



**Testimony concerning Senate Resolution Creating a Special Legislative
Commission to Study and Review Rhode Island's Minimum Wage: S2406
Senate Labor Committee
March 11, 2020**

The Economic Progress Institute believes that the General Assembly and the public already possess adequate information to increase the minimum wage, and we believe Rhode Island ought to get on a path to a \$15/hour minimum wage to match our neighbors in Massachusetts and Connecticut.

We note that even if the standard of living is lower in Rhode Island than in Massachusetts and Connecticut, this will not matter to all the low-wage workers who will cross the border for higher wages, especially if they can find less demanding work paying higher wages than the wages paid for high demanding work in RI, such as caring for Rhode Islanders in nursing homes and group homes. Clearly, these workers will not voluntarily limit their job search to Rhode Island and work for lower wages to match a possibly lower standard of living.

Furthermore, we already know that the minimum wage does not provide a living wage. Please see the Economic Progress Institute's *2018 Rhode Island Standard of Need* publication for detailed data and explanations in this regard (<http://www.economicprogressri.org/RISN>).

Therefore, we do not want any commission to serve as a stalling tactic, to delay further raising the minimum wage into a living wage.

Nonetheless, if there is to be a commission, we think such a commission should include independent analysts, ideally from universities and non-partisan non-profits with some expertise in fiscal matters. The legislation as proposed does not provide for such experts and for independent analysis. The 11 members of the commission include four members of the Senate, the Director of the Department of Labor and training, four representatives from business interests, one representative from labor, and one member from the general public. With the possible exception of the last of these, this commission will include no independent members with expertise in the very matter under consideration.

The members of such a commission must be willing to consider all relevant information, including information that might contradict their current views. For example, we know that nationally if the minimum wage had kept up with productivity over the last half-century it would now be above \$20/hour (<https://www.epi.org/publication/raising-the-federal-minimum-wage-to-15-by-2024-would-lift-pay-for-nearly-40-million-workers/>). The commissioners on such a panel must be willing to entertain such data and therefore reach a conclusion that even \$15/hour in place four or five years from now might not be high enough.

We believe in evidence-based and data-based policy. If there is to be a commission on the minimum wage, we urge you to include independent experts.