11:20 am

AUG 30 1995

THE WHITE HOUSE

WASHINGTON

August 30, 1995

MEMORANDUM FOR ERSKINE BOWLES
AB MIKVA
LAURA TYSON
CAROL RASCO
ALICE RIVLIN
JACK QUINN
DOUG SOSNIK
PAT GRIFFIN
ALEXIS HERMAN
KITTY HIGGINS
TODD STERN
JACK LEW
STEVE KELMAN
MIKE SCHMIDT
DOROTHY ROBYN
ELGIE HOLSTEIN
KAREN HANCOX
SUSAN BROPHY
KATE CARR
STEVE SILVERMAN

— Mike Schmidt has copy
— also, P.W. has copy
11:30 am

FROM: JENNIFER O'CONNOR

SUBJECT: Minimum Wage Executive Order

Attached is a draft Executive Order, prepared by the Department of Labor, which would require federal contractors to pay the President's proposed new minimum wage of $5.15 per hour. The package includes a description of the pros and cons, as well as backup material.

Please have the appropriate person on your staff review the draft Executive Order and contact me with comments by 5:00pm today (Wednesday, August 30). Comments can be faxed to me at 456-7929, e-mailed to me, or called in to me at 456-6350. My apologies for the rapid turn-around, but there is discussion of moving this very quickly.

MEMORANDUM

DATE: AUGUST 29, 1995

SUBJECT: MINIMUM WAGE EXECUTIVE ORDERS

Summary

As requested, we have prepared a draft executive order that would prohibit government agencies from doing business with federal contractors that pay below $5.15 per hour.

Attached to this memorandum are: (1) the draft executive order relating to federal contractors and the minimum wage; (2) the press packet released by the White House on February 3, 1995 accompanying your legislative proposal to increase the minimum wage; (3) an excerpt on the minimum wage from your May 19, 1995 speech for the 75th Anniversary celebration of the Labor Department's Women's Bureau; and (4) a legislative background brief describing how members of Congress voted when the minimum wage was last increased in 1989.

Message

* The nation's leading economic problems are stagnant wages and declining real incomes for working families.

* The federal government should not contribute to the wage and income problems facing working families.

* The President has presented Congress with a legislative proposal to increase the minimum wage 90 cents from its current $4.25 per hour. This initiative would assure that people who work hard and play by the rules receive a living wage of $5.15 per hour. Congress has refused to act.

* If Congress won't act, President Clinton will. The President will use his executive authority to guarantee a living wage --- $5.15 per hour --- for everyone working in firms that do business with the federal government.

* At a minimum, the federal government should not do business with corporations that pay workers less than a living wage.

Discussion

I. Increasing the Minimum Wage for Employees of Federal Contractors

A. How the Executive Order Would Work

This draft executive order would establish that "[i]t is the policy of the executive branch in procuring goods and services that . . . federal agencies shall contract with companies that pay their employees no less than $5.15 an hour." This policy would be enforced in two ways. First, every government contract entered into after the effective date of the executive order (the date you sign it) would include a clause in which the contractor agrees to pay a minimum wage of $5.15 per hour. Second, any contractor that pays below $5.15 could have all of its government contracts terminated. The executive order does not provide for any exceptions.

The Secretary of Labor would enforce and administer the order. If the Secretary finds that a contractor is not paying a minimum wage of $5.15, he would transmit a finding to the heads of contracting agencies or departments who, in turn, must terminate all contracts with the contractor unless the contractor pays all of its employees at least $5.15 per hour within a time specified by the Secretary.

Like the "striker replacement" executive order, this draft order is premised on the authority delegated to the President by Congress in the Federal Property and Administrative Services Act of 1949 "to provide for the Government an economical and efficient system for . . . procurement and supply." Some economic theories suggest that increasing the wages of low-wage workers will result in an increase in those workers' productivity and, in turn, to increases in efficiency that will offset the cost to federal contractors of the higher wages. Thus, the federal government would, according to these theories, procure its goods and services from more efficient, more economical federal contractors.

B. Possible Variations in this Executive Order

(1) Use CEO Pay as a Trigger: The executive order could be made to apply only to federal contractors that pay their chief executive officer (or other top executive) more than 100 times the lowest wage paid to their employees. This approach would dramatize the growing wage disparity in our economy. On the other hand, it undermines the central moral argument which supports raising the minimum wage: every worker is entitled to a living wage, regardless of who employs them or how much others in their organization earn. Further, using a CEO pay trigger may weaken the nexus to economical and efficient procurement, the legal prerequisite for presidential action of this type.

