



January 22, 2007

United States Senate
Washington, D.C. 20510

Dear Senator:

This week, the Senate will take up the “Fair Minimum Wage Act of 2007” (H.R. 2), a bill that would benefit approximately 13 million workers and directly increase the wages of 5.6 million of America’s lowest wage earners. On behalf of the 850,000 members of the United Steelworkers (USW), I am writing to express our strong support for a *clean* vote on this legislation, and ask that you vote YES on cloture and vote NO on any amendment that weakens the right of workers.

The federal minimum wage has been stuck at \$5.15 since 1997, far too long for America's working poor. Cost of living expenses for American's have increased exponentially, with health care costs up by more than 59 percent and housing costs up by more than 33 percent, America's working poor have been left far behind, and a raise for these workers is long overdue.

Currently, a minimum wage earner who works full-time takes home approximately \$10,712 a year, which is almost \$6,000 below the poverty line for a family of three. H.R. 2 aims to give workers some relief by increasing the minimum wage by \$2.10 over a two year period beginning with an initial increase to \$5.85 an hour 60 days after the legislation is enacted, \$6.55 one year later, and \$7.25 by 2009. This increase would provide an additional income of \$4,400 for a family of three.

To date, voters in 28 states have supported a minimum wage increase above the federal level in their states. It is now time for *all* low-wage earning American workers to get a pay raise.

Previous efforts to raise the federal minimum wage have been thwarted by poison pill amendments in the form of:

- **Attacks on the 40-hour work week:** The 40-hour work week, established by the Fair Labor Standards Act (FLSA) of 1938, allows eligible employees who work more than 40 hours a week time-and-a-half pay for the additional hours worked. Previous amendments have tried to establish an 80-hour work week, which would prevent an employee from

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earning time-and-a-half until they have worked over 80-hours (essentially a two-week period). An 80-hour work week essentially gives employers the leverage to rob many American's of hard earned overtime pay. The 40-hour work week was established as a way to discourage employers from forcing their workers to work overtime by making it more expensive (time-and-a-half pay). It also allows for workers to be compensated from the extra time spent at work and away from their families. The establishment of an 80-hour work week destroys the rights of workers under the FLSA, by encouraging employers to impose mandatory overtime on their employees.

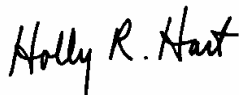
- Attacks on tip-earning workers: Currently, tipped workers in seven states (Alaska, California, Minnesota, Montana, Nevada, Oregon, and Washington) require employers to pay tipped workers the minimum wage, and do not allow tips to count towards the minimum wage requirement. An amendment offered last Congress would have prohibited these seven states from enforcing their established laws and in effect cut the wages of these workers who rely heavily on the extra income provided to them and their families through tips.

- Encouraged use of Professional Employer Organizations (PEO's): Many companies use PEO's to avoid liability for the handling of wages, benefits, workers compensation, payroll taxes and other employer obligations. Because of the "joint employer" relationship that results from the use of PEO's, it is very difficult for employees to determine who is chiefly responsible for their employment conditions, thereby making it difficult for employees to form a union and collectively bargain, and determine key issues like overtime pay.

A true minimum wage bill should not be tied to amendments that abolish the 40-hour work week, lead to pay cuts for millions of tip earning workers, or prevent the rights of workers to bargain collectively.

Once again, we urge you to provide the wage increase that is necessary for millions of America's working men, women and their families by voting YES on cloture on H.R. 2 and voting NO on any anti-worker amendments.

Sincerely,



Holly R. Hart
Legislative Director