

Better Pay for Honest Work

Raise Georgia's Minimum Wage to Expand Middle Class, Strengthen Economy

By Wesley Tharpe, Policy Analyst

Introduction

Georgia's economy is increasingly tilted toward the types of jobs that don't pay workers enough to make ends meet or keep their families out of poverty. They are food servers at local restaurants. Retail clerks selling products they can't afford. Home health aides helping the frail and disabled live with dignity. More Georgians are working in these types of jobs than ever, and the state's economy is leaving them behind. Wages are flat, workers put in extra hours at lower-quality jobs, while inequality skyrockets. Georgia businesses and the economy struggle as a result, as working families spend and invest less.

Raising the minimum wage is a proven and effective way states can put their workers and economies on sounder footing. Boosting paychecks for those in low-wage jobs puts upward pressure on wages for all workers, lifting more Georgians into the middle class and helping them stay there. A higher minimum wage would also pump more than a billion dollars in wages into the state's economy, spreading prosperity more broadly and giving local businesses a larger pool of paying customers.

This report analyzes custom data from the nonpartisan, Washington D.C.-based Economic Policy Institute (EPI) to estimate what happens if Georgia phases in a minimum wage increase to \$10.10 per hour from 2016 to 2018. The analysis shows the increase would:

- Give a raise to nearly one million Georgia workers. An estimated 910,000 Georgia workers, or nearly 23 percent of
 the state's workforce, would earn larger paychecks as a result of the change. About one in four women and one in
 five men in Georgia would get a raise.
- **Bolster parents and children.** More than a quarter, or 28 percent, of all workers who would profit from the higher minimum wage are parents. Nearly a third of those parents are sole breadwinners. And about one in five Georgia children lives in a household that would benefit from the higher minimum wage.
- Help older, educated and full-time workers, not just part-time teenagers as detractors suggest. An estimated 92 percent of Georgia workers who would benefit from a \$10.10 minimum wage are over the age of 20 and close to half completed at least some college education. About 62 percent work at least 35 hours per week, and another 29 percent work between 20 and 35 hours per week.
- Build a stronger and more equitable foundation for the state's economy. Raising Georgia's wage floor over
 three years puts about \$1.3 billion in new wages into the hands of workers. Their subsequent spending boosts
 Georgia's overall economy as measured by Gross Domestic Product by an estimated \$812 million and creates
 about 2,900 jobs over three years. Higher wages could also help many Georgia companies strengthen their
 bottom lines over time by reducing turnover and boosting productivity.

In a recent poll, 66 percent of Georgia voters agreed with the statement "Someone who works full-time should be paid enough to keep them out of poverty." But achieving that goal remains elusive for too many Georgians. Raising the minimum wage is a way for Georgia to help more workers reach the middle class, spread prosperity to more families and strengthen the economy's foundation for the future.

Acknowledgements and Notes on Methodology

All estimates on the potential effect of raising Georgia's minimum wage in this report are from customized data provided by the nonpartisan Economic Policy Institute (EPI) in Washington, D.C. at GBPI's request. The model is based on the U.S. Census Bureau Current Population Survey data.

The estimates anticipate Georgia phasing-in a minimum wage increase to \$10.10 per hour over three years from 2016 to 2018. The model assumes Georgia will boost its state minimum above the federal \$7.25 per hour for most workers to \$8.20 an hour effective 2016, \$9.15 an hour in 2017 and \$10.10 an hour in 2018.

The specific effects of any future policy will vary based on the size of the wage increase, the number of years used to phase in changes and which year policymakers choose to initiate the process. In-depth tables on the varying effects of raising Georgia's minimum wage to \$8.20, \$9.15 and \$10.10 an hour are available in the Appendices.

Data collection, preliminary analysis and the initial draft of this report are credited to Cortney Robinson, an undergraduate at Howard University and 2014 GBPI intern. For more information on the report's findings and methodology, contact Wesley Tharpe at wtharpe@gbpi.org.