(2) Use Profits as a Trigger: The executive order could also be made to apply only to federal contractors that earn above average profits. This approach would juxtapose the huge economic returns being yielded by capital (e.g., the soaring stock market) with the decline in

middle and working class family incomes. On the other hand, it suffers from both of the infirmities outlined above (i.e., undermining the moral argument and attenuating the procurement nexus), plus it would require an administrative apparatus to decipher each contractors' profits.

C. Arguments For and Against the Executive Order

(1) Pro: This draft executive order will demonstrate your commitment to increasing working families' wages (particularly for the lowest wage workers) and distinguish you from a congressional majority that refuses to even consider your legislative proposal to increase the minimum wage. The minimum wage has fallen 27% in real terms since 1979 and, without adjustment, will fall to its lowest real value in forty years in 1996. It is arguable that the growing disparity in family incomes and wealth is the most pressing issue for middle and working class families. This executive order would make your moral position clear --- you will not allow the federal government to do business with any company that contributes to declining real wages for low-wage workers.

(2) Con: This executive order is premised entirely on economic theory, much of which will be difficult to explain in simple terms to the public, that is outside the mainstream of scholarly economic thought; accordingly, it is unclear whether reliable third parties will validate the arguments set forth in the preamble. Further, it is unclear whether theory alone is adequate to support an executive order. Even accepting the theories as true, it is also unclear whether the nexus between a minimum wage increase and efficient and economical procurement is sufficiently close to pass judicial scrutiny.

Preliminary research has not disclosed any executive order, outside the context of President Roosevelt's extraordinary powers during World War II, that directly sets wages for employees of federal contractors; that is, this executive order could be unprecedented. The closest analogy may be President Carter's Executive Order No. 12092 which required federal contractors to certify that they were in compliance with voluntary wage and price guidelines established by the President's Council on Wage and Price Stability. Finally, this executive order could lend support to attacks that President Clinton and the Democrats want big government. A slippery slope argument is easily made: "If Bill Clinton can require federal contractors to pay a higher minimum wage, is he going to require a pay increase for all workers? Will he require all federal contractors to follow his health plan? To finance abortions through their health plans?"

(3) Likely Constituency Responses: The labor movement and other advocates for low-wage workers will likely support the executive order. Federal contractor groups and representatives of the business community (e.g., the Chamber of Commerce, the National Association of Manufacturers), as well as the Republican congressional majority, will oppose the executive order. Since a substantially larger group of federal contractors will be affected, it is reasonable to expect a much more vigorous negative response from the business community than the striker replacement executive order evoked. Litigation and congressional

action (e.g., efforts to overturn the executive order, appropriations riders blocking enforcement of the order) will likely result.

D. The EO's Costs Are Difficult to Estimate

A very rough estimate of the costs of the executive order suggests that it will cost federal contractors not more than $2.1 billion per year. Please note, however, that the data needed to make a precise estimate of the cost of the minimum wage executive order are not available. Estimates of worker wages and the number of workers involved do, however, permit this crude projection.

The assumptions employed to reach the above estimate likely bias the estimate upward. First, many federal contractors (e.g., construction, service) are required to pay a prevailing wage above the minimum wage by the Davis-Bacon Act and the Service Contract Act. Second, federal contractors' firms tend to be larger and, as a result, may have a smaller percentage of minimum wage workers than firms in the economy as a whole. Accordingly, the total number of workers affected by the executive order is probably smaller than that assumed in the calculations to reach the above estimate. Certain structural changes to the executive order (e.g., adding a threshold, narrowing the definition of "federal contractor") would further reduce the number of workers covered and the commensurate costs.

On the other hand, this estimate does not take into account any "ripple" effect that minimum wage increase might have on the wages of workers that currently earn $5.15 or slightly more. The ripple effect would tend to increase the costs of the executive order to federal contractors.

II. Two Approaches to Announcing the Executive Order

Should you decide to proceed, you should consider two approaches to announcing the executive order.

You could announce the executive orders in a speech --- such as your forthcoming address to the Alameda Central Labor Council's Labor Day Picnic --- or radio address and then sign the order soon before, the same day, or soon thereafter. This approach gives the White House control over timing and press arrangements. It also provides an opportunity to brief potential supporters without tipping off opponents. On the other hand, it could inspire congressional retaliation in the appropriations/reconciliation/debt ceiling process.

Or, you could announce in a speech or radio address that you are giving Congress a 90-day (or until Christmas or New Year's Eve) deadline before which it must enact your proposed 90-cent increase in the statutory minimum wage. If it does not act by the time the deadline is reached, you would issue the executive order. This approach puts the onus squarely on Congress' shoulders. It also allows you to wield all of your available authority to keep the minimum wage from falling to its lowest real value in 40 years (which it will in 1996 if there is no adjustment). On the other hand, this approach allows opponents time to organize and, possibly, to seek judicial intervention. It also offers words when bold action might send a stronger and clearer message.

