



HIGHER WAGES FOR AMERICAN WORKERS ACT

The *Higher Wages for American Workers Act* would support a strong labor market for American workers by gradually raising the federal minimum wage to \$10 and mandating E-Verify to ensure rising wages go to legally authorized workers. Rather than destroy 1.4 million jobs like a \$15 minimum wage, this proposal would raise wages for 3.5 million workers without harming the very workers it's intended to protect. Mandatory E-Verify would preserve American jobs for legal workers and remove incentives for increased illegal immigration. Both policies work in tandem to create tighter labor markets and put upward pressure on wages.

HIGHLIGHTS

- Drives wages up through tighter labor markets.
- Protects the job market for American workers by ending illegal, black-market labor.
- Prevents massive job losses, unlike the \$15 minimum wage proposal.
- Helps teenagers find their first jobs.

MANDATORY E-VERIFY

- Mandates E-Verify for all employers, phasing in implementation over 18 months to allow small businesses additional time to comply.
- Raises civil and criminal penalties on employers that hire unauthorized aliens and/or violate I-9 paperwork requirements.
- Prevents fraud by requiring workers 18 and older to provide a photo ID to their employer for verification, which will be cross-referenced if a photo is available through the E-Verify system.
- Clearly authorizes states to share driver's license information/photos to improve E-Verify's accuracy and conditions certain federal grant funds on information sharing.
- Provides \$100 million annually in automatic funding to ensure E-Verify is immune from a government shutdown, and authorizes Congress to appropriate additional funds as needed.
- Grants DHS authority to create a program to block or suspend misused Social Security numbers for E-Verify, including Social Security numbers of deceased individuals and unusual multiple uses of the same number.

MINIMUM WAGE INCREASE

- Gradually raises the federal minimum wage to \$10 by 2025, and then indexes it to inflation every two years.
- Creates a slower phase-in for small businesses with fewer than 20 employees.
- Prevents any increase during the Covid-19 emergency.
- Increases the youth minimum wage and extends the eligible period to 180 days.
- Protects sheltered-workshops by keeping the 14(c) exemption.

SCHEDULED MINIMUM WAGE INCREASES UNDER THE HIGHER WAGES FOR AMERICAN WORKERS ACT			
YEAR	FEDERAL MINIMUM WAGE	SMALL BUSINESSES	YOUTH MINIMUM WAGE
CURRENT	\$7.25	\$7.25	\$4.25
POST-PANDEMIC YEAR 1	\$8.00	\$7.75	\$4.75
YEAR 2	\$8.75	\$8.25	\$5.25
YEAR 3	\$9.50	\$8.75	\$5.75
YEAR 4	\$10.00	\$9.25	\$6.00
YEAR 5	\$10.00	\$9.75	\$6.00
YEAR 6	INDEX TO INFLATION	EQUAL TO FEDERAL MINIMUM WAGE	INDEX TO INFLATION