

PUBLICATION

Federal Minimum Wage Likely to Remain at \$7.25 per Hour

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In July, the House passed the Raise the Wage Act (H.R. 582). Among many things, H.R. 582 raises the federal minimum wage to \$15 per hour over a seven-year period and requires the Government Accountability Office to issue reports on the economic and employment effects of the minimum wage increases. While Democrats overwhelming support an increase to the minimum wage, Senate Majority Leader Mitch McConnell (R-KY) has made it clear that he will not take the bill up in the Senate. Additionally, the Trump administration has stated that it opposes H.R. 582 and President Trump would veto the bill if it came across his desk.

Because the bill is not a priority for Senate Majority Leader McConnell and we are approaching an election year in 2020, the minimum wage debate will likely take a back seat until 2021. Democrats will continue to push the issue as part of their platform, but the bill has very little chance of becoming law in the near future. While legislation remains stagnant on the federal level, individual states are permitted to pass minimum wage increases through their respective legislatures.