, that has identified the growth of low-wage jobs as a real issue locally. Most of those jobs are linked to that location. Their jobs tied to the -- it's a college town, tied to serving the consumer base there. So they're pushing a higher minimum wage.

And even rural areas, like Las Cruces, New Mexico, are pushing higher minimum wages.

And that goes to the -- the second reason that I think a lot of the localities are pushing it, is to build momentum for state minimum-wage increases.

You heard from other panelists about how, in California, New Mexico, Maryland, they've played a key role in moving the economic viability of higher state minimum wages building momentum.

You know, once the minimum wage goes up locally, there's less -- businesses in that part of the state are less opposed to a statewide increase.

But the other place you see it is in places where, you know, maybe there's a -- if the -- where a governor is perhaps blocking minimum-wage increases, or there's gridlock and the state isn't able to act regularly to raise the minimum wage,

cities are stepping in to act.

And that's what we're seeing today in Maine and New Mexico, where you have Tea Party governors who are blocking minimum-wage increases, and we're seeing localities, including rural ones, like Las Cruces, New Mexico, or Santa Fe County, New Mexico, acting to raise the minimum wage.

So one of the -- I'd say that we can maybe segue into the Q&A, but one of the key questions I wanted to address is, you hear questions raised about the workability of having varying local minimum wages by jurisdiction; whether it's really just too burdensome or not manageable for the business community.

And I think we don't have to predict, you know, this. This is -- we have, now, a full decade of experience with local minimum wages.

And I think there are, maybe, three factors which have -- are explained why it really has not proven unworkable.

The first is, as a practical matter, it really is a limited number of cities and counties in each state that typically use this power; those that really feel they have distinctly different economic circumstances that really necessitate going much

higher than the state level.

It's really been, you know, a relatively small number of jurisdictions in each state, and it hasn't been a, you know, crazy quilt of varying standards.

The second is, and as illustrated by the Maryland suburb/D.C. model, there really are -- both there are good opportunities to do regional minimum wages that really -- that minimize variation.

New York is actually lucky that it has -- New York counties have full regulatory authority.

Some states' counties don't that have.

They are very sensible regional units for enacting the higher minimum wages.

But, also, there's the possibility that we saw in D.C., of pairs and trios of counties banding together and acting in tandem.

You could imagine Suffolk and Nassau, perhaps doing that. Maybe Westchester and Rockland, maybe the Albany-area counties, if they thought a higher wage made sense.

And then, really, the third and final factor I'd note, is we don't have to -- we actually already have experience with varying local standards in other policy areas. Actually, the minimum-wage

areas is not really an unusual one where local policy is restricted.

New York is generally a broad, liberal state. Localities have broad policymaking authority.

For example:

Around paid-sick-days legislation;

Human-rights legislation to protect against discrimination against the unemployed or persons with criminal records.

And we see there's some variations, some localities. You know, New York City, Ithaca, Buffalo, some of the major suburban counties, will use that power. But, it hasn't resulted in an unmanageable array of differing standards.

So, maybe I'll wrap up there, and we can segue to the Q&A.

Thank you for the opportunity to testify.

SENATOR SAVINO: Thank you.

[Applause.]

SENATOR SAVINO: Before we go to questions, did you want to comment now, or you want to -- you'll wait?

SENATOR SANDERS, JR.: Sure, sure.

SENATOR SAVINO: Go ahead.

SENATOR SANDERS, JR.: If I can get this

thing to work.

Ah, it is working. I like working.

Thank you, Madame Chair.

It's good that you did this hearing.

It's good that we join on a Monday morning, where we gather with the usual suspects who are on the side of the angels.

Every time I see a barricade, where we're trying to do something positive, I usually see the same people.

So I'm glad of that.

I also understood that, when New York State was proposing its $9 minimum wage over three years, that it wouldn't work.

And, of course, I could not support that; and could not and did not support that one.

I'm glad that the Governor has agreed to my bill.

[Applause.]

SENATOR SANDERS, JR.: It was refreshing to hear our Governor propose the very bill that I had proposed some months ago.

My only difference is, I didn't put this 30 percent cap that he's speaking about.

But, I look forward to working with him, and

I think that the sooner we get to it, the better.

But I am disturbed, Madame Chair.

I am disturbed that California, "California," as worthy as the left coast is, how can they do better than the Empire State?

[Applause.]

SENATOR SANDERS, JR.: We have a patriotic duty in the Empire State not to be undone by California. And we should take this to heart.

Thank you very much, Madame Chair.

SENATOR SAVINO: I'm going offer a potential explanation.

California has twice as many people than New York, and twice as many people to annoy in their legislature.

[Laughter.]

SENATOR SANDERS, JR.: But our people are twice as annoying.

[Laughter.]

[Applause.]

SENATOR SANDERS, JR.: Yeah!

SENATOR SAVINO: Just remember, Senator Sanders said "you're all annoying." I didn't.

UNKNOWN SPEAKER: [Not on video.]

Should we start the rally now?

SENATOR SAVINO: Yes.

[Laughter.]

SENATOR SAVINO: I do have a couple of -- first of all, thank all of you for this really informative testimony.

And I wish other members of the Legislature were here to listen to it because, as we talk about minimum wage, and then many of you are involved in last year's efforts to raise the minimum wage, and in the 2004 -- actually, no.

2004 was the culmination of a 5-year campaign to raise the minimum wage in New York State. And at the time it was as contentious, and we heard the same arguments from people then that we heard last year, and we'll always continue to hear, one that you all refute, their argument, over and over, with your analysis and your testimony.

But what we now have is something we didn't have then: we have other states to look at.

And so I think it's more important than ever that we look at the effect of what the various minimum-wage proposals have had, whether or not indexing has affected other counties, whether or not local control and indexing is the way to go.

And I think we have a treasure trove of information that we can work with now.

But there's a couple of points I wanted to make.

First, I love all the PowerPoints.

I love this one [holding up a diagram]. This is my favorite one --

[Applause.]

SENATOR SAVINO: -- because of the two faces.

But what's interesting to note in here, and, again, I'm going to put on my union hat, the difference between labor density in the private-sector employment during this time frame and now cannot be ignored.

There's a 25 percent reduction in labor density in private-sector employment, which has, in many ways, contributed to wage stagnation, certainly wage depression.

Over the course of that time, though, I think government has stepped in, and rightfully so, to examine some of our public-welfare policies, to see to it that we don't allow families to continue to fall further into poverty, increasing eligibility for support services, things like food stamps, things like Medicaid, or as we created Family Health

Plus and Child Health Plus, to take public dollars and put them in.

In many respect, though, I think we -- the unintended consequences, that we have almost incentivized employers to depress wages and keep them low because we are making up the difference.

I'm not suggesting that we should change that, because we do need to take our public dollars and put them where they belong. But, somehow, we have got to stop, you know, sending a message to the Walmarts and the large corporations that it's okay to pay your workers the lowest rate that you have to because the government is going to make up the difference.

That's a policy that we need to --

[Applause.]

SENATOR SAVINO: I know my colleagues have a lot of questions, and I want you to get to them, but there's, like, a couple of points I wanted to ask about; particularly, Valerie, your experience as a legislator in Maryland.

So, you know what it's like to try and get a minimum-wage bill done.

Because, in a state where you have, you know, regions where some are poorer than others, there's

no one who can argue that New York City is an expensive place to live. Westchester's an expensive place to live. Nassau, Suffolk, are expensive places to live.

It's not the same as Buffalo. It's not the same as, you know, pick another county upstate.

And so the challenge for us as we try and craft a policy is: How do you answer the concerns of the small businesses in those parts of the state that see any attempt to change the minimum wage as, you know, driving them out of business?

And so, when you did it in Maryland, what was the experience there?

And -- you know, and do we have something that we can point to and say, See, all of the concerns, that the small businesses said that they're going leave the county and go somewhere, isn't true?

That it's not going to cause businesses to close.

That, you know, local control is better, because I --

Who talked about local control?

Somebody.

No, home rule.

Home rule, exactly.

We're a home-rule state, so we do have those experiences on home rule. It's not a foreign concept to us.

What it's -- we just need better arguments, so that we can answer the questions when people throw up their hands and say the world will end and, you know, we're all going to go out of business.

VALERIE ERVIN: Well, I appreciate the question because, as a legislator, just like all of you, there was a lot of fear on my body of nine Democrats about the backlash from the business community, which actually didn't occur.

I think what we were witnessing, was we were on the tail end of a national move forward on minimum wage. It was almost as if it was inevitable.

But I think what really helped us pass this legislation, was that D.C. and Prince Georges County and Montgomery County together in the region, we wrote the legislation. It was exactly the same in all of our communities.

And, so, once we were able to get over the hurdle of the fear that some legislators had about the political backlash that could occur with

supporting this kind of legislation, it just sort of took off on its own.

