

Dear Governor Hochul and Members of the New York State Senate and Assembly,

As groups dedicated to advancing gender equality and economic security for women, the undersigned organizations write to express our strong support for the Raise Up New York minimum wage package (S1978A/A2204). Introduced by Senator Jessica Ramos and Assembly Member Latoya Joyner, this legislation would increase New York's rapidly eroding minimum wage to \$21.25 downstate, and \$20.00 upstate, by 2026, after which the wage would be adjusted each year to keep up with the rising cost of living and increases in workforce productivity.

For too long, work carried out by women and people of color has been grossly devalued. In line with national trends, women in New York are overrepresented among low-wage workers, representing 63.3 percent of the low-wage workforce.¹ Despite some progress on the overall wage gap, Black and Latina women in New York continue to be left behind, making 64 cents and 56 cents, respectively, for every dollar a White man makes.² Much of this striking disparity can be attributed to the fact that a disproportionate number of women of color continue to work in essential yet minimum wage or tipped-wage jobs, where they are more likely to make poverty-level wages and receive few to no benefits.³

The failure of the minimum wage to keep up with the rising cost of living has contributed significantly to wage inequality and heightened economic insecurity for women and people of color. As a result, women of color face higher levels of poverty and are often caught in inescapable cycles of financial precarity, where they remain disconnected from necessary channels of support to achieve upward mobility. Based on recent research, half of Latinas and Black women nationally have struggled to cover basic necessities like rent and childcare and have little to no savings to fall back on.⁴ In 2018, 42 percent of women nationally working in underpaid jobs were living near or below the federal poverty line, compared to 34 percent of men.⁵ Following national trends, women in New York are more likely to live in poverty than

¹ Jasmine Tucker & Julie Vogtman, National Women's Law Center, *When Hard Work is Not Enough: Women in Low-Paid Jobs (MAP)* (Apr. 2020),

<https://nwlc.org/resource/when-hard-work-is-not-enough-women-in-low-paid-jobs/>; see also Jasmine Tucker & Kayla Patrick, National Women's Law Center, *Low-Wage Jobs Are Women's Jobs: The Overrepresentation of Women in Low-Wage Work* (Aug. 2017),

<https://nwlc.org/wp-content/uploads/2017/08/Low-Wage-Jobs-are-Womens-Jobs.pdf>.

² National Women's Law Center, *The Wage Gap, State by State* (Mar. 16, 2021),

<https://nwlc.org/resources/wage-gap-state-state/>.

³ See Lawrence Michel, Economic Policy Institute, *Women much more likely to earn poverty-level wages* (Sept. 19, 2012), <https://www.epi.org/publication/women-earn-poverty-level-wages/>; David Cooper, Economic Policy Institute, *Workers of color are far more likely to be paid poverty-level wages than white workers* (June 21, 2018), <https://www.epi.org/blog/workers-of-color-are-far-more-likely-to-be-paid-poverty-level-wages-than-white-workers/>.

⁴ Lean In, *The system is failing Latinas and Black Women* (2021), <https://leanin.org/research/equal-pay-day>.

⁵ Jasmine Tucker & Julie Vogtman, National Women's Law Center, *When Hard Work is Not Enough: Women in Low-Paid Jobs*, 8 (Apr. 2020), https://nwlc.org/wp-content/uploads/2022/02/Women-in-Low-Paid-Jobs-report_pp04-FINAL-4.2.pdf.

men.⁶ Women of color, single mothers, and women working part-time in underpaid jobs are at an even higher risk of poverty, especially as the cost of living rises.⁷

The resulting disparities follow women throughout their lifetime into retirement, and since women are typically the primary caregivers of children and elderly or disabled family members, the impact carries over to children and other household members, perpetuating the wealth and opportunity gap. These trends also render women of color more susceptible to a host of broader abuses, such as wage theft, sexual harassment, retaliation, and gender-based violence.

The pandemic only exacerbated and entrenched these longstanding inequities. Across New York, women working in essential jobs, including as nurses, cashiers, restaurant workers, and daycare providers, took on heightened health risks without adequate pay, paid sick time, paid family leave, or healthcare to address these risks. Unfortunately, increased recognition of these injustices has yet to result in sufficient action to support those workers who put their lives on the line to sustain our communities during the pandemic.

The rising cost of goods and services now adds insult to injury, further deflating wage increases that we know made a difference for women and their families in New York State. New York's 2016 minimum wage legislation raised the state minimum wage from \$9 to \$15 by 2019 in New York City and more gradually in the suburbs and upstate. This increase resulted in the largest reductions in income inequality and poverty (including child poverty) in over 50 years, without reducing job growth.⁸ As the minimum wage stalls at \$15 and prices skyrocket, the impact of this increase is now rapidly eroding, once again placing more women and their families at risk.⁹

Preserving these historic gains and dismantling longstanding inequities requires immediate action and a long overdue shift towards a living wage for all workers. The proposed legislation to increase and index the minimum wage in New York serves a number of critical functions towards uplifting the most vulnerable women in the state.