Attachments

DRAFT 4
August 25, 1995

ENSURING THE ECONOMICAL AND EFFICIENT ADMINISTRATION AND COMPLETION OF FEDERAL GOVERNMENT CONTRACTS

PREAMBLE

Some economic theories suggest that requiring federal contractors to pay a higher minimum wage will lead to increases in efficiency that will offset the cost to federal contractors of the higher wage. The minimum wage has fallen 27% in real terms since 1979 and, without adjustment, will fall to its lowest real value in forty years at the end of 1996. Meanwhile, labor productivity has increased 17% since 1979.

These theories suggest that the productivity of low-wage workers is depressed when the minimum wage falls significantly in real terms. These conditions can lead to greater levels of "shirking" (i.e., reduced efforts by workers), higher turnover, lower morale, and longer periods in which needed jobs remain unfilled. Raising the minimum wage may lead to efficiency gains among federal contractors that employ low-wage workers by reducing shirking, lowering turnover, increasing morale, and reducing the periods of time during which needed jobs remain unfilled. In sum, productivity is lower when workers are paid an obsolete minimum wage and, as a result, the federal government receives lower quality, less reliable, and less timely goods for each taxpayer dollar. By paying a higher wage to low-wage workers, federal contractors will increase worker productivity. The federal government will procure its goods and services from more efficient, more economical federal contractors.

The market may not address this problem on its own. The problems of turnover, shirking, low morale, and extended job-slot vacancies likely result from a minimum wage which is too low to attract new workers and retain incumbent workers. However, employers cannot lure a new worker into a particular job with a higher wage without giving everyone else in that job a pay increase. Thus, in the absence of a requirement that they pay a higher wage, employers choose lower levels of employment and output rather than increasing the wages paid to all of their low-wage workers.

NOW, THEREFORE, to ensure the economical and efficient administration and completion of Federal Government contracts, and by the authority invested in me as President by the Constitution and the laws of the United States of America, including 40 U.S.C. 471 and 486(a) and 3 U.S.C. 301, it is hereby ordered as follows:

Section 1: It is the policy of the executive branch in procuring goods and services that, to ensure the economical and efficient administration and completion of Federal Government contracts, Federal agencies shall contract only with companies that pay their employees no less than $5.15 per hour of work. All Government contracting agencies shall include in every Government contract hereafter entered into the following provision:

"During the course of the contract the contractor agrees that all employees of the contractor will be paid no less than $5.15 an hour."

Sec. 2.(a) The Secretary of Labor ("Secretary") may investigate any Federal contractor to determine whether the contractor is paying any of its employees less than $5.15 per hour of work.

(b) The Secretary shall receive and may investigate complaints that the contractor is paying any employee less than $5.15 per hour of work.

(c) The Secretary may hold such hearings, public or private, as he or she deems advisable, to determine whether any contractor is paying any employee less than $5.15 per hour of work.

Sec. 3. (a) When the Secretary determines that a contractor has paid any employee less than $5.15 per hour of work, the Secretary may make a finding that it is appropriate to terminate the contract for convenience. The Secretary shall transmit the finding to the head of any department or agency that contracts with the contractor. All Government contracts with the contractor shall be immediately terminated unless the contractor commences within a time specified by the Secretary to pay all of its employees no less than $5.15 per hour of work.

(b) Each contracting agency shall cooperate with he Secretary and provide such information and assistance as the Secretary may require in the performance of the Secretary's functions under this order.

Sec. 4.(a) The Secretary shall be responsible for the administration and enforcement of this order. The Secretary may adopt such rules and regulations and issue such orders as may be deemed necessary and appropriate to achieve the purposes of this order.

(b) The Secretary may delegate any function or duty of the Secretary under this order to any officer in the Department of Labor or to any other officer in the executive branch of the Government, with the consent of the head of the department or agency in which that officer serves.

Sec. 5. This order is not intended, and should not be construed, to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or its employees. The order is not intended, however, to preclude judicial review of final agency decisions in accordance with the Administrative Procedure Act, 5 U.S.C. 701 *et seq*.

Sec. 6. This order is effective immediately.

THE WHITE HOUSE

PRESIDENT CLINTON ANNOUNCES INCREASE IN MINIMUM WAGE

Friday, February 3, 1995

To reward work in an economy that in 1994 saw the best job growth in a decade, President Clinton will today announce his proposal to raise the minimum wage to $5.15 an hour over two years -- through two 45 cent increases.

This news comes in the midst of more good news today for the economy under the Clinton administration. This morning, the Department of Labor reported that more than 6 million jobs have been created since President Clinton took office. In addition, the unemployment rate has dropped 20 percent to date under President Clinton.