As a matter of fact, the legislature in Annapolis, the members of the House and the Senate were watching this very closely, because they knew that the governor was going to take a hard look at sponsoring the legislation at the statewide -- at the state.

And, so, it was kind of surprising to us that the business community did not come out in full force and fight this legislation.

It was almost -- they were almost silent.

SENATOR SAVINO: It's interesting, because I remember when we were doing the discussion on the minimum wage here, I attended a Chamber of Commerce breakfast. And the leaders of the Chamber of Commerce were vehemently opposed to raising the minimum wage.

But I just threw it out to the room of -- it was about 250 business owners: How many of you here pay the minimum wage?

Only two people raised their hand.

VALERIE ERVIN: Which is this most fascinating piece of this conversation, in that, the business community, especially local small

businesses, they've been paying way more than the minimum wage for a very long time.

And, as taxpayers, I think the big argument for minimum wage is that people are tired of subsidizing big-box stores and corporations that pay the least amount to their employees as they can, because, as you just laid out beautifully, we're paying for it with tax dollars anyway on the other end.

And so that argument sort of --

[Applause.]

SENATOR SAVINO: I have two more questions.

With respect to the localities and states where they've done -- where they began the process of raising the minimum wage on a local level, do you find that counties around the county that acts first, do you see them beginning to play catch-up; where initially they resist, and then does it -- it kind of spreads?

PAUL SONN, ESQ.: That's exactly what's happened.

For example, in New Mexico, we've seen, first, Albuquerque raised its minimum wage. Then Bernalillo County, which surrounds it, did the same. Santa Fe -- the city of Santa Fe raised its minimum

wage. And Santa Fe County surrounding it, which goes way out into rural areas, actually.

So -- and -- so, yeah, that's exactly what's happened.

And in the Bay Area, California, you've seen, there's a whole -- actually, there's a longer list of cities.

There are, now, a whole ton of California cities are -- you know, are exploring, you know. And they're kind of roughly doing it in the sort of parallel -- you know, the parallel Maryland fashion of, you know, similar wage levels.

So, uhm -- so, yeah, you know, I think --

SENATOR SAVINO: How do you prevent, then -- one of the concerns that I've heard is that, well, let's say New York City raises their wage, pick a number, $12 an hour, $15 an hour, but the surrounding counties don't go along with that.

How do you prevent low-wage workers seeking employment from coming into that job market, potentially displacing the very workers we're trying to help in the city of New York?

Or is there no way to mitigate against that?

PAUL SONN, ESQ.: There's no way entirely.

But I was just talking last week with

UFCW 400, which is the D.C. area, kind of, grocery-workers union. And they were actually -- they were concerned about this, because their contract covers Virginia, Maryland, and D.C., and there was part of -- you know, a bunch of their stores were covered, and a bunch weren't. And they weren't sure whether there would be a lot of, you know, pressure to transfer.

And it's -- you know, they found, partly, that workers -- there is some mobility. Workers are more mobile than businesses. But also because of, commute times and commute expense, they're actually seeing fewer requests to transfers than they thought.

And so it's -- they're finding it's not really -- it's -- that the -- it's -- you know, there's some complication, but it's not that disruptive.

And the main thing they're seeing, as a union, is they were having trouble making any real wage gains for their workers at the entry level.

You know, all the negotiation was over benefits. You know, and the -- that the -- the frontline workers were making barely more than minimum wage.

So they are delivering, for the first time, very substantial minimum -- you know, pay gains for their entry-level workers, because the minimum wage went from 8.25 -- 8 to -- it's going up to 11.50.

So they are -- you know, feel that it's a really useful complement to their organizing.

And it also helps --

MICHAEL KINK: It also helps to the contrary.

SENATOR SAVINO: That's -- well, that was one of the -- the final point I was going to ask you about.

Some unions, like UFCW, their collective-bargaining agreements have language that speaks to minimum wage, so there's -- that's one of the issues that they've raised.

Whatever we do, we have to be careful that we don't do something that abrogates an existing collective-bargaining agreement or collective-bargaining pattern that has been longstanding.

So we just need to keep that in mind.

PAUL SONN, ESQ.: Yeah.

So, yeah -- so some of them do reference, I guess it would be an interpretive question, how that contract is interpreted; whether it's

referencing the new local minimum wages.

But the UFCWs in -- you know, in California, in Maryland, have found that it's -- you know, there's some complication, but, on balance, they find it hugely beneficial for improving standards in their industries. And, also, for making sure that the higher-paying union employers aren't undercut by the competition.

There's a -- you know, basically, it raises the floor that they can then bargain up from.

SENATOR SAVINO: Thank you.

[Applause.]

Senator Peralta.

SENATOR PERALTA: Thank you, Senator Savino.

So, if we were to adjust for inflation, the cost of living, what should the minimum wage be in New York City?

SENATOR SAVINO: She said 36 bucks.

I'm, like -- I don't think we earn $36 an hour.

PAUL SONN, ESQ.: If it was adjusting for inflation, it would be, you know, more like 12ish, whatever.

But, you know, if you really adjusted to keep track -- keep up with productivity gains, to keep up

with the real cost of living, and to match what other high-cost cities are doing, you would do $15 an hour.

And, so -- which is, you know, we think is really economically realistic in New York.

We're seeing other cities are pushing it.

And, you know, long term, you know, something like that, is -- you know, should be the goal.

But the Governor's proposal is very significant progress in that direction, and is -- would really make a tremendous difference both on the statewide and for localities.

[Applause.]

SENATOR PERALTA: So, seeing the PowerPoint presentation, and the fact that I heard that the average CEO makes $23 million, CEO salaries have increased 400 percent since 2000, while workers' salaries -- did you say 3 percent?

UNKNOWN SPEAKER: [Not on video.]

.3 percent.

SENATOR PERALTA: .3 percent.

Thank you for clarifying that.

-- .3 percent, I am surprised, and very saddened, that we're not talking about the repeal of the minimum-wage-reimbursement tax credit, since the

minimum-wage reimbursement -- the minimum-wage-reimbursement tax credit was given to big-box stores look Walmart, KFC, McDonald's, so they can hire -- they can continue to hire teenagers.

And what we've heard was, what, over 80 percent of workers -- minimum-wage workers are no longer teenagers? Is that correct?

UNKNOWN SPEAKER: [Unintelligible.]

SENATOR PERALTA: So, basically, we're giving big-box stores an incentive to keep teenage workers, so they can maintain their tax credit.

And fortunately for us, one of the big-box stores, Walmart, was on record, just last year, saying that they're not going to take the minimum-wage tax credit.

So if they're not going take the minimum-wage-reimbursement tax credit, why should we not repeal it?

Because what some of the estimation is, it's estimated that, for the first year, it's going to cost us 35 million, and the next three years, it will cost us around 65 million per year.

So that's money that can go back into -- putting it into increasing the minimum wage.

So that's something that I wanted to put on record, because it's very important that we see what we're doing here.

This agreement that was passed sends the wrong message: That, on one end, we're trying to increase minimum wage to $9 an hour after a 3-year period; but at the same time, we're going to give big-box stores all these tax credits so that we can maintain hiring teenagers and put, unfortunately, these individuals, 80 percent of which are over the age of 21, out of work.

So that's something I just wanted to put into the record.

[Applause.]

SENATOR SAVINO: That's it?

Our Assembly crasher.

[Laughter.]

ASSEMBLYMAN KAVANAGH: I appreciate the opportunity to make a special guest appearance here, a rare appearance, at the Senate Committee hearing.

Just a quick question:

You know, we've got a lot of different, and from my view, very positive proposals on the table at this point.

From the perspective of the panelists, what

is more important as a reform we can do now?

Assuming we have a 10.10 statewide wage, should we -- is indexing, going forward, more important, from your perspective; or is giving localities a significant ability to have a differential?

MICHAEL KINK: Well, I'm going to go forward and say both, and have to say both.

[Applause.]

MICHAEL KINK: You know, indexing would be a tremendously valuable gain for workers across New York.

And, the ability to respond to local cost of living, the precedent that New York should move to being one of these states that sees more higher and more frequent increases in minimum wage for workers, that is equally important.

So I think, in both ways, we're setting important standards for going forward for where the state needs to be.

And we're responding, as Senator Savino said, to the historic changes here.

Right?

We're doing things, that take all the low-wage jobs that we're creating, make them better

jobs, and work both with government and with unionization. Right?

These people are organizing unions. Right?

These things work together.

And so having government at your back, with indexing and local wage authority, and, the workers working together to organize and unionize, tremendously valuable.

[Applause.]

TSEDEYE GEBRESELASSIE, ESQ.: I would just say, you know, indexing, it's important to keep in mind, it's -- all it does -- I mean, it's a wonderful reform, but it just maintains the real value of the current minimum wage; so it, effectively, makes sure that 10.10 remains 10.10 as the cost of living goes up.