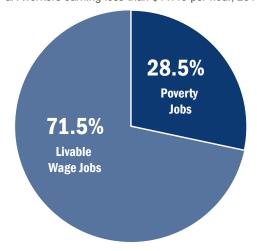
Background: Working Georgians Struggle to Reach Middle Class

A job isn't a sure path to economic security. Thousands of Georgians work hard every day and take home a weekly paycheck but cannot afford basic necessities, save for the future or pull their families into the middle class.

More than one in four Georgians in 2013 worked in poverty-wage jobs, or those that pay a full-time worker less than \$11.46 an hour. That's the wage needed to keep a family of four above the federal poverty line. These jobs are concentrated in historically low-wage sectors like food service and retail, but are also common in fields such as health services and transportation. Examples of these workers include restaurant servers, home health aides, sales clerks and warehouse workers.

More than a Quarter of Georgians Work in Poverty-Wage Jobs

Share of GA workers earning less than \$11.46 per hour, 2013



Source: Economic Policy Institute analysis of Current Population Survey

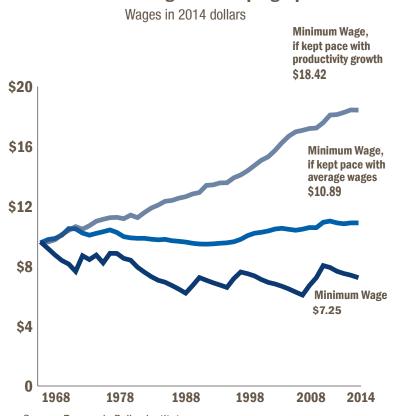
Since the Great Recession, more Georgians find themselves in these jobs than in the past. Industries that pay workers a middle-class wage fell furthest in the economic downturn but recovered slowest during the recovery. Low-wage jobs, meanwhile, grew well. Mid-wage sectors of the economy with average annual salaries between about \$34,000 and \$58,000 accounted for only 15 percent of Georgia's job growth from 2010 to 2013. Low-wage industries that pay workers on average less than \$32,000 a year made up 44 percent of new jobs during that span.²

Minimum Wage Employees Work Harder for Less Pay

Congress created the federal minimum wage in 1938 in pursuit of the principle that employers should pay all workers enough to live reasonably and provide for their families. But at \$7.25 an hour, the federal wage floor no longer offers the purchasing power to keep workers out of poverty or help them to reach the middle class.

The true value of the minimum wage typically erodes in value each year because it is not indexed to inflation, or the rising price of goods and services. Each year minimum wage workers must spend more on basics with the same stagnant wage. Since 2007, when Congress last increased the federal minimum wage, the cost of groceries is up 16 percent, child care is up 21 percent and college tuition is up 36 percent.³ But earnings for low-wage workers are flat. If nothing is done to raise the minimum wage, its inflation-adjusted value will fall to an estimated \$5.99 per hour by 2022.⁴

Minimum Wage Not Keeping Up



Source: Economic Policy Institute

These falling wages stand in contrast to the ever-rising value workers add to their companies and the economy. Worker productivity, or the amount of goods and services each American worker produces, roughly doubled since 1968. If the federal minimum wage kept pace with U.S. productivity since 1968, it would be \$18.42 in 2014, according to the Economic Policy Institute.⁵ If the minimum wage had simply kept pace with the average wage of all U.S. workers, it would equal \$10.89 in 2014.⁶

Flat pay for minimum wage workers also runs counter to the exponential growth top earners enjoyed in recent decades. Hourly pay for the top 10 percent of Georgia workers rose about \$8 per hour from 1979 to 2013, adjusted for inflation. Hourly pay fell by 40 cents an hour for the bottom 10 percent of earners in that same span.⁷

Many States Boost Wages Above Federal Minimum

Boosting the minimum wage is one of the most direct tools at hand for policymakers to fight stagnant wages and rising inequality. A higher legal wage floor puts upward pressure on wages for all workers, which ensures employees share in the economy's total growth. With wages flat and inequality widening nationwide, policymakers at all levels of government have hotly debated a higher minimum wage in recent years. But Congress is gridlocked on the issue.⁸