A fact sheet and charts on the President's minimum wage proposal are attached.

House Minority Leader Richard Gephardt (D-MO) will open the announcement in the Rose Garden today, followed by Senate Minority Leader Tom Daschle (D-SD). The Vice President will then speak and introduce the President for his remarks.

-30-30-30-

REWARDING WORK: THE CASE FOR INCREASING THE MINIMUM WAGE

The President's proposal would increase the minimum wage from $4.25 to $5.15 over two years, through two 45 cent increases. The last increase, passed by an overwhelming, bipartisan vote in 1989, and implemented in 1990 and 1991, was also a 90 cent increase in two 45 cent stages. For a full-time, year-round worker at the minimum wage, a 90 cent increase would raise yearly income by $1,800 -- as much as the average family spends on groceries in over 7 months.

MAINTAINING THE HISTORIC VALUE OF WORK: If the minimum wage were to stay at its current level of $4.25, it would fall to its lowest real level in 40 years. Indeed, the real value of the minimum wage is now 27% lower than it was in 1979, and has fallen 54 cents in real value since its last increase in April 1991. The first half of the President's 90 cent proposal simply restores the minimum wage to its value at the time of the last increase.

RAISING THE MINIMUM WAGE PRIMARILY HELPS ADULT WORKERS -- MOST OF WHOM RELY ON THEIR MINIMUM WAGE JOB TO SUPPORT THEIR HOUSEHOLDS: Nearly two-thirds of minimum wage workers are adults (64%); over one-third of minimum wage workers (39%) are the sole breadwinners in their families; and the average minimum wage worker brings home half of his or her family's earnings. Thus, a rise in the minimum wage is a significant boost to the standard of living of millions of households.

REWARDS WORK OVER WELFARE: The minimum wage increase provides another crucial measure to reward work and ensure that there is a strong incentive to choose work over welfare.

NEARLY 11 MILLION WORKERS WOULD BENEFIT FROM THE PRESIDENT'S PROPOSAL TO INCREASE THE MINIMUM WAGE: Nearly 11 million workers, paid by the hour, earn between $4.25 and $5.14. Research indicates that an increase in the minimum wage to $5.15 could have a "ripple" effect on the couple million workers who earn within 50 cents of the new minimum wage.

EMPIRICAL EVIDENCE SHOWS THE PRESIDENT'S PROPOSAL CAN INCREASE WAGES WITHOUT COSTING JOBS: Over a dozen empirical studies have found that moderate increases in the minimum wage do not have significant effects on employment. These studies include state-specific research that shows that large state increases in the minimum wage did not result in significant job impacts. As Nobel Laureate Robert Solow stated: "[T]he evidence of job loss is weak. And the fact that the evidence is weak suggests that the impact on jobs is small."

A 90 CENT INCREASE IN THE MINIMUM WAGE WILL LIFT A FAMILY OF FOUR OUT OF POVERTY. The dramatic extension of the Earned Income Tax Credit helped lift hundreds of thousands of working families out of poverty. Yet, by 1996, even the EITC is not enough to lift above the poverty line a family of four making the minimum wage. With the 90-cent minimum wage increase, food stamps, and the EITC, a family of four with a full-time, year round minimum wage worker would be lifted above the poverty line.

THE LAST MINIMUM WAGE INCREASE -- ALSO 90 CENTS -- GARNERED STRONG BIPARTISAN SUPPORT. In 1989, the minimum wage was passed by votes of 382 to 37 (135 Republicans) in the House, and 89 to 8 in the Senate (36 Republicans) and was supported by Senator Dole and Representative Gingrich.