So you need local wage control because you need those localities that have much higher cost of living to be able to go above the 10.10.

[Applause.]

VALERIE ERVIN: One final comment: And the regional wage in Montgomery and Prince Georges County, we did not index, it did not pass.

It did in D.C.

And it did not pass the state of Maryland,

which is a huge mistake, moving forward, because now we -- what we've done is just, essentially, told workers to tread water for a while, because those gains are going to be lost.

So we're going to go back and fight for indexing, next year.

[Applause.]

ASSEMBLYMAN KAVANAGH: I'm going to push my friends on the panel a little bit here.

You know, we have a long tradition in this state of not indexing; and, instead, periodically revisiting this question.

I have been a long proponent of indexing, I favor it.

I don't quite understand the mysterious reasons it is such a big lift, but it has been a big lift in the past.

If we raise the wage to 10.10 an hour now, statewide, and, we give what is currently floating around there, I have a bill -- I've been pushing a bill for a 25 percent differential --

There's now a proposal, over the weekend, for a 30 percent differential.

-- if we do that now, if we have to choose, say, between doing a local differential now, and

indexing, so that a couple of years from now this catches up with inflation again, are you folks really sticking with those are equally important goals?

PAUL SONN, ESQ.: Absolutely.

I mean, 10.10 just isn't enough for the high-cost regions of the state.

And, you know, frankly, we can come back and raise the state minimum wage again.

You know, it's -- you know, New York -- it would be good if New York -- if the State did it a little more regularly, like Connecticut and Massachusetts do, but, you know, the regional variation is -- makes -- you know, it would be a -- you know, make a $3-an-hour difference for the workers of New York.

That's tremendous.

You know, right now, places like, you know, San Diego, and, you know, actually, you know, the minimum wage in, you know, Santa Fe County, New Mexico, are higher than in New York City, and are higher than 10.10 an hour.

We really need a way to get above 10.10 for New York City.

[Applause.]

MICHAEL KINK: And, you know, as Ken said, and we should let Ken talk a little bit, Tokyo, Osaka, I mean, that's what we're talking about in New York.

We're talking about world-class cities with companies making historically high profits. There's an ability to pay these wages.

And moving us in this direction forward is -- you know, is historical.

We've got to do that.

KEN JACOBS: Just one other thing on indexing: Indexing both makes sense for workers and for businesses.

SENATOR SAVINO: And for the Legislature, too.

KEN JACOBS: And the -- right, all the way around. There's a logic here.

SENATOR SAVINO: Takes us out of this process.

KEN JACOBS: Right, yeah.

Because, for workers, what indexing means, is that they stay up with -- as inflation go goes up.

And so what we've seen historically is, the declining value of the minimum wage, you have, basically, the standards go down, and then you get

these jumps back up when it goes back to the legislative process.

So that's -- also, obviously, that has impacts on the legislative process.

But what it means for firms, is rather than being able to plan on a slow, steady increase, they go through this constant thing of, you know, things go down, and then they have these larger jumps all at once. And that's not good for business planning, as well.

So indexing is smart for workers, smart for government, and smart for businesses.

[Applause.]

MICHAEL KINK: The one other thing that I would add for the record, is that Seattle has a lower cost of living than New York City does, and they're at $15 already.

So getting us to the point where we can start to meet the very high cost of living in New York City and the metro-area suburbs, where we can work on a regional basis, like they did in Maryland and other parts of the state, to do it across patterns.

And that, Senator Savino, is the thing we've been hearing from legislators from other parts of

the state, saying, Well, we're a little scared about just doing it in this city or county.

But if it were a broader pattern, like it was in Maryland, where we could do it across the metro area, that would start to make real good sense.

And if we're indexed, it's predictable for business.

[Applause.]

SENATOR SAVINO: Thank you.

Next is Senator Perkins.

SENATOR PERKINS: Yeah, two quick questions, Ms. Ervin.

So, your governor came on board and that was useful.

What brought him to Jesus, so to speak?

[Laughter.]

VALERIE ERVIN: Well, since I'm in New York, maybe I can answer that question.

SENATOR PERKINS: Sure. Be frank.

VALERIE ERVIN: He's running for president, and it was a good political move.

I'm just, like, being honest.

But I thought it was really important that he did that, even though, in Maryland, at the end of the day, the bill passed: 10.10, with no indexing,

and tip-wage earners got capped.

So we have a lot of work to do in Maryland, still.

SENATOR PERKINS: Thank you very much.

The other question that I had is:

So, our government is now is moving in the right direction, someone said.

Exactly -- explain what that means, and how much more do we have to go?

PAUL SONN, ESQ.: Well, again, the other high-cost cities are proposing $15 an hour.

That's what Chicago is proposing, LA is proposing, San Francisco is proposing, Seattle.

New York City is at the top of the, you know, cost of living for global cities in the U.S.

If any metro economy could justify a $15 minimum wage, it's New York City.

So that's -- the Governor's proposal, though, is very substantial progress.

It would get you us to be 13 and change, assuming you did all the parts of it: 10.10 statewide, 30 percent higher for the metros.

So that's -- that's very, very substantial progress. And -- but -- and we'd keep working towards the long-term goal of a -- of a, ultimately,

higher and sustainable minimum wage for places like New York City.

MICHAEL KINK: And I will say, Senator, you know, there is something to the fact that we have not previously been one of these states that's allowed localities to set their own wages.

Having a way to step forward to address these local concerns, to show that it works, and then, potentially, to move forward after that, is a big step, right, if we get to 10.10, 13.30.

These folks are still working for $15 in the union. They are not going to stop fighting, and we're not going to stop supporting them until that happens.

[Applause.]

MICHAEL KINK: But, as that kind of hybrid model to sort of set a corridor, where we have a good statewide increase, we have indexing, and then we begin to respond to local cost of living, that puts us on a path to where we're actually responsive in getting towards the wages where we need to be.

[Applause.]

SENATOR PERKINS: Thank you very much.

And I want to thank the Working Families Party for the work they've done towards this end.

SENATOR SAVINO: They didn't get here yet.

I do see them in the room, though.

Senator Rivera.

SENATOR RIVERA: Thank you, Senator Savino.

Again, thank you for being here, and thank you for bringing all the information that you're bringing to us.

I've always been a supporter of raising the minimum wage. I believe it will have a positive effect.

Certainly on the folks that live in my district, it will be immediate.

However, there are many folks that are not in this room that are opposed to it, and we hear the usual pushback.

And so I wanted to take the time, I don't know if, Mr. Jacobs, I don't know if I call you "Dr. Jacobs"?

KEN JACOBS: Mr. Jacobs.

SENATOR RIVERA: Mr. Jacobs?

Because you spoke like a Ph.D., so I -- and as --

KEN JACOBS: I work with lots of economists.

[Laughter.]

SENATOR RIVERA: So -- that is exactly why

I wanted to narrow down some of the comments that you made, and actually ask specific questions about how the -- you know, how the opposition usually frames this.

As somebody who's -- you know, I'm not a full-blown academic. I came originally to New York to do a Ph.D., but I don't have one.

But, obviously, you deal with a lot of them, and this is some of the facts that you deal with on a daily basis.

Just to read a short -- just a sentence, which I think that you will have heard many, many times, or read many, many times:

"The belief that increasing the minimum wage is socially beneficial is a delusion. It is shortsighted and ignores evident reality.

"Workers who retain their jobs are made better off, but only at the expense of unskilled, mostly young workers who either lose their jobs or can't find the job at the legal minimum."

That is one of the types of arguments.

Obviously, we're not going to have a long academic conversation, but I want you to kind of dig down into that a little bit, particularly considering the numbers that you were talking about,

that you discussed earlier.

KEN JACOBS: Sure.

That is a longstanding contention. And that comes from this basic idea that a thinking of labor as purely -- when they look at the supply-and-demand curve, they think of it as, Well, if you raise the cost, then the demand is going to go down.

Except, you also have to look -- think about the supply side that of equation, and that's been long known within economics, because, if you also have -- people aren't widgets.

If you raise the cost of this pen, the pen will write the same way.

If you raise the cost of labor, labor performance changes.

You have reductions in turnover. People stay at the job longer. Again, they work harder. All of those other factors that I mentioned earlier, in terms of absenteeism, et cetera.

So that's an important impact that spreads throughout how -- in terms of what those results are, which means that you can't just say, in theory, cost goes up, demand goes down. You have to actually look at the empirical evidence.

And what's happened over the last 20 years,

since David Cardinel [ph.] and Krueger did a famous study looking at fast-food restaurants on the other side of the New Jersey-Pennsylvania border after a minimum-wage increase in New Jersey, is there's been a massive amount of empirical evidence, really looking at these questions, and looking at it -- both, in terms of restaurant employment, and looking at it in terms of teen employment.

So, again, the biggest thing we've had recently, these large national studies that look at, every time there's a different state minimum wage, you can look right across county borders.

