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House of Representatives

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Opening Statement

Ranking Member Brenda Lawrence (MI-14)

Subcommittee on the Interior

The Impact of Executive Order 13658 on Public Land Guides and Outfitters

June 10, 2015

Madam Chairwoman, thank you for holding such an important hearing.

Today, we discuss the federal minimum wage, a matter close to my heart and which affects working families in every constituency.

Let's briefly talk about the minimum wage. An individual that makes the current \$7.25 minimum wage earns about \$15,000 a year. Now let's assume that a husband and wife with two kids both make the minimum wage and work full-time. That's a gross household income of approximately \$30,000.

According to the Department of Health and Human Services (HHS), the 2015 poverty guideline for a four member household stands at \$24,250. The gap between the richest and poorest Americans has steadily widened over the past decade and our current minimum-wage system provides no escape for families that are struggling to make ends meet.

I completely agree that businesses need to thrive. However, raising the minimum wage would only boost the bottom lines of businesses. Raising the minimum wage increases productivity, reduces employee turnover and reduces absenteeism.

Decades of research have shown that raising the minimum wage raises economic growth. Raising the minimum wage is one of the most effective economic tools we have to ensure that the American middle-class retains its position as the most affluent in the world, a distinction it recently lost.

President Obama's Executive Order 13658 established a minimum wage of \$10.10 for businesses that contract with the federal government. The Order was based on well-supported findings that raising the pay of low-wage workers increases the quality of their work and, more importantly, enables them to support themselves and their families.

Twenty-nine states and the District of Columbia, as well as 21 cities and counties, have set their minimum wages above the \$7.25 rate. There is strong support across the country to raise the minimum wage and ensure that workers benefit from their increasing productivity.

Recent media coverage has detailed the host of challenges that are too often faced by low-wage workers, ranging from unpredictable schedules that do not provide enough hours to make ends meet, to outright wage theft. Although these issues are not our focus today, they provide an important backdrop for us as we contemplate laws that can result in further wage stagnation and earnings setbacks for low-wage workers.

Today we are focusing on outfitter and outdoor guide businesses that hold permits to conduct business on federal lands. I understand from the testimony that these organizations are looking for an exception to the federal minimum wage rule so that their workers would be paid less than the \$10.10 required in the President's Executive Order.

I always support the rights of businesses to earn a profit in their chosen field. However, I do not support their right to earn extra profits at the expense of hard-working Americans. Just as business owners must provide for their families, so must the people who work for them. We must strike a balance between competing interests. I hope that today's testimony can help us to do so with respect to the outdoors industry.

I thank each of our witnesses for their appearance today and I yield back the balance of my time.

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