Appendix Table. Value of the Minimum Wage, 1955-1995

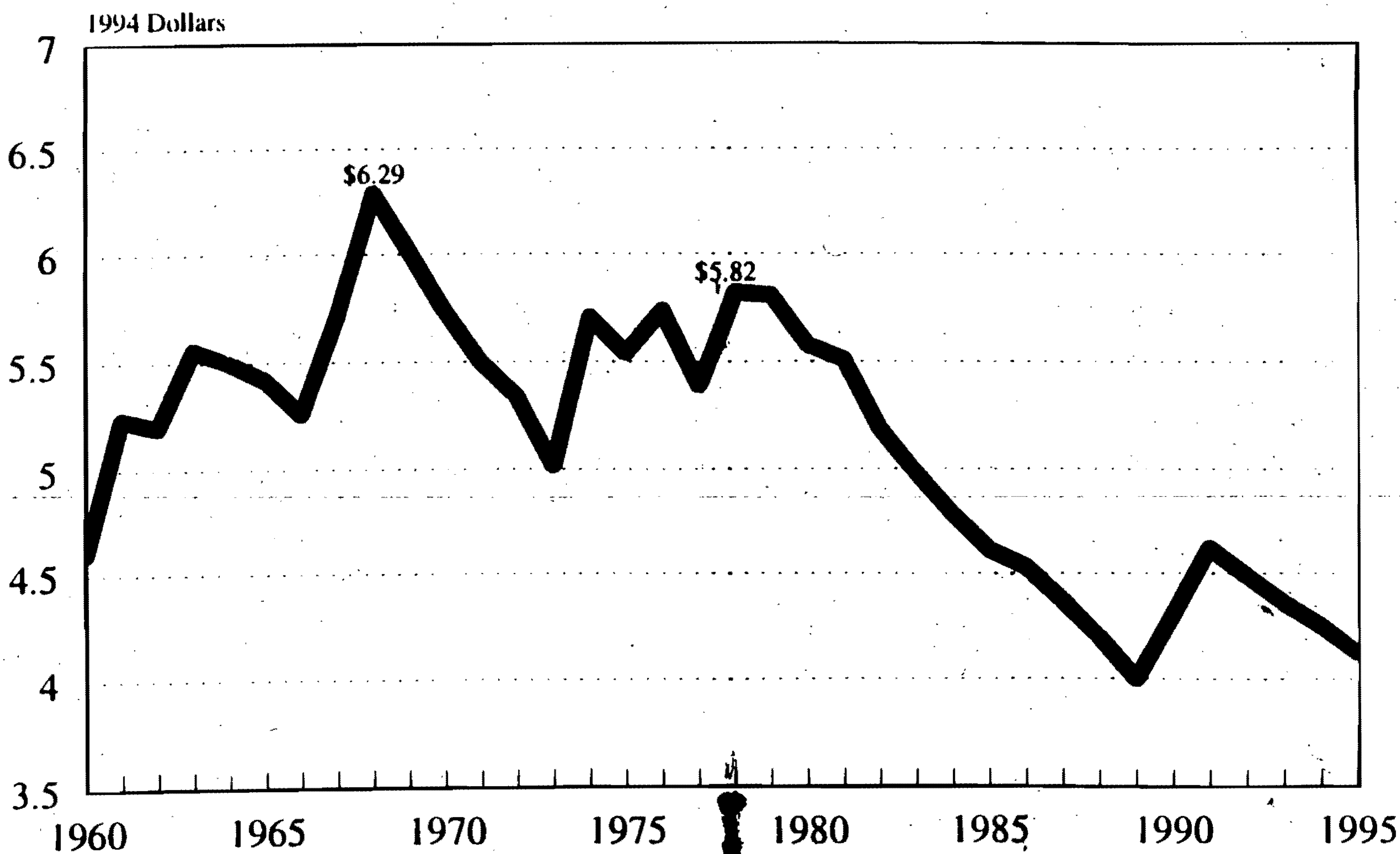
Year	Value of the Minimum Wage, Nominal Dollars	Value of the Minimum Wage, 1995 Dollars*	Minimum Wage as a Percent of the Average Private Nonsupervisory Wage
1955	$0.75	$3.94	43.9%
1956	1.00	5.16	55.6
1957	1.00	5.01	52.9
1958	1.00	4.87	51.3
1959	1.00	4.84	49.5
1960	1.00	4.75	47.8
1961	1.15	5.41	53.7
1962	1.15	5.36	51.8
1963	1.25	5.74	54.8
1964	1.25	5.67	53.0
1965	1.25	5.59	50.8
1966	1.25	5.43	48.8
1967	1.40	5.90	52.2
1968	1.60	6.49	56.1
1969	1.60	6.21	52.6
1970	1.60	5.92	49.5
1971	1.60	5.67	46.4
1972	1.60	5.51	43.2
1973	1.60	5.18	40.6
1974	2.00	5.89	47.2
1975	2.10	5.71	46.4
1976	2.30	5.92	47.3
1977	2.30	5.56	43.8
1978	2.65	6.00	46.6
1979	2.90	5.99	47.1
1980	3.10	5.76	46.5
1981	3.35	5.68	46.2
1982	3.35	5.36	43.6
1983	3.35	5.14	41.8
1984	3.35	4.93	40.3
1985	3.35	4.76	39.1
1986	3.35	4.67	38.2
1987	3.35	4.51	37.3
1988	3.35	4.33	36.1
1989	3.35	4.13	34.7
1990	3.80	4.44	37.9
1991	4.25	4.77	41.1
1992	4.25	4.63	40.2
1993	4.25	4.50	39.2
1994	4.25	4.38	n/a
1995	4.25	4.25	n/a

*Adjusted for inflation using the CPI-U-X1.