And that includes some places that are urban areas across the border, and some places that are rural areas across the board.

Right?

The Idaho-Washington line.

And so you can look at, Well, what happened to teen employment on both sides of those borders? Did it change?

And the answer is, you don't see an impact.

And there's a very significant amount of research that really has changed the perceptions.

So there was a survey of top economists done by -- out of the University of Chicago. And I think

it was something, like, the -- only 15 percent thought that the harm of a minimum wage was greater than the good.

I mean, that position has gotten smaller and smaller among economists, as the empirical evidence has just been so overwhelming on the other side, that those negative impacts have not appeared at the levels of minimum wages that we've seen in the United States today.

[Applause.]

SENATOR RIVERA: Two more -- thank you for that.

Two more questions that deal directly, again, with the data that you crunch and look at every day.

As far as the age of these workers, what is the -- and I know that we mentioned it before, but I want to also again get it on the record, as far as the breakdown of what -- who these folks are, and what their ages are.

KEN JACOBS: There's been a significant shift in who makes up the low-wage workforce over the last 30 to 40 years.

And so, again, when you look at sort of who are workers earning less than 10.10 an hour, or $12 an hour, the low-wage workforce are

overwhelmingly adults. They, on average, provide more than half of their family's income.

So, this is not a question of teenagers working for extra money.

It's a question of people who -- and even where you've got teenagers working for extra money, many of them are in low-income households and they contribute to their household's survival.

So, in general, what we're talking about here is workers who are contributing an important part of their family's income, who are, in the vast majority, adults.

[Applause.]

SENATOR RIVERA: And, lastly --

KEN JACOBS: Oh, and just one other thing that adds in on the "teenage" question, because I think this is really important, is we've looked at the cost of college tuition going up and up, and the issue of student debt becoming a bigger and bigger issue.

The fact that 18- or 19- or 20-year-olds would earn more money is an extremely positive thing, if faced in terms what their economic pressures are, as well.

[Applause.]

SENATOR RIVERA: And, lastly, related to the time frame that folks working these jobs, another -- quoting from -- what I quoted earlier, by the way, was an editorial from "Forbes Magazine." Again, shocked that they would say something like that.

I'm going to quote from a report from the Cato Institute, that -- when it's stating the conclusions, basically, making this whole argument.

But a lot of graphs -- there's a lot of graphs here. I'll show them to you later, and maybe you can explain them to me.

But the conclusion, in one part, it says:

"In the American economy, low-wages are usually paid to entry-level workers, but those workers usually do not earn these wages for extended periods of time."

So I wanted to actually get -- drill down on that particular issue, considering, again, many of the folks I represent, this is not they're reality.

KEN JACOBS: So, if you look at that in the perspective of, low-wage jobs in the low-wage industries have extremely high turnover. Right?

So right in the restaurant industry, your turnover rate's over 30 percent a year.

Well, what's happening there is not that

people are then going from that job to a higher-paying job. They're going to another low-wage job with -- generally, within that industry, but where they can get just a tiny bit more.

Because people are so desperate, what you have is a lot of movement within these low-wage occupations.

So when you raise the wages, you get that sharp decrease in turnover.

We did a study, looking at the San Francisco International Airport after higher labor standards were set in that airport. And this was in 2000.

You saw security screeners at the time were earning very low-wages. They were contracted-out jobs, and turnover was 100 percent a year.

After that, the wage increase went into effect. It dropped 80 percent points. It went down to 20 percent a year immediately. And that created significant savings, and also has important improvements around safety and security.

So I think the idea, when we look at this and say, Well, people stay in these jobs a short time; they stay in the jobs a short time because the result of that is that turnover, but they are not

moving up the economic ladder.

SENATOR RIVERA: Thank you so much again for --

[Applause.]

SENATOR RIVERA: You certainly deserve all those applauses.

Thank you so much for all of you, for the that work you're doing.

And, we look forward, again, to continuing to work with you, to make sure that this happens as soon as humanly possible [unintelligible] this year.

Thank you.

[Applause.]

SENATOR SANDERS, JR.: Thank you, Madame Chair.

I do want to point out another fallacy that the "Forbes" article, and articles like that, are not really speaking of; and that, of course, is the multiplier effect of paying low-wage workers more money.

These workers are not as inclined as high-wage workers to put their money into hedge funds.

The hedge fund that they are looking for is called "survival." It's called "making sure that

their family survives."

So that multiplier effect, indeed, can create more jobs in those very communities that we speak of.

I also wanted to point out, a question has arisen of our Governor's belated turn towards this question.

And some may say that there was something political about it, but I don't see that at all.

I believe that the Governor was sitting down at his house late at night, and was catching up on some old reading, and he grabbed my bill, and he saw my bill, and he saw that these three points, and he said, You know what?

SENATOR PERKINS: [Not on video.]

I see the light.

SENATOR SANDERS, JR.: He saw the light and said, Sanders makes sense, and I'm going to go with every single thing that he said months ago.

And I think it's just a question of timing, and he saw the light. And I commend him for it.

And I urge him that I have other bills that he should look at while he's doing these things.

Thank you very much.

[Laughter.]

[Applause.]

SENATOR SAVINO: That was not a question so much as a comment.

SENATOR SANDERS, JR.: Oh?

SENATOR SAVINO: No, that's okay. We only have about another hour.

SENATOR SANDERS, JR.: My question is, Will he get to my other bills?

SENATOR SAVINO: Okay.

[Laughter.]

SENATOR SAVINO: Senator Squadron.

And then we're going to move to the workers, because we really do want to hear from them.

Thank you.

SENATOR SQUADRON: Thank you.

Thank you very much.

A couple of questions, just for the panel.

To start, thank you all for coming and for answering our questions.

You talked about the need to sort of, both, index and have local control.

Is there a statewide number that you think is the appropriate statewide minimum wage?

SENATOR SAVINO: He answered that already.

PAUL SONN, ESQ.: The 13 that California is

proposing, you know, would be good.

I mean, New York, comparable economy.

They're proposing that for the Central Valley, for everywhere, statewide.

There's no reason New York couldn't have the same.

[Applause.]

SENATOR SQUADRON: And what about for New York City; either New York City five boroughs or New York City region?

UNKNOWN SPEAKER: [Not on video.]

15.

UNKNOWN SPEAKER: [Not on video.]

He's answered it.

UNKNOWN SPEAKER: [Not on video.]

He's answered it.

SENATOR SQUADRON: Thank you.

Thank you, all.

[Laughter.]

SENATOR SQUADRON: So, presumably, if we got to those numbers, then indexing would be an appropriate way to solve this.

You wouldn't need local control any further if you started from that baseline.

Is that fair to say?

MICHAEL KINK: Well, you know, I think one of the questions you've seen, particularly in New York City, is occasional explosions in housing costs. Right?

Having the ability to respond to local pressure is important.

And, also, you know, I think we're -- we got policy experts.

We also have people that have worked on these campaigns. Right?

That the flexibility that comes from a statutory structure that allows localities to move, to respond, and then to make the case on a statewide basis, is smart. Right?

And I think that, when and how you get to an appropriate level, you know, will we get there all the way at once?

We probably won't. Right?

We're going to have to do this in steps.

So I think that's why we're saying both are important, to achieve the gains, to back them up with indexing, but then to allow those local cost differentials to continue to have something where you can respond as government.

SENATOR SQUADRON: You know, because it's an

interesting point, both the 13 and the panel's answer of $15, because New York City actually does calculate its own poverty rate.

The Center for Economic Opportunity has a new calculation that takes into account -- relatively new, that takes into account costs -- the true cost of living in New York City, the true take-home pay of folks.

And for a family of four in New York City, under this level, you're really, you know, not at the poverty line until you're over 30,000 -- $31,000 a year, for a family of four.

And I think that's telling, in two ways:

One is, that New York City does have, in fact, its own index, that's a different index. It takes into account some of the peculiarities that Paul Sonn and others spoke about.

You think, and then you answered, sort of, 13, based on the California example.

Do you think that 13 and 15 are appropriate because they're tied to some baseline?

Objectively, how can we know, moving forward, sort of, what the wage should be?

What's either the value or the economics of what, you know, real work should pay for folks?

Because I don't believe it's homelessness and hunger and the inability to support yourself, and certainly to support a family.

PAUL SONN, ESQ.: Well, that's a good question.

So, one frequent benchmark that, you know, economists have used for where a robust minimum wage should be is somewhere on the order of 50 or -- to 60 percent of median wage.

And if you do that for high-cost regions of the country, like New York City, the Bay Area, Seattle, it comes out to approximately 15 bucks an hour. It's somewhere in the 14-to-16-dollar-an-hour range, depending.