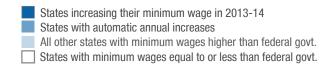
A growing number of states are acting on their own in the absence of federal movement. Ten states and the District of Columbia passed minimum wage increases during their 2014 legislative sessions. Four additional states, Alaska, Arkansas, Nebraska and South Dakota, passed minimum wage increases through referendums on November 2014 general election ballots. This follows minimum wage increases in 14 states in 2013, five through legislation and nine states whose rates rose automatically because they tie their minimum wages to annual inflation.⁹

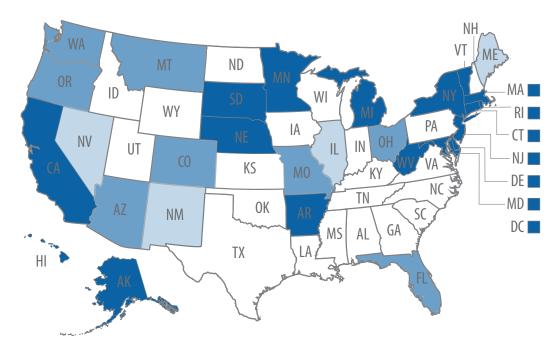
A majority of states will soon require minimum wages above the \$7.25 federal floor as a result of these changes. Twenty nine states and the District of Columbia are scheduled to require state-level minimum wages above the federal level by 2016. Another 14 will have state-minimums equal to the \$7.25 federal standard at that time.¹⁰

Georgia is one of only seven states that plan to start 2016 with a state-level minimum wage below the federal wage floor. The state's \$5.15 per hour minimum wage applies to a small subset of workers exempt from federal requirements, such as certain types of farm workers, health aides and seasonal employees. Most Georgia workers are subject to the \$7.25 an hour federal wage floor.

This report recommends Georgia's minimum wage increase to \$8.20 by 2016, which would give Georgia the 19th highest state minimum wage in the country at that time. Increases to \$9.15 an hour and \$10.10 an hour would follow in subsequent years. A more detailed comparison of Georgia to other states is available in Appendix A.

Momentum Growing Toward Higher Wages in State





A \$10.10 Minimum Wage Helps Nearly a Quarter of Georgia Workers

A \$10.10 an hour increase to Georgia's minimum wage over three years would boost wages for an estimated 909,852 workers, or 22.5 percent of the state's workforce. Nearly two-thirds, or 63 percent, of workers who stand to benefit are now paid less than \$10.10 per hour and would realize a direct raise. The remaining 37 percent who currently make just above \$10.10 are likely to see raises as well. That is because employers typically respond to minimum wage increases by raising pay scales for workers just above the new minimum wage.

The average affected Georgia worker earns an extra \$1,409 a year once the \$10.10 wage is phased-in, according to the model. Wages are the sole source of household income for 25 percent of the affected workers.

Demographics of a Higher Georgia Minimum Wage

Estimated effects once \$10.10 minimum wage fully phased-in over three years

Category	Estimated wage-earning workforce	Directly affected	Indirectly affected	Total affected	Percentage of Total Affected	Share of Category Affected
Total	4,044,651	576,735	333,117	909,852	100.0%	22.5%
Gender						
Male	2,105,792	252,790	161,298	414,087	45.5%	19.7%
Female	1,938,859	323,946	171,819	495,765	54.5%	25.6%
Age						
Under 20	91,752	56,262	16,833	73,095	8.0%	79.7%
Over 20	3,952,899	520,473	316,284	836,758	92.0%	21.2%
Race/ethnicity						
White	2,314,777	254,285	149,266	403,551	44.4%	17.4%
Black or African American	1,222,492	235,971	118,860	354,831	39.0%	29.0%
Hispanic	289,125	64,167	47,654	111,821	12.3%	38.7%
Asian or other race	218,257	22,313	17,337	39,649	4.4%	18.2%
Work hours per week						
Part-time (<20 hrs)	132,969	55,191	23,800	78,991	8.7%	59.4%
Mid-time (20–34 hours)	483,657	202,351	61,715	264,066	29.0%	54.6%
Full-time (35+ hours)	3,428,025	319,193	247,602	566,795	62.3%	16.5%
Education						
High School or less	1,456,803	336,150	174,846	510,996	56.2%	35.1%
Some college	1,202,505	192,883	118,620	311,503	34.2%	25.9%
Bachelor's or higher	1,385,343	47,703	39,652	87,354	9.6%	6.3%
Children with at least						
one affected parent	2,591,138	327,480	186,155	513,635		19.8%
Source: Economic Policy Instit	ute analysis of Curre	ent Population (Survey			

