



Senate Floor Alert

VOTE 'AYE' to Reducing Working Poverty SB 3 (Leno)

Vote 'Aye' for SB 3, which would reduce the number of Californians who are working but poor by increasing the state minimum wage and extending sick-day protections to all workers.

The Problem

In California, nearly 80% of low-income families have a wage earner. These families are employed in public and private sector jobs. It is unsustainable and dangerous for Californians to be paid poverty wages and for their children to grow up in impoverished working homes. Poverty wages also increases dependence on government safety-net programs. This is why approximately 40% of CalFresh recipients live in a working family.

Current Law

The minimum wage increase signed into law last summer by Governor Brown was a step in the right direction but even when it reaches \$10 an hour, a family earning the minimum wage will be below the poverty level for families of three and four. This year, the AB 10 minimum wage has already begun to lose ground to the poverty level because there is no cost of living adjustment provided. State law allows local minimum wages to be set higher than the minimum wage and, currently, more than 750,000 workers will reach \$15 under local minimum wage laws.

How SB 3 Helps

If passed, nearly 6 million California workers will receive an increase in their minimum wage, 74% of them will be workers of color. With Amendments, SB 3 (Leno) would increase the minimum wage in consecutive years from 2017 thru 2022,

According to the following calendar:

- January 1, 2017 \$10.50/hour
- January 1, 2018 \$11/hour
- January 1, 2019 \$12/hour
- January 1, 2020 \$13/hour
- January 1, 2021 \$14/hour
- January 1, 2022 \$15/hour

The timeline for small businesses (25 or less employees) would lag by one year, with \$15 being implemented on January 1, 2023. SB 3 also includes a cost of living adjustment (COLA) beginning January 1, 2024, which would index the wage for inflation, based on the national Consumer Price Index, with a floor of zero and a ceiling of 3.5%. SB 3 includes provisions allowing for a pause in the COLA in case of budget or economic crisis.

Finally, SB 3 would secure sick days for all workers. Before the passage of AB 1522 (Gonzalez, 2014), which established 3-days of sick for most workers, 81 percent of low-wage workers didn't receive a single day of paid sick leave. Nearly 25 percent of workers polled said that they have lost a job or were told they would lose a job for taking time off to due to a personal or family illness. Still, under current law, homecare workers are excluded from sick day protections. SB 3 would change that.

For More Information:

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