Source: Center on Budget and Policy Priorities

The Real Minimum Wage

1960-1995



NOTE: Minimum wage is in 1994 CPI-U-X1 Dollars. The inflation rate for 1995 is assumed to be 3.2 percent.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release May 19, 1995

REMARKS BY THE PRESIDENT
AT WOMEN'S BUREAU RECEPTION

The South Lawn

5:38 P.M. EDT

THE PRESIDENT: Thank you very much.

Sitting here listening to my marvelous wife speak, I was thinking, you know, I've been seeing her lately long distance, on Oprah Winfrey and on the -- (laughter) -- Morning Show this morning. And I thought, boy, I'm glad she lives here. (Laughter and applause.)

I want to thank Secretary Reich and the Women's Bureau Director, Karen Nussbaum. She has done a wonderful job. I am very grateful to her and to him. (Applause.) . . . .

. . . .

. . . . But I think it's important that we recognize that women in the workplace are caught in a lot of cross-currents today, because all American workers, or at least more than half of us, are working longer hours for the same or lower pay that we were making 10 years ago. And therefore, more and more parents are working harder for the same or less and spending less time with their children. Women feel this pressure very deeply insofar as they have either sole, primary or even just half of the responsibility for taking care of their children as well as earning a living. Because male workers over the age of 45, on average, have lost 14 percent of their earning power in the last 10 years, women in the work force and in the home feel the anxiety of their husband's sense of loss and insecurity and frustration and anger.

What is causing all this and what are we to do about it? Well, what is causing it all is the impact of the global economy and the dramatic revolution in technology on our society -- opening up all kinds of new changes in ways that are perfectly wonderful if you can access them, but terrifying if you cannot.

For example -- we don't have the figures yet on '94, but I think '94 will confirm '93's trend -- in 1993 we had the largest number of new businesses started in America in any year in history, and the largest number of new millionaires in America in any year in history. And that is a good thing. That is a good thing. And that is happening because so many of us are now able to access the world of the future. Many of you in this room are part of the trend toward a brighter, bigger, broader tomorrow.

But there is also a fault line in our society that is splitting the middle class apart, putting unbearable pressures on families, making them less secure and making them less able to live up to the fullest of their abilities. You know it, and I know it.

That's why the Family and Medical Leave Law was important. If people are going to be working for smaller companies, not bigger ones, and moving around, at least they ought to know they can take some time off without losing a job if there's someone sick in their family or if a baby is born or some other emergency arises. (Applause.) That's why it was important. (Applause.)

That's why the efforts of the Secretary of Labor and the Secretary of Education to create a fabric, a seamless fabric of lifelong learning -- whenever people lose their jobs or feel that they're underemployed -- it's terribly important. (Applause.)

And that's why I believe it is especially important to women that we raise the minimum wage this year. (Applause.) Women represent three out of five minimum wage workers, but only half the work force.

I have done everything I could to create a climate in which people are encouraged to choose work over welfare, in which people are encouraged to be successful parents and successful workers. I believe that. That's what the Earned Income Tax Credit was all about in 1993. (Applause.)

Let me tell you what that meant -- that meant this year that the average family of four with an income under $27,000 got a $1,000 tax cut below what they paid before this administration came into office. And it means three years from now, if the Congress will stick with it and not repeal it, we will be able to say that no one who works full-time and has children at home, when they go home from work, will live below the poverty line. That is the best war against welfare we could wage. (Applause.)

But it isn't enough. If we do not raise the minimum wage this year, next year it will be in real dollar terms, the lowest it has been in 40 years. Now that is not my idea of what the 21st century American economy is all about. I want a smart work, high- wage economy, not a hard-work, low-wage economy. And the working women of America and their children and their husbands deserve it as well. (Applause.)

You know, I have a -- I don't get to watch a lot of kind of extra television, but the other night, just by accident, I was watching a news program where a special was being done on the minimum wage. And -- I don't even know if it was a national program or one of the state networks around here, but they went down south to a town that had a lot of minimum wage workers. And they went in this plant to interview a remarkable woman who worked in this plant at a minimum wage. And they said to this lady: You know, your employer says if we raise the minimum wage that they'll either have to lay people off or put more money into machinery and reduce their employment long-term. What do you say to that? I could not have written the script. (Laughter.) This lady sort of threw her shoulders back and looked into the eyes of the television reporter and said: Honey, I'll take my chances. (Laughter and applause.)

If we are going to bring our budget deficit into balance, which will be good for all of us; if we're going to have to over a period of years cut back on expenditures that the government used to make, that makes it even more important for people who do go out into the private sector and work full-time, play by the rules, and want to make their own way without public assistance, to be rewarded for that work. This is a huge issue. . . . .