Smaller wage increases also result in widespread improvements. Setting Georgia's minimum wage at \$8.20 an hour raises the pay of nearly half a million workers, or 11 percent of all in-state workers. An increase to \$9.15 an hour over two years results in a slightly larger effect, raising wages for nearly 600,000 workers. These alternative approaches are detailed in the appendices.

Better Wages Help Georgians Work Out of Poverty

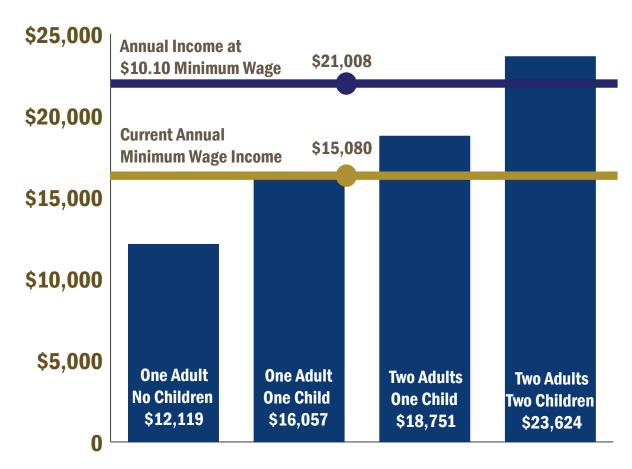
A minimum wage job is not enough to keep Georgia workers out of poverty, even with a 40-hour a week job. Times have changed since the 1960s and 1970s, when holding down a full-time minimum wage job kept workers above the poverty line.¹³

Minimum wage workers now earn only \$15,080 annually working 40 hour weeks for a whole year. A family of three falls about \$3,700 below the poverty line at that income and a family of four is more than \$8,500 below it. A breadwinning worker who earns \$7.25 per hour needs to work nearly 63 hours each week for an entire year to keep a family of four out of poverty.

Increasing the state's minimum wage would help pull many of these Georgia families out of poverty. The annual income for a full-time minimum-wage worker would be about \$21,000 with a \$10.10 per hour minimum wage. That is above the poverty threshold for a family of two and three, although still \$2,550 short of the poverty threshold for a family of four. But at \$10.10 per hour, a breadwinning worker supporting a family of four could keep a household out of poverty by choosing to work at least 45 hours each week.

New Minimum Wage Income is Above Poverty for Most Households

Poverty thresholds for 2013 by family size and number of related children under 18



Source: "Poverty Thresholds for 2013 by Size of Family and Number of Related Children Under 18 years," U.S. Census Bureau. Figures for annual income at varying minimum wage levels assume a 40-hour workweek.

Women, Children and Families Would Benefit Greatly

Women account for more than half of the workers that benefit from raising Georgia's minimum wage, even though they account for less than half of Georgia's workforce. In fact, 26 percent of all women in Georgia's workforce would benefit from a \$10.10 minimum wage. Total wages for these women increase by \$711 million, collectively over three years, according to the model. Each affected woman would earn an average of \$1,434 more in annual income once a \$10.10 wage is put in place.