So that's -- that's one good metric, you know, sort of, economic principle for the $15 wage, which, you know, frankly, emerged from the fast-food campaign as their organizing demand, but is -- we think (a) you know, is defensible based on economic principle, (b) we have evidence of industries in cities, transitioning low-wage industries or whole economies, up to wages close to that level.

As Ken explained, San Francisco is already at 13.18 or so, if you combine their wage and health-benefit standard. The economy hasn't

suffered.

Washington, D.C. has a security-guard minimum wage at 16.50. It went into effect in 2008. No evident, you know, ill-effects on the commercial real-estate industry.

So, we haven't experienced -- and, actually, in New York, most people don't know it, for home health-care workers, they've transitioned the wages and benefits up to 14.09 over the past few years.

So it's been done, and so there's a good principle for the 15 range.

And, statewide, yeah, there's -- it's -- you know, something, you know, in the 12-, 13-dollar range would also make sense.

SENATOR SQUADRON: But the calculation [unintelligible].

So -- and let me just try to understand.

So we're talking about New York City doing some pretty, you know, the hyper-liberal Bloomberg administration actually came up with that, for that calculation, and -- you know, and it's -- and it's sort of being accepted. You know, there's talk about applying it at the federal level.

Gets you to about $15 an hour for a family of 4, if you're working full-time, never take

a day vacation, you work every single hour you possibly can to work full-time.

The difference between what we have now, and that, about $16,000 a year, and about $30,000 a year, has to be made up somewhere. Right?

That's a calculation that takes into account, the need to feed yourself and a dependent; you need to clothe yourself; you need to get to and from work; for yourself and your child, the need to have an actual home outside of a shelter.

And, who makes up that difference when that wage isn't paid?

KEN JACOBS: We've done a lot of research.

The public does make up a good part of the difference -- a part of the difference when the wage isn't paid.

I mean, it does mean that people live in poverty. They live in worse conditions.

SENATOR SQUADRON: So you're just talking about some of the --

KEN JACOBS: But in terms of --

SENATOR SQUADRON: -- some of the costs to everyone?

KEN JACOBS: Sure.

We know that -- we did research last year,

looking at, over 50 percent of fast-food workers received some sort of public assistance.

And that's true, not just for part-time workers, but it's true for full-time workers, as well.

So when you look, across the board, there is some very significant public support for the low-wage workforce, in terms of food stamps, Medicaid.

SENATOR SQUADRON: So if you're making, like, $16,000 a year, and you have a child, who's paying your health costs?

KEN JACOBS: The public.

SENATOR SQUADRON: Okay.

And what about food; food stamps, food subsidies?

KEN JACOBS: Taxpayers.

SENATOR SQUADRON: Okay.

And if you're not able to maintain your home in New York City because, $16,000 a year, it's not possible to pay rent anywhere, and you do end up in a shelter, who pays the shelter costs?

MICHAEL KINK: The public.

And you're seeing a majority of people in homeless shelters now, working.

SENATOR SQUADRON: Right -- I'm sorry.

Was that, the majority of people in homeless shelters today have jobs?

MICHAEL KINK: Yeah, absolutely. Right.

And there have been several reports by the Coalition for the Homeless about how the demographics of the homeless population include large, large numbers of low-wage workers.

SENATOR SQUADRON: Okay.

So, in other words -- and by the way, which companies are most likely to pay wages less than $10?

PAUL SONN, ESQ.: I mean, the lion's share, you know, depending on what measure, what definition, of "large employer" you use, somewhere between, you know, sort of, 53 percent and 66 percent of the low-wage jobs are at large companies; many of them, the major national retail and fast-food chains. They are really --

SENATOR SQUADRON: Like, what do you mean, "retail"?

Give me an example.

PAUL SONN, ESQ.: I mean, the big-box retail stores, Target and Walmart, and the like. And then the fast-food chains; McDonald's, Burger King.

SENATOR SQUADRON: Okay, so -- just so I understand:

So, when the minimum wage is $8, or even $9, there's a cost to that.

There's a cost, in terms of people's own experience, and the workers we're about to hear from.

There's also a cost to everyone.

So, in other words, I and you and everyone else is subsidizing McDonald's and Walmart for paying people to stay in poverty?

PAUL SONN, ESQ.: Yep. Exactly right.

SENATOR SQUADRON: So what is the economic argument for having all of us, everyone else who's working hard and doing their best, pay Walmart and McDonald's back for these wages, instead of just setting a standard?

UNKNOWN SPEAKER: [Not on video.]

We'll take that as a rhetorical question.

SENATOR SQUADRON: No, is there an argument?

I mean, you're probably the wrong people.

I probably have to wait for the back end to find out what the argument is, but, give it to me and then defend it.

KEN JACOBS: I mean, the arguments always do

come down to this question, of whether or not you think there's an employment effect.

If you don't -- if you've looked at the evidence and you don't think there's an employment effect, then there isn't a good argument to go in that direction.

In fact, we did some research that was reported on NPR, where we looked at:

If Walmart was to increase wages so that a single mother with a child no longer needed food stamps, that was, what was it, $13.67 an hour; and, if it was passed on to -- costs to consumers, what would it mean to cost of consumers?

And it turns out, it raised the box of them -- the cost of a box of macaroni and cheese by less than a penny.

So, in that sense, you really do have the capacity, especially when we're talking the retail sector.

The -- because wages are only 10 percent of operating costs, on average, across the board, in the retail sector, that's what they are in the big-box, the overall price impacts are extremely small.

So the impacts for the workers are very

large, enough to pull people up so they don't need public support to make ends meet, while the costs are extremely small and spread across the income spectrum in the ways that have very little impact.

SENATOR SQUADRON: And, of course, then you see, for example, Costco paying 2 1/2 times, nearly, what Walmart pays --

KEN JACOBS: In-N-Out Burger --

SENATOR SQUADRON: -- and charging, essentially, the same price for its goods?

KEN JACOBS: That's right.

And you can see In-N-Out Burger pays much higher wages than McDonald's or the other --

SENATOR SQUADRON: And sells a better burger.

[Laughter.]

SENATOR SQUADRON: The only way in which California outpaces New York, period, is In-N-Out Burger.

Uhm, that might not have been appropriate for me to say.

Let me just ask a final question, and this is a serious question:

So -- and we're about to hear from the workers.

But, when the State says, Look, if you work,

you're going to get 8 bucks an hour, you know, even if we're talking about it, still, it's single digits an hour, the state and the federal government will make up the difference, what message does that send to folks in terms of the value of work?

What -- if someone is a single parent, or has an hour commute to and from work, or anything, what's the argument to make to someone with an $8 wage, versus, for example, a $15 wage, on the value of work?

And is there any research on what message people do take about the value of work when they're basically told: Look, your life is really publicly subsidized. It's not really your work wage that's the most significant thing in your life?

KEN JACOBS: I think it's a good question to ask some of the workers later.

When I -- I've had this -- I haven't seen research on it, but talking to workers and having this conversation, people do feel like they're devalued.

And I think that is an important message to say, that if you work -- the issue of -- for people who are working, should earn enough to survive and support their families.

SENATOR SQUADRON: Thank you.

MICHAEL KINK: I would also say that that frame emphasizes the historical aspect of this change. Right?

During the period of unionization and better wages after World War II, the society had a broader respect for workers. Government and unions worked together to create the biggest middle class the world had ever seen.

What we're talking about now is a twenty-first-century version of that.

We've got to get government back on the sides of workers. We've got to support their efforts to organize and unionize. And, both the private sector and the public sector need to work together to move people forward.

[Applause.]

SENATOR SAVINO: Thank you, Michael.

So, I guess we're expecting Andrew Cuomo to become the new FDR.

[Laughter.]

SENATOR SAVINO: I'm serious.

SENATOR SQUADRON: Thank you all very much.

SENATOR SAVINO: Who is a former member of the New York State Senate, by the way.

We're now going to hear -- actually, we're going to go out of order.

We were, first, going to hear from the members of the clergy, but, we really want to hear from the affected workers who are here from the worker panel.

Frankie Tisdale --

[Applause.]

SENATOR SAVINO: All right, you don't have to clap for all of them.

Of course, I want to thank the panel, and I imagine you're going to stick around.

But, these are the workers, so let's wait and clap for them at the end.

Frankie Tisdale, Alfredo Franco, Whitney Ortega, Guillermo Worker, and Selena Alvarez.

Now we can clap.

[Applause.]

SENATOR SAVINO: That's what it says.

Oh?

Oh, see, there's no comma in my list here. It looks like his name is Guillermo Worker.

[Laughter.]

Oh!

And Reverend Que is also going to join us.

Maybe I should put my glasses on.

UNKNOWN SPEAKER: [Not on video.]

We have clergy and workers.

SENATOR SAVINO: Oh, good. Clergy and workers together, that's the way it should be.

So, first, we're going to hear from Whitney Charles, who is an employee with Yum! Brands.

[Applause.]

SENATOR SAVINO: You've got to pull it close to you.