. . . . I thank you all. Please stay around. Have a good time. We're delighted to see you. Good-bye. Thank you. (Applause.)

END 5:58 P.M. EDT

Legislative Background - Minimum Wage - 1989

* Last increase (from $3.35/hour to $3.80 on 4/1/90 and $4.25/hour on 4/1/91) passed Congress in 1989 in a bi-partisan agreement following an earlier veto by **President Bush**:

o Senate Vote: 89 - 8
o House Vote: 382- 37
(see attached list of votes)

* **President Bush proposed** the increase to $4.25 an hour and refused to accept any increase above that;

* **President Bush had vetoed** a Democratic attempt to raise minimum wage to $4.55 over three years and Congress failed to override the veto - his first successful veto as President;

* **Cong. Goodling** (R-PA) was quoted at the time as stating that Republican lawmakers were "uneasy" about President Bush's position and "don't want to go to the wall a second time." Cong. Goodling introduced his own minimum wage bill that proposed a three year phase to $4.25/hour, a training wage and expansion of the earned-income tax credit. He voted **for final passage** of the minimum wage increase;

* The **Labor Secretary** at the time was **Elizabeth Dole**;

* The Senate and the House were both controlled by Democrats;

* The bill signed by President Bush included a training wage for teenagers between 16 and 19;

* **Sen. Dole** (R-Kan) (voted for final passage)

> "I think that many of us feel that this is not an issue where we ought to be standing and holding up anybody's getting a 30- to 40-cents-an-hour- increase, at the same time we are talking about capital gains. I never thought the Republican Party should stand for squeezing every last nickel from the minimum wage."

* The Senate tabled an amendment by Sen. Hatch that would have barred Congress from passing any legislation that would increase the costs of certain small business (the small business exemption from the minimum wage was increased to cover small businesses with sales of less than $500,000 (from $362,500) by the bill itself;

* The Senate tabled an amendment by Sen. Gramm (R-Tex) which would have removed the provision which prevented farmers from using the training wage for teenage farmworkers;

* Much of the current Senate and House Leadership voted **for** minimum wage increase in 1989 - including **Dole, Lott, Gramm, Gingrich and Kassebaum**. However, **Armey, Delay, Livingston - voted against** (see attached list);

* Key Senate Republicans supporters in 1989 (supported an attempt at a Dem. compromise)

Sen. Cohen (R-Maine)
Sen. Hatfield (R-Ore.)
Sen. Jeffords (R-Vermont)
Sen. Packwood (R-Ore.)
Sen. Pressler (R-SD)
Sen. Specter (R-Penn)

* Key Senate Republicans in Opposition:

Sen. Mack (R-Florida)
Sen. Nickles (R-OK)
Sen. Helms (R-NC)
Sen. Hatch (R-Utah)

* Governor Wilson voted for the minimum wage increase as a Senator in 1989.

* Senate Democrats of concern (voted against Dem. compromise at $4.55 or cloture in 1989):

Sen. Hollings (D-SC)
Sen. Bennett Johnston (D-La)
Sen. Heflin (D-Al)
Sen. Exon (D - NE)

Sen. Campbell (D-Col) (voted to uphold Bush's veto in House)

Senators in the Democratic and Republican Leadership their votes on H.R. 2710 final passage (minimum wage).

SENATE LEADERSHIP

YES

Democrats

Breaux -- Deputy Whip
Byrd -- Ranking on Appropriations
Daschle -- Minority Leader
Ford -- Minority Whip
Harkin -- Ranking on the Appropriations, Labor Subcommittee
Kennedy -- Ranking on the Labor Committee
Mikulski -- Secretary of the Democratic Party
Reid -- Co-Chair of the Democratic Polciy Committee

Republicans
Cochran -- Chair Republican Conference
Dole -- Majority Leader
D'Amato -- Campaign Committee Chair
Lott -- Majority Whip
Kassebaum -- Chairman of Labor Committee
Hatfield -- Chair of Appropriations Committee
Specter -- Chair of the Appropriations Labor Subcommittee

NO

Democrats

None

Republicans

Mack -- Policy Committee
Nickles -- Chair of the Republican Policy Committee

SENATE VOTES ON HR 2710 (Minimum wage -- Final Passage)
Members that are still in the Senate for the 104th Congress)

YES

<u>Democrats</u>

Biden
Bingamen
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Exon
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moynihan
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Shelby
Simon

Additonal Democratic Senator that did not vote or express a position
Baucus

SENATE VOTES ON HR 2710 (Minimum wage -- Final Passage)
Members that are still in the Senate for the 104th Congress)