Parents also stand to gain from a \$10.10 minimum wage. More than a quarter, or 28 percent, of all workers who benefit from a higher minimum are parents. Thirty percent of those parents are sole breadwinners. An estimated 35 percent of single parents and 12 percent of married parents would earn larger paychecks. On average, affected parents earn 64 percent of their family's income.

One in Five Georgia Children Stands to Benefit from Higher Family Wages



A \$10.10 minimum wage would indirectly benefit Georgia's children as parental income rises. One in five Georgia children lives with a parent who benefits from an increased minimum wage. Research shows a rise in family income boosts the chances of a child's future success, especially if the child is in poverty. "A \$3,000 increase in family income (in 2005 dollars) between a child's prenatal year and fifth birthday is associated with an average 17 percent increase in annual earnings and an additional 135 hours of work when the children become adults," according to the Center on Budget and Policy Priorities.¹⁵

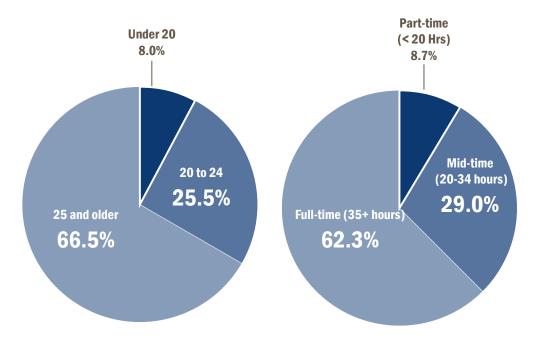
Older, Educated and Full-Time Workers Gain with Higher Minimum Wage

Minimum wage workers are not predominantly teenagers working part-time jobs after school, as conventional wisdom suggests. Low-wage workers are increasingly older, full-time and more educated than in the past, due to changes in the economy since 1980.

The average U.S. worker who makes less than \$10.10 an hour is 35 years old. An estimated 88 percent of them are at least 20 years old, half are older than 30 and about a third are at least 40.16 These workers are closely split between full-timers and part-timers, with 54 percent working at least 35 hours per week. And, from 1979 to 2011 the share of low-wage U.S. workers with at least some college education grew to 43 percent from 25 percent.¹⁷

In Georgia, 92 percent of the workers who stand to benefit from a \$10.10 minimum wage are over the age of 20 and two-thirds are at least 25. An estimated 62 percent of affected Georgians work full-time and another 29 percent work "mid-time," defined as 20 to 34 hours per week. Only 9 percent of beneficiaries work less than 20 hours per week. About 34 percent of Georgia workers who would get a raise from a \$10.10 minimum wage completed some college classes or earned an associate's degree. Nearly one in 10 beneficiaries, or 9.6 percent, holds a bachelor's degree or higher.

Adults Over 25 and Full-Time Workers Benefit from Higher Minimum Wage



Source: Economic Policy Institute analysis of Current Population Survey

Service-Sector Workers Would Enjoy an Outsized Benefit

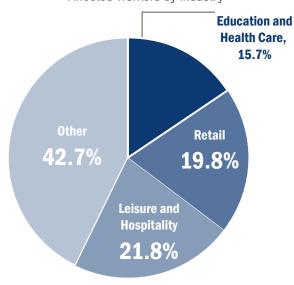
More of Georgia's workforce is employed in low-wage industries than in the past, which makes it harder for people to find the kind of jobs needed to reach and remain in the middle class. ¹⁸ An estimated 52 percent of new U.S. jobs added from 2012 to 2022 are expected to be in three industries: Leisure and hospitality; retail trade and education and health care. ¹⁹

These industries employ workers like food servers, cashiers and home health aides and account for more minimum wage workers than other sectors. Workers in Georgia's food service industry received an average hourly wage of \$7.85 an hour in 2013, while clothing store employees received \$8.80 an hour on average. ²¹

Higher wages disproportionately benefit workers in these low-paying and fast-growing industries. An estimated 57 percent of Georgia workers who benefit from a \$10.10 minimum wage are in those three key industries, as shown in the chart. With Georgia's economy increasingly tilted toward low-wage professions, raising the pay of workers in those fields is a critical step to ensure a broad middle class in the future.