WHITNEY CHARLES: Good morning, members of the State Legislature.

As you introduced me, my name is Whitney Charles. I am a cashier at a Yum! Brands store in Penn Plaza in New York City.

I've been working in fast-food for approximately three years now, and I'm still making -- well, I just recently started making the 8.

I was making 7.75, and then, just recently, made the 8.

It's very tough.

Like, I currently live with my mom who is a single parent, and with my younger brother who is 18.

I help her out. I pay rent, you know, $200 a month.

I'm also a student.

So between, you know, school expenses and Metro cards, and other basic necessities, it's, like, I'm spending a lot a month. So it's, like, about 800 a month, to 900 a month.

So, with what I'm getting, $8 an hour, it's not enough to pay for everything, so I have to -- I find myself making sacrifices.

Like, for example, last week, I had to choose between, you know, buying a Metro card.

You know, I couldn't buy the Metro card.

So, I had to ask some of my workers, you know, Can I get a swipe?

Or, in the morning time -- I hope I'm not incriminating myself -- I would have to hop the turnstile, or, you know, try to find -- you know, so, it's very hard.

It's very -- you know?

So I -- personally, I feel like there's no reason why I should be going through this, because,

I mean, I'm working for a billion-dollar corporation. You know, so it's -- it's -- it's just -- you know, it's not good.

So that's why, you know, as a New Yorker, passing the local wage bill would be incredible.

It would make a difference, a huge difference.

Thank you.

[Applause.]

SENATOR SAVINO: Thank you.

Next is Alfredo Franco who works for Domino's.

TRANSLATOR [Spanish to English]: And I'll be translating.

SENATOR SAVINO: Okay.

ALFREDO FRANCO: [Speaking in Spanish.]

TRANSLATOR [Spanish to English]: Good morning, members of the New York State Legislature.

Thank you for the opportunity to share my story with you today.

My name is Alfredo Franco, and I work for Domino's in Washington Heights.

I make $6.40 an hour, plus tips, when I make deliveries; and $8 an hour when I work inside the store.

This is not enough to survive and support my wife and two kids.

Each week I am forced to decide what necessity I can afford to buy them.

ALFREDO FRANCO: [Speaking in Spanish.]

TRANSLATOR [Spanish to English]: My company, Domino's, pays me as little as they're legally allowed.

And I'm here today to tell you 7 or 8 dollars an hour isn't enough, which is why it is so important that you give New York and other cities the power to raise the minimum wage before the end of the session.

I have to feed my family and put a roof over their head now, not next year.

[Applause.]

ALFREDO FRANCO: [Speaking in Spanish.]

TRANSLATOR [Spanish to English]: My co-workers and I went on strike in New York City and more than 150 cities around the country to demand $15 an hour and a union.

We know President Obama, the Pope, and most New Yorkers think the minimum wage should be raised.

The time is now for the Senate and the Assembly to act and pass this historic law.

Thank you.

[Applause.]

SENATOR SAVINO: Next, Frankie Tisdale, who works for KFC.

FRANKIE TISDALE: Good morning, Senators.

My name is the Frankie Tisdale.

I'm 26 years old, and I'm a father of two.

I'm an employee at KFC, where I work, and live, in Brooklyn.

And, I have a college degree, but it's difficult to find work in my field right now, so I have to settle for working at KFC, where I struggle, making $8 an hour.

Sometimes I earn an annual salary of less than $10,000 a year, which, it's hard for me to provide shelter for my family.

I live with my father.

Sometimes I bring home less than $175 a week.

I also have to provide for government assistance to feed my family, which is limited because they have a status quo on how much I can get to feed my family.

And, my kids is growing. It's hard for me to support them. Like, buy school supplies and clothing for them to, like, progress in their

education.

And I feel I sacrifice everything, and put so much into working for so little, to get nothing in return.

I'm a parent, and I can barely afford health insurance for my family, life insurance for my family, or even have a bank account for a rainy day or in case of emergency.

And, like, it's so much -- it's little security.

And it's also a stress, and it's demeaning to me as a man, like, having a family. Like, I can't, like, support them properly.

And then, also, teach my kids a valuable lesson. Like, why work an honest living and get paid so little, when you could go another route and make fast money, and risk, like, getting in trouble and going to jail.

So, that's another thing; like, minimum wage really does nothing for Black communities, and that's why crime is so high.

I'm here to, like, maybe we can get better -- something better on our honest day living.

[Applause.]

SENATOR SAVINO: Who else do we have?

Salina?

No.

Who else is -- we have Reverend Que.

Reverend Que?

I thought we had more workers.

REVEREND QUE ENGLISH: Well, so many touching stories, I'm almost wondering, like, are we in America, or are we really in the great state of New York, listening to some of these stories.

My name is Reverend Que English. I am the co-founder of the New York City Clergy Roundtable.

I'm also the co-founder of the Bronx Clergy Roundtable.

We have the largest coalition, with over 500 partners.

And I'm here representing the many clergy that couldn't be here today.

We are a large interfaith coalition standing behind this movement, and have been with them since the beginning, on numerous movements.

On March 31, 1968, Reverend Dr. Martin Luther King posed the question, of whether America could stand idly by and not be concerned with its own, as well as the surrounding world's poverty.

He stated that, "The God of history will judge us specifically on how we treated the least of these. Did we ensure that they had enough to eat, clothes to wear, and sufficient housing?"

The question Reverend King proposed in 1968 is the same question that I propose to you today:

Can you in Albany stand idly by and not be concerned with the suffering of our brothers and sisters all throughout the state?

The answer is, unequivocally, no.

3 million New Yorkers did not have enough -- do not have enough money to sufficiently provide for themselves and their families.

"3 million."

Every day we walk by the homeless, the hungry, the unemployed, too many shelters, a daily basis.

And this is the reason why this bill is so important, because you have the power to change the course that we're on.

Many of us can easily put a balanced meal on our tables, and some even afford to go out; yet, many of us, as faith leaders, receive knocks on the door for food, with mothers, and sometimes fathers, with children in strollers, unfed and unkept.

Yes, we know, as faith leaders, we, too, must do our part, and rightfully so, to take them down to the corner bodega or to the nearest grocery store to purchase milk for their children and food for the family.

And we must realize it's not because they're lazy. It's simply because the wage scale is unjust.

We have members in our congregations that have to work multiple jobs to make ends meet. And if they are working, they are not spending time with their children.

So what's happening to our children?

What is our future generation going to look like long after we're gone?

We as faith leaders have witnessed the tears on Sunday mornings, the working families that return to shelters, the families that are without.

The working person in my congregation who is on the brink of eviction, not because he isn't working, not because he isn't responsible, but because he is living off of poverty wages.

We all, including government, corporations, and community leaders, have a moral duty to ensure that all human life is valued and respected.

One way to do this is through the designation

of wages, as all human labor has dignity.

Ensuring that wages are at a level in which people can afford the basic necessities, and more, is part of that moral duty.

I am here today because I find that government and corporations are not living up to this moral duty.

The question becomes: Why have we allowed New York State to have the worst income inequality in the nation?

"To have the worst income inequality in the nation?"

You hear all the time how one bill is more important than the next, but, I don't know if there's any other bill that, by not signing it, will keep us with this reality.

The other questions become: Why are we allowing multi-million- and -billion-dollar corporations, who are receiving tax subsidies from our state, to pay our workers such poverty wages?

When other cities and counties around the country are raising their minimum wage, why is ours still $8 per hour, with a dollar increase of $9 per hour expected by 2016?

So the State-designated $8-per-hour minimum

wage is not an adequate minimum wage, as mentioned, for all municipalities in the state.

$11,000 per year, we just heard the gentleman said ten, just isn't enough to pay bills, much less save for a brighter future.

The result of such a low minimum wage, are that our hard-working New Yorkers and their families are forced to live in poverty. And poverty contributes to the things we see on a daily basis, from increase in crime, violence, gun violence, deaths, domestic violence, poor education, truancy, sexual trafficking, and the list goes on.

These hard-working New Yorkers are forced to choose, in many cases, between food and housing, which both should be their basics rights.

The only just solution to this grave injustice, and I mean it's a grave injustice, is to allow each municipality the authority to set their own minimum wage.

This will result in the reduction of our state's gross income inequality, as well as help to alleviate poverty.

In conclusion, what we're asking you to do here today is to take the step in the right direction.

We won't see the results we need to see until we do things differently.

And while we know we don't always do it right, and if we haven't gotten it right on the state level from the results we've heard today, then why not attempt to get it right on a municipality level?

[Applause.]

REVEREND QUE ENGLISH: With this bill, you have not only an opportunity, but a moral obligation to, support legislation that will help to alleviate poverty in this entire state.

I strongly encourage you to support this bill.

Thank you.

[Applause.]

SENATOR SAVINO: Thank you, Reverend.