YES

Republicans

Bond
Burns
Chafee
Coats
Cochran
Cohen
D'Amato
Dole
Domenici
Gorton
Gramm
Grassley
Hatfield
Jeffords
Kassebaum
Lott
Lugar
McCain
McConnell
Murkowski
Packwood
Pressler
Roth
Simpson
Specter
Stevens
Thurmond
Warner

SENATE VOTES ON HR 2710 (Minimum wage -- Final Passage)
Members that are still in the Senate for the 104th Congress)

NO

Democrats (0)

Republicans
Hatch
Helms
Mack
Nickles

HOUSE LEADERSHIP VOTES ON FINAL PASSAGE OF HR 2710

HOUSE

Democrats

YES

Gephardt
Bonior
Clay
Obey

NO

None

Repubilcans

YES

Gingrich
Goodling
Porter

NO

Armey
Delay
Livingston

HOUSE VOTES ON FINAL PASSAGE OF HR 2710 (MINIMUM WAGE) FOR MEMBERS OF THE 104TH CONGRESS

YES

Democrats

A
Ackerman

B
Beilenson
Berman
Bevill
Bonior
Borski
Boucher
Browder
Brown, George
Bryant, John
Burton, Dan

C
Cardin
Chapman
Clay
Clement
Coleman
Collins, Cardiss
Condit
Costello
Coyne

D
Dellums
DeFazio
de la Garza
Dicks
Dingell
Dixon
Durbin

E
Engel
Evans

F

Fazio
Flake
Foglietta
Frank
Frost

G
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon

H
Hall, Ralph
Hall, Tony
Hamilton
Hayes
Hefner
Hoyer

J
Jacobs
Johnson, Tim
Johnston, Harry

K
Kanjorski
Kaptur
Kennedy, Joe
Kennelly
Kildee
Kleczka

L
LaFalce
Lantos
Laughlin
Levin
Lewis, John
Lipinski
Lowey

M
Manton
Markey
Martinez
Matsui
McDermott
McNulty
Mineta
Mfume
Mollohan
Montgomery
Murtha

N
Neal, Richard

O
Oberstar
Obey
Ortiz
Owens, Major

P
Pallone
Parker
Payne, Donald
Payne, Lewis
Pelosi
Pickett
Poshard

R
Rahall
Rangel
Richardson
Rose

S
Sabo
Sawyer
Schroeder
Schumer
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds

T
Tanner, John
Taylor, Gene
Tauzin
Torres
Torricelli
Towns
Traficant

V
Vento
Visclosky
Volkmer

W
Waxman
Williams, Pat
Wilson
Wise
Wyden

Y

Yates

Additional Democrats that did not vote yes or no

Did not vote or make a position known
Conyers
Moakley

Announced For
Ford, Harold

HOUSE MEMBERS THAT VOTED FOR FINAL PASSAGE OF HR 2710 (minimum wage) that are in the 104th Congress

YES

Republicans

B
Ballenger
Bateman
Bliley
Boehlert
Bereuter
Bilirakis

C
Coble
Clinger

D
Duncan

E
Emerson

F
Fields

G
Gekas
Gillmor
Gilman
Gingrich
Goodling
Gunderson

H
Hastert
Herger
Houghton
Hunter
Hyde

J
Johnson, Nancy

K
Kasich
Kolbe

L
Leach
Lewis, Jerry
Lightfoot

M
McCrery
McDade
Meyers, Jan
Moorhead
Morella
Myers, John

P
Packard
Petri
Porter

Q
Quillen

R
Regula
Roberts, Pat
Rogers
Ros-Lehtinen
Roth
Roukema

S
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith, Chistopher
Smith Lamar
Soloman
Spence
Stearns

T
Thomas, William

U
Upton

V
Vucanvoich

W
Walker
Walsh
Weldon, Curt
Wolf

Y
Young, Don
Young, C.W. "Bill"

Additional Republican members that did not vote yes or no

Did not vote or express an opinion

Molinari

HOUSE VOTES ON FINAL PASSAGE OF HR 2710 (MINIMUM WAGE) FOR ALL MEMBERS OF THE 104TH CONGRESS

NO

Democrats
Miller, George (California)

Republicans

A
Archer
Armey

B
Baker, Richard
Barton
Bunning
Burton

C
Callahan
Crane
Combest
Cox

D
DeLay
Dornan
Drier

F
Fawell

G
Gallegly
Goss

H
Hansen
Hancock
Hefley
Hunter

L
Livingston

M
McCollum

R
Rohrabacher

O
Oxley

P
Paxon

S
Stump

MEMBERS OF THE SENATE THAT WERE IN THE HOUSE AND VOTED ON FINAL PASSAGE OF HR 2710

YES -- Democrats

Boxer
Akaka

YES -- REPUBLICANS

Craig
Snowe
DeWine
Inhofe