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## BOARD OF SUPERVISORS

COUNTY OF VENTURA GOVERNMENT CENTER, HALL OF ADMINISTRATION 800 SOUTH VICTORIA AVENUE, VENTURA, CALIFORNIA 93009 June 9, 2015

Board of Supervisors County of Ventura 800 South Victoria Avenue Ventura, CA 93009

**SUBJECT:** Recommendation of Supervisors Bennett and Long to Adopt a Position of "Support" on SB 3, Minimum Wage Amendment (Leno and Leyva), and Direct Staff to Convey this Position to the County's State Lobbyist and Legislative Delegation.

## **RECOMMENDATIONS:**

That, in accordance with Resolution No. 14-094, Commitment of the Board of Supervisors to Policies that Support the Working Poor, passed by our Board on September 9, 2014, our Board adopt a position of "Support" on SB 3, Minimum Wage Amendment (Leno and Leyva) and convey this position to the state lobbyist and state legislative delegation.

## DISCUSSION:

California has the highest poverty rate in the nation. US Census Bureau figures indicate that almost 24% of our state's 38 million residents live in poverty. California employees earning the State's minimum wage of \$9 per hour, bring home just \$18,000 per year.

Last year Ventura County saw rent hikes that topped nationwide increases, According to the Ventura County Star on February 19, 2015, rents for all types of units were up 5.7% from a year earlier, in contrast to the nationwide increase of 4.3%. The article further informs: "Renters whose landlords require that their rent not exceed 35 percent of their pretax income would need to earn \$49,337 per year to qualify for a one-bedroom apartment at the average countywide price of \$1,438 per month."

Women and children are disproportionately impacted by the minimum wage and disproportionately live in poverty. Women hold 64% of minimum wage jobs and 60% of those women are supporting families. Raising the income of minimum wage workers will provide those families with increased food security, increased housing stability and help ensure their children will grow up in an environment that fosters an ability to become self-reliant adults.



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The result of growing income inequality and the gap between earnings and the cost of living forces many of our residents to live in poverty and rely on public assistance just to put food on the table for their families.

"It's not just individuals and families who benefit when working people earn enough to live above the poverty line – all of us do. Research shows that increasing the minimum wage to \$13 an hour impacts the state's bottom line. Between the increased income and sales tax revenue, combined with the reduced costs for public benefits that working poor people are eligible for, the state of California would see an annual net gain of \$2 billion annually," Surina Khan, CEO of the Women's Foundation of California wrote in the Sacramento Bee.

The traditional argument against raising the minimum wage is that it will decrease the number of jobs available. Taking that argument to the logical conclusion advocated by some, we should have no minimum wage. However, this argument does not capture the complexities of the issue or new economic research disproving the argument about job losses with moderate, phased-in minimum wage increases. In fact, the public has overwhelmingly rejected the traditional argument against the minimum wage.

SB 3 increases the minimum wage in two steps: \$11 an hour in 2016 and \$13 in 2017. Most importantly, SB 3 fills a critical gap in current minimum wage law, that is the lack of a CPI adjustment. Beginning in 2019, the minimum wage would be adjusted annually to the rate of inflation.

Support for SB 3 and an increase to the minimum wage is consistent with our Board's September 9, 2014, Commitment of the Board of Supervisors to Policies that Support the Working Poor. At that time we committed to advocating for increases to the minimum wage. Thank you for your support of SB 3 and this step moving us forward in our efforts to end poverty in Ventura County.

Cordially,

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Steve Bennett Supervisor, First District

Attachment: Resolution No. 14-094

Supervisor, Third District