ELIZABETH GLASSANOS: Hello. My name is Beth Glassanos.

I'm here with FOCUS Churches of Albany. We're a coalition of seven different churches right here in Albany, and many other affiliate faith communities.

Just up the street, State Street, and also on Chestnut Street, we operate one soup kitchen, as

well as, we have a food pantry.

Our soup kitchen, every day, 140 people show up in need of a hot meal.

These are men, women, children, seniors.

Right now about 20 percent of the folks coming through are veterans.

Our food pantry serves approximately 300 families each month, and folks come through the door because they need groceries.

They are in fear that they cannot provide for themselves and their children.

They come because they have stagnate and insufficient wages that they are earning in minimum-wage and low-income jobs.

Just as I was on my way, I found this in my folder.

This is a New York State publication, and we distribute it in some of our programs, as well as some of you might distribute it in some of your programs.

It says, "Are you working but having a hard time making ends meet?"

And, so, you see that this is happening on a federal level, on a state level, public benefits are shrinking.

The so-called "safety-net programs" are no longer a Band-Aid.

We're an ongoing support to families who are in need on an ongoing basis.

When we opened, we opened in 1984, there was an expectation that we would be temporary.

30 years later, we're still going strong. And, we do not foresee any change.

10,700 children in Albany County are "food-insecure."

This is a term defined by the USDA as insecure or insufficient access to adequately nutritious food.

FOCUS, our organization, has made minimum wage a central issue in our advocacy plan.

Why?

Because we know the hunger is not caused by scarcity of food. Grocery stores are stocked with food. There's plenty to go around for everybody.

But, food is completely out of reach for people who don't have money in their pockets.

We stand together with our colleagues and our friends here, our workers, in support of raising the wage in such a way that is consistent with local economies and the cost of living.

The poverty wage that we have right now has not kept up with inflation.

Our livelihoods may be growing in quality as our income grows, improving our residential and nutritional and educational stability.

But, meanwhile, this is not the case for so many others.

The poverty wage translates to $18,720 a year for somebody who's working full-time.

As you heard earlier, that's not the case for most people. They're earning much less.

So I always like to throw this in, because I'm a social worker, in addition to -- that's my trade, in addition to what I do over at FOCUS.

And what we learn in social work is, a fundamental understanding, is Maslow's hierarchy.

Most people have heard of it.

Food is a basic need.

We need food to be well-nourished, and to reach our full potential. And we need the resources to access food.

And so I'm asking you, of course, you must support this bill.

We must get people the support that they need to be meet absolutely basic fundamental needs.

Thank you.

[Applause.]

SENATOR SAVINO: Thank you.

First, I want to thank all of out for your testimony.

And just to clarify, there's several bills that we're currently looking at.

And in the end, probably, we'll wind up with six.

There are six current bills before the Senate Labor Committee that address issues, everything from raising the minimum wage, allowing local control, indexing it, combining it, targeting --

UNKNOWN SPEAKER: [Unintelligible.]

SENATOR SAVINO: Right, targeting just one or two particular industries.

And that's kind of what we're trying to solicit information here today.

I want to actually speak -- questions for some of the workers themselves.

I notice each one of you said that you're -- I think most of you have either been to school or you're in school, and you're working at the same time.

On average, Whitney, how many hours a week are you working at Yum! Brands?

WHITNEY CHARLES: On average, I would say about 20 hours a week at work.

SENATOR SAVINO: Uh-huh.

WHITNEY CHARLES: And the rest in school.

SENATOR SAVINO: And you -- you're actually a college graduate.

And what did you get your undergrad degree in?

FRANKIE TISDALE: Medical assistant, associates.

SENATOR SAVINO: And you're not able to find employment.

See, I think the reason I'm asking this is, one of the other issues that I'm very concerned about is, we're also spending a disproportionate amount of money on job-training programs.

And the real question is: Are they effective, and are we training anybody for any real jobs?

My guess is, we're probably not putting our money where it should go.

We've invested billions over the past 15 years --

[Applause.]

SENATOR SAVINO: -- and federal TANF money, in an effort to "reduce" [indicating] -- what was it, we were going to change welfare as we know it.

And we all know that welfare rolls are lower now, but we're not necessarily sure that we place people in real employment.

That's going to be next thing that I look at, certainly not here today, because we want to make sure that we give people skills, so that they can translate that into a career path, not just subsidizing low-wage work, which is important.

I do notice you all have a T-shirt on, and I love the T-shirt. "Stick Together. $15 an hour in a union."

So, which union is organizing you guys?

UNKNOWN SPEAKER: [Not on video.]

32 BJ.

SENATOR SAVINO: 32 BJ.

Have you all signed cards?

You have.

That's excellent.

Has there been any elections held at any of the various restaurant chains that you're working in?

Has there been any effort to trigger an election?

Anybody can answer that question.

Not yet?

UNKNOWN SPEAKER: [Not on video.]

Not yet.

UNKNOWN SPEAKER: [Not on video/no microphone.] It's very difficult, too, because the whole fast-food restaurant is so transient.

SENATOR SAVINO: Uh-huh.

UNKNOWN SPEAKER: [Not on video/no microphone.] It's kind of hard. By the time we get people to actually agree to be unionized, [unintelligible], they've moved on. [Unintelligible], or whatever the case may be.

So it's kind of hard to pin that down.

SENATOR SAVINO: Is there any effort to track retaliatory efforts by the industry against workers who are exercising their constitutional right to organize?

UNKNOWN SPEAKER: [Not on video/no microphone.] Yes, there is.

SENATOR SAVINO: I would be interested in someone sharing that with me at a later point in time.

Organizing is the key to improving standards for workers, period.

[Applause.]

SENATOR SAVINO: And I don't say that -- I don't say that to negate anything that the Legislature does.

Obviously, I'm a member of the Legislature, but legislatures come and legislatures go.

And we saw what happened in Wisconsin a few years ago, where a legislature overturned a historic right to collective bargaining for public-sector workers.

Working people should never depend solely on the legislature.

That's what the union movement is about.

So that's my -- my plug for labor.

And now I'm going to turn it over to my colleagues.

SENATOR PERALTA: Thank you, Senator Savino.

I want to echo the sentiments of Senator Savino in terms of joining a union.

It's very important that you stick together.

And there are going to be days that you're going to feel like it's not worth it.

But believe me, when it's all said and done,

it will be worth it.

So, stick together.

And I understand that the transient issue is big. But, talk to your colleagues, talk to your co-workers; inform them of the importance of sticking together, because they can't break you if you're all together.

[Applause.]

SENATOR PERALTA: I also want to thank the clergy for testifying today, because I want to thank you for all you do. And, day in and day out, I know it's very rigorous work.

And the fact that you're -- that you've come out and you support this cause is very important.

But more importantly, I want to thank the workers.

UNKNOWN SPEAKER: [Not on video.] Yes.

[Applause.]

SENATOR PERALTA: Consider yourself role models and heros. That's what I consider you, because you have a choice. And you have the choice of being out there -- as you mentioned, of being out there and living the fast-life and doing something that you shouldn't be doing.

But what you're doing is, you're doing it the

right way.

You are showing your children, more, the importance and the value of hard work.

Even though you're not getting paid today, enough, you will get paid enough down the road, because we're going to ensure, on our side, that we work hard to pass, and increase the minimum wage.

And even though 10.10 is not enough, we're going to continue to push so it gets higher, because you understand, you have to show your children, and your family, that what you're doing is the right thing.

And, I am truly honored to hear your story and your commitment and your struggle, because it was once said: Without struggle, there is no progress.

And believe you me, there will be progress.

[Applause.]

SENATOR PERALTA: Because you're talking to the individuals who will continue to push to make sure that we have progress in New York State.

So thank you so much.

You are role models. You are heroes.

[Applause.]

SENATOR SAVINO: Questions?

Senator Squadron.

SENATOR SQUADRON: First of all, thank you so much for testifying.

I know that, in addition to the headache of coming up here and waiting around, and hearing all of us, you also are risking your employment, unfortunately, by speaking here.

And the threats and the examples that you've seen from other folks who have lost their well-being for speaking out, has to be looming large.

And I want you to know that everything Senator Savino and Senator Peralta say, is true:

You should never be punished for speaking out and for protecting your rights.

And, if you are, you know of anyone who is, let me know, let each of us know individually, and we will -- luckily, that is already against the law. And we will make sure that the law comes down on those folks.

[Applause.]

SENATOR SQUADRON: I do want to ask, though, the same question that I asked previously, which is:

You know, you're in school, and trying to do your best. And, obviously, you're working for very, very few dollars.

What does that say, what do people in your life say, about work?

What is the value -- what does it say about the value of work, and of all of the cost and exhaustion and risks that you take by going to work?

If -- you know, do you have friends and acquaintances who don't do it, who don't work?

Do you have a sense of, sort of, how much your work is valued?