Increasing and indexing the minimum wage will go a long way towards reducing poverty and economic insecurity for women and their families and provide necessary compensation to our

⁶ Institute for Women's Policy Research, *Status of Women in the States* (Mar. 2018), <https://statusofwomendata.org/wp-content/themes/witsfull/factsheets/economics/factsheet-new-york.pdf>.

⁷ Jasmine Tucker & Julie Vogtman, National Women's Law Center, *When Hard Work is Not Enough: Women in Low-Paid Jobs*, 8 (Apr. 2020), https://nwlc.org/wp-content/uploads/2022/02/Women-in-Low-Paid-Jobs-report_pp04-FINAL-4.2.pdf; see also Sarah Jane Glynn, *Raising the Minimum Wage Is Key To Supporting the Breadwinning Mothers Who Drive the Economy*, Ctr. for Am. Progress (Feb. 23, 2021), <https://www.americanprogress.org/article/raising-minimum-wage-key-supporting-breadwinning-mothers-drive-economy/>.

⁸ National Employment Law Project, *New York State Needs to Raise Its Minimum Wage to More Than \$21 by 2026 to Restore the Value of the Frozen \$15 Minimum Wage* (Nov. 2022), <http://www.nelp.org/wp-content/uploads/2022-11-15-Fact-Sheet-Why-New-York-Needs-to-Raise-Its-Minimum-Wage.pdf>.

⁹ *Id.*

essential workers. Women make up more than half (55.3%) of the workers who will receive a pay increase under this bill, which would impact approximately 36.5 percent of working women in the state (roughly 1,592,600 women).¹⁰

More than a quarter of affected workers are parents (27.9%) and almost half of those parents are single parents (47.9%) who will see their earnings increase from the higher minimum wage.¹¹ Many of those impacted will also be people of color, including 84.3 percent of workers in New York City alone. For a full-time, year-round worker, this increase amounts to an average wage increase of \$3,307 each year, constituting a meaningful increase for the large number of underpaid women working in the state.¹² This increase, coupled with indexing, would help these women cover basic necessities like housing, food, clothing, and healthcare for their families on a more stable basis and generate spending known to grow our economy.¹³

Raising and indexing the minimum wage will also help reduce long-term structural inequities that are built into our economy by helping to close the gender and racial pay gaps and giving women and people of color greater mobility and freedom to avoid exploitative working conditions. Research shows that raising the minimum wage can result in a significant drop in earnings inequality.¹⁴ By strengthening women's economic security, this bill promises to have a reverberating impact, putting women in a better position to safeguard themselves against common abuses like sexual harassment, other forms of discrimination, and wage theft.

New York has long been a leader in enacting policies to build more equitable workplaces for women, but true equality cannot be achieved until all women earn a living wage. In fact, with so many women of color working low-wage jobs in New York, action to increase and index the minimum wage is one of the most impactful measures policymakers can adopt to empower women to achieve greater equality and mobility on their own terms.

Rising costs should never put more working women and their families at risk of falling into poverty. All New York workers deserve a wage that allows them to cover the cost of living to support themselves and their families with dignity. We therefore urge state leaders to enact S1978A- and A2204- as part of the final budget this session to demonstrate your support for the women workers of New York.

¹⁰ Sebastian Martinez Hickey, *Proposed New York state minimum wage legislation would boost wages for nearly 2.9 million workers*, Econ. Policy Inst. (Dec. 14, 2022), <https://www.epi.org/blog/proposed-new-york-state-minimum-wage-legislation-would-boost-wages-for-nearly-2-9-million-workers-minimum-wages-would-range-by-region-from-20-to-21-25-per-hour-by-2026/>.

¹¹ *Id.*

¹² *Id.*

¹³ N.Y.S. Department of Labor, *Closing the Gender Wage Gap in New York State, Pay Equity and Advancement 4* (Apr. 2018), <https://dol.ny.gov/system/files/documents/2021/03/nysdol-pay-gap-study.pdf>.

¹⁴ Ellora Derenoncourt & Claire Montialoux, *To Reduce Inequality, Raise the Minimum Wage*, N.Y. Times (Oct. 25, 2020), <https://www.nytimes.com/2020/10/25/opinion/minimum-wage-race-protests.html>; see also, Diane Boesch, Robin Bleiweis and Areeba Haider, *Raising the Minimum Wage Would Be Transformative For Women*, Ctr. for Am. Progress (Feb. 23, 2021), <https://www.americanprogress.org/article/raising-minimum-wage-transformative-women/>.