



Dear Speaker Pelosi, Majority Leader Hoyer, Minority Leader McCarthy, and Minority Whip Scalise:

This week, you and your House colleagues will be voting on H.R. 582, the *Raise the Wage Act*, which would double the federal minimum wage to \$15 per hour.

As an organization of small business owners and entrepreneurs representing over 200,000 members, we know this bill will have a devastating impact on our businesses and our employees. We implore you to vote against it.

We will be keyvoting this bill on our Job Creators Network (JCN) scorecard, which means that if you vote in favor of the *Raise the Wage Act*, we will share your vote with our entire network and tell your constituents how you hurt your local small business community and our entire economy.

On July 8, the non-partisan Congressional Budget Office (CBO) predicted that a median of 1.3 million jobs – and up to 3.7 million jobs – would be lost by increasing the government-mandated wage floor to \$15 per hour. New JCN polling finds that 84% of Americans agreed it was “very” or “somewhat likely” that “many small businesses will have to lay off workers” if “the minimum wage is doubled from current law.” Sixteen percent of Americans said it was “very” or “somewhat unlikely.”

While it’s true CBO determined that 1.3 million people would be lifted out of poverty, it also concluded that such a policy would reduce family income adjusted for inflation by \$9 billion as a result of lost jobs, increased consumer prices and lost growth.

New JCN polling finds that only 20% of Americans agreed with the statement that “raising the minimum wage to \$15 an hour” would be a “good trade-off” when presented with these facts. Fifty-four percent said it was “not a good trade-off.” Twenty-six percent answered “not sure.”

Of course, the biggest consequence of a \$15 minimum wage is the one that’s hardest to measure: a weakened first rung of the career ladder, which is so important to teach employees the skills necessary to climb it. According to CBO, “Low-wage workers who are jobless because of a minimum-wage increase cannot acquire skills through formal on-the-job training or informal learning by doing.” As a result, CBO concludes, career prospects would be negatively impacted.

American employees are already getting a minimum wage increase, without a counterproductive federal mandate. According to the latest data from the Bureau of Labor Statistics, just 163,000 workers aged 25 and older -- i.e. who aren't entry-level -- earn the \$7.25 minimum wage out of 66 million hourly employees that are that age and older -- just 0.2 percent of this workforce. Contrast this to the situation a few years ago, in 2014, when 550,000 workers aged 25 years and older earned the minimum wage out of a pool of 61.9 million hourly employees -- 0.9 percent of this workforce. This means that the number of established workers earning the minimum wage has effectively fallen by more than three-quarters in the past few years.



This massive drop in the number of non-entry-level minimum wage employees is largely thanks to President Trump's booming economy that is creating opportunity for all. By weakening the bottom rung on the career ladder, a \$15 minimum wage threatens to destroy this opportunity economy.

Instead of pursuing a \$15 minimum wage that would reduce employment opportunities and real family income, you should be fighting for \$50,000 careers by addressing the skills gap. JCN has launched the "Fight for 50" campaign to fight for careers that pay \$50,000 or more. We urge you to visit Fightfor50.com and to join our campaign.

We look forward to your timely response.

Sincerely,

Alfredo Ortiz
President and CEO
Job Creators Network