And does it ever just feel like it's not worthwhile?

FRANKIE TISDALE: Yes.

I have a lot of peers that would rather not get a job because it pays so little. It has no benefits.

So, why get -- why be employed, when you could do this and make better money doing it?

So -- and that's about it.

SENATOR SQUADRON: So what do you say to them?

So why do you keep going it?

Why do you work hard?

FRANKIE TISDALE: Yeah, but I work hard because I realize I have a family. I'm trying to teach them a lesson. A valuable lesson.

[Applause.]

SENATOR SQUADRON: Anyone else?

WHITNEY CHARLES: Well, personally, I keep doing it because of all of the local workers behind me.

Like, they've been a huge inspiration to me.

Like, when you are consistent and dedicated to make a change, it will happen, especially when you stick together.

Like, I recently just came on board with this, you know, "passing the local bill" movement.

And, the events that I've been to have just been so overwhelmingly, like, positive. I've soaked it all in. And it's just -- it's really, really -- it makes me happy to see, when people stick together, for a movement. Like, break that glass ceiling, you know, for a change.

[Applause.]

WHITNEY CHARLES: So, I would like to say, thank you, again, to these, you know, fellow coordinators behind me, because they really are inspirational.

SENATOR SQUADRON: Thank you.

[Applause.]

SENATOR SAVINO: We have some more workers

joining the panel.

ALFREDO FRANCO: [Speaking Spanish.]

TRANSLATOR [Spanish to English]: My -- you know -- you know, it's not very valuable because I'm making so little, so my family doesn't really value the work that I do. Of course not.

SENATOR SQUADRON: Thank you all very much.

And thank you for sticking with us.

[Applause.]

SENATOR SQUADRON: Because we need people to do. And it's our job, and the job of organizing, and the labor unions, and the government, to make sure that it does have the value it deserves.

And I want you to know that we do value your work greatly, and the fact that you're sticking with us.

So, thank you.

[Applause.]

SENATOR PERALTA: Guillermo?

[Speaking Spanish.]

ALFREDO FRANCO: Alfredo.

SENATOR PERALTA: Oh, Alfredo.

[Speaking Spanish.]

SENATOR SAVINO: Thank you.

We have some more workers.

SELENA ALVAREZ [ph.]: [Speaking Spanish.]

TRANSLATOR [Spanish to English]: My name is Selena Alvarez [ph.].

Thank you, Senators, for having me here today.

I pray to God every day for you all.

I'm the [unintelligible] member of the church, and I am going to tell you my story.

I came from Mexico five years ago, for a better future. And since I arrived here, I worked in various restaurants in the city of New York, because, in my country, I used to own my own restaurant.

SELENA ALVAREZ [ph.]: [Speaking Spanish.]

TRANSLATOR [Spanish to English]: So, in many of the restaurants that I have worked throughout New York City, I always get paid the minimum wage.

This is not enough to support my family.

Sometimes I have to work two restaurants in order to support myself and my family, because minimum wage in New York City is not enough.

Right now I live in a two-bedroom apartment, with three other families, my 20-year-old son, because I cannot afford to pay for one-bedroom

apartment for myself.

SELENA ALVAREZ [ph.]: [Speaking Spanish.]

TRANSLATOR [Spanish to English]: I know many other families are going through the same situation.

We need to raise the minimum wage in New York City to live with respect and dignity.

SELENA ALVAREZ [ph.]: [Speaking Spanish.]

TRANSLATOR [Spanish to English]: So we want to make sure that New York City is able to raise the local wage, so that we can fight.

And, anything less than $15 the hour in a city that's as rich as New York is unacceptable.

Thank you.

SELENA ALVAREZ [ph.]: [Speaking English.]

Thank you.

GAJAIMO ORTEGA [ph.]: [Speaking English.]

I speak only in Spanish.

She help me.

SENATOR SAVINO: That's okay.

GAJAIMO ORTEGA [ph.]: [Unintelligible.]

[Speaking Spanish.]

TRANSLATOR [Spanish to English]:

[Unintelligible] thank you the Labor Senate Committee for allowing me the opportunity to share my story.

I would also like to thank the [unintelligible] of New York, the organization of which I'm a member from, for inviting me to very important hearings.

My name is Gajaimo Ortega [ph.], and I migrated from my county, like many other people, to one of the most expensive cities in the whole country, for a hopes of a better future for myself.

My experiences in this county, in terms of the workforce, has been very difficult.

I'm a hard-working man who has been willing to pick up any job that comes my way.

Why work, and work? I can't seem to get myself out of poverty.

GAJAIMO ORTEGA [ph.]: [Speaking Spanish.]

TRANSLATOR [Spanish to English]: Currently, I work for a baking company in Brooklyn, New York. In this factory, I use my hands to make a bread for people to eat.

While I enjoy baking, I cannot enjoy my life outside of work. My pay of only $300 per week does not go far enough to cover even the most basic needs that one has.

As a single man, I have to cover all my costs for rent, food, transportation, clothing, and other

necessary expenses.

Money is so tight, that I ran a [unintelligible] with no kitchen. I eat out of a microwave in one of the richest cities in America.

GAJAIMO ORTEGA [ph.]: [Speaking Spanish.]

TRANSLATOR [Spanish to English]: In addition to my core expenses, I scrap up the little that I have to send money away to my mother in Mexico. Over the past years, her health has worsened, leaving her to count on my dollars to cover her medication.

I don't know how to pull this off, but, every day, I wake up nervous about how my next month's expenses will get covered.

Everything around us is going up in cost.

If my paycheck does not follow, I will be left with nothing.

GAJAIMO ORTEGA [ph.]: [Speaking Spanish.]

TRANSLATOR [Spanish to English]: For that reason, I say here, urging you to raise up New York.

I've been failed by my federal government who set up federal minimum wage of 7.25 the hour.

I have been failed by my state government who set a state minimum wage of $8 the hour, going up to only $9 the hour by 2016.

[Unintelligible] my local governments to do a better for me, and raise my minimum wage to a living wage.

[Applause.]

GAJAIMO ORTEGA [ph.]: [Speaking Spanish.]

[Speaking English] Thank you so much, everybody. God bless you.

[Applause.]

TRANSLATOR [Spanish to English]: There are 3 million other New Yorkers like me who go to work every day and we live below the federal poverty line.

Many of them have children. I can't imagine the suffering that one feels when you can't buy your kid a spring coat, or can't send them to a summer camp, or, God forbid, can't put food on their table.

Raise up New York for all of us.

Thank you.

[Applause.]

SENATOR SAVINO: Thank you.

I want to thank all of you for your testimony, and all of the panels that participated in this hearing. And, of course, my colleagues who sat through the whole thing on this very important issue.

As I said earlier, we had the room till twelve.

Well, we got 12:25.

I do have to -- we do have to end the hearing, though, at this point.

If there are any other people who wanted to offer testimony, or have it, please, give it to my trusty assistant, Barbara O'Neill.

This is going to be an ongoing discussion for the very lengthy period of time we have left in this legislative session, which is, uh, 2 1/2 weeks.

Plenty of time.

Right, Senator Sanders?

And Senator Sanders, who didn't get to make his opening statement, will now make it as a closing statement, as we bring this Senate Labor Committee hearing on wage control to a close.

Thank you, everyone.

[Applause.]

SENATOR SANDERS, JR.: I was struck by the eloquence of the panel, where, there's something called "the ring of truth."

The ring of truth, and that you can hear it.

If you keep your ears open and your mind open, you will hear what is true, and what is not

true.

So I am very glad and honored that you were kind enough to keep it real in Albany, and, perhaps, bring the real to Albany.

Would you be kind enough to translate.

[Translators translate English to Spanish.]

SENATOR SANDERS, JR.: Work must pay, and honest work has dignity.

This we teach our children, not just with our voices, but with our lives, where we have to show that there is another way, a harder way, but a way that we want our children to live in, because, we want our children to live.

[Applause.]

[Translators translate English to Spanish.]

SENATOR SANDERS, JR.: The Koran -- since there were religious people here, the Koran says that the belly of the rich is never full.

Now, I refuse to believe that.

And I also refuse to believe that government is powerless, and there's nothing that we can do and nothing that we will do. And, on these things, we must act.

My colleagues who have been here, who have put in many hours, our Chair who called a hearing, all of these folk are committed to addressing this issue.

And there are other good people up here.

All are committed to addressing this issue.

A personal place to you, is that I personally will stay on this issue, and -- until we bring as much justice as Albany has to offer.

[Applause.]

SENATOR SANDERS, JR.: Thank you for coming up, that long pilgrimage, and thank you for keeping it real in Albany.

[Applause.]

SENATOR SANDERS, JR.: Thanks to our Chair and my colleagues.

(Whereupon, at approximately 12:18 p.m., the public hearing held before the New York State Senate Standing Committee on Labor concluded, and adjourned.)

---oOo---