Raise the Wage Act of 2023

The Raise the Wage Act (RTWA) of 2023 will raise the minimum wage to $17 over five years, eliminate the tipped subminimum wage over seven years, eliminate the subminimum wage for workers with disabilities over five years, and eliminate the youth subminimum wage for youth workers over seven years. RTWA will ensure American workers make a living wage, drive economic growth, and reduce income inequality.

Nearly 30 percent of U.S. workers—over 44 million people—make less than $17 per hour. Over 7 million earn $10 or less per hour. Real weekly wages for American workers are $50 lower today than they were 50 years ago. Over the same period, $50 trillion in wealth has been redistributed from the bottom 90 percent to the top one percent.

- The current Federal minimum wage is just $7.25 per hour and has not been increased since 2009. The value of the Federal minimum wage is the lowest since it has been since 1956 and has declined by 29 percent since it was last increased.
- The tipped subminimum wage is just $2.13 per hour and has not been raised since 1991. Approximately 5 million tipped workers in the U.S. depend on tips for nearly three-quarters of their income.
- The median wage for approximately 120,000 workers with disabilities is just $3.50 per hour.
- Workers earning less than $17 are not just teenagers or students. Nearly half of workers making $17 or less are 35 or older.
- Low-wage workers are generally concentrated in the South and, to a lesser degree, the Midwest. In Mississippi, the state with the greatest proportion of low-wage workers, over 44 percent of workers make less than $17 per hour.
- Black and Hispanic workers disproportionately earn low wages as compared to their white counterparts—and that disparity is even worse for women of color. Nearly half of working Hispanic women and 41 percent of working Black women make less than $17 per hour.
- Workers in non-union jobs are nearly twice as likely to earn $17 or less (32 percent) compared to unionized workers (17 percent).
- Low-wage workers tend to be concentrated in specific industries. A majority of workers in agriculture, service, maintenance, and health care support industries make less than $17 per hour.
- 78 percent of food service workers and over 75 percent of child care workers make less than $17 per hour.

Because of wage growth over the last two years that has been concentrated among low-wage workers, increasing the minimum wage to $15 over four years would increase wages for just 17 million people—half of the effect it would have had if the Raise the Wage Act had enacted in 2021.
## Comparison of RTWA of 2021 and RTWA of 2023

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## Distribution of Hourly Wages for U.S. Workers

- **$20+**: 57%
- **$17.01-$20**: 13%
- **$15.01-$17**: 8%
- **$12.01-$15**: 12%
- **$10.01-$12**: 4%
- **$8.01-$10**: 3%
- **≤$8**: 2%

## Share of Workers Making $17 or Less per Hour, by State

- **< 25%**
- **25%–30%**
- **30%–35%**
- **35%–40%**
- **≥ 40%**