Higher Minimum Benefits Georgia's Fastest-Growing Sectors

Affected workers by industry



Source: Economic Policy Institute analysis of Current Population Survey

A Higher Minimum Bolsters Georgia's Economy, Does Not Kill Jobs

Though a popular argument, the common claim that higher minimum wages hurt the economy is a misconception based on a selective reading of available economic evidence. A higher minimum wage does not lead to widespread job loss and could actually put Georgia's economy on sounder footing for the long-run.

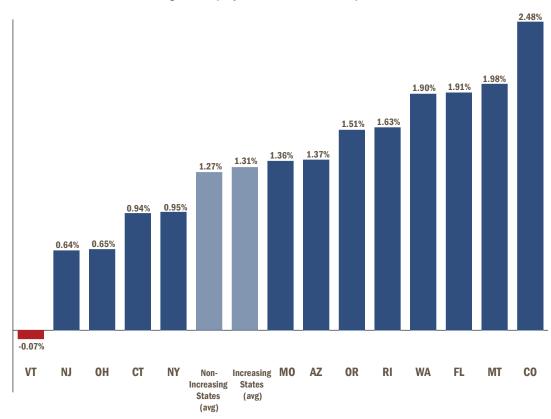
The reason why is that putting more money into the hands of low-wage workers sends a ripple effect through local and state economies.²² Phasing in a \$10.10 minimum wage over three years places nearly \$1.3 billion in new wages in the hands of Georgia workers. Because low-wage workers generally spend new earnings right away on basic necessities rather than save or invest, those wages go back into local businesses and the state economy. That ripple effect increases Georgia's economy, as measured by Gross Domestic Product (GDP), by an estimated \$812 million and adds about 2,900 jobs over the three-year phase-in period, according to the model.²³

The jobs estimate is in line with most mainstream research on the minimum wage, which generally finds effects on employment to be small and not always negative. One expert recently reviewed more than 60 studies on the link between jobs and the minimum wage and found that some studies show a small negative effect on jobs, some find a small positive effect and most find no significant impact at all.²⁴

Real-world evidence confirms fears of job loss are overblown. States that increased minimum wages effective January 1, 2014 grew jobs at an average 1.31 percent rate during the first nine months of 2014, slightly better than the 1.27 percent in those that did not raise wages. And several states that increased wage floors enjoyed job growth well-above the average during that span, as illustrated in the following chart.²⁵

Many States Raised Minimum Wage, Enjoyed Job Growth

% Change in Employment, Dec. 2013 - September 2014



Source: GBPI analysis of Current Employment Statistics (CES) Note: States raising their minimum wage, effective January 1, 2014

Many Businesses Benefit from a Stronger Minimum Wage, Others Can Adjust

A higher minimum wage is not nearly the burden on the private sector as critics suggest. For many companies, better wages can actually improve business and deliver higher profits over time.

The first thing to understand is most minimum wage workers are employed by large, profitable corporations, such as Walmart and McDonald's, as opposed to small businesses. Recent research shows 66 percent of the country's lowest-paid workers are employed by companies with 100 or more workers. Of the country's 50 largest low-wage employers, 92 percent were profitable in 2011 and 2012 and 75 percent had higher revenues than before the recession. Executive compensation averaged \$9.4 million a year at these low-wage firms in 2011 and 2012.²⁶

From over 30 years in business, I know firsthand that investing in employees is the best investment a business can make. We need our government to raise the minimum wage so that all workers can make a living and businesses have the stronger customer base we need to create lasting homegrown jobs and profitability.

Eric Henry
President of TS Designs
Burlington, North Carolina

These large, profitable firms can accommodate increased wages in many ways without cutting jobs.²⁷ They can trim their profit margins or shareholder return, slightly raise prices or cut pay for CEOs and top managers. Businesses can also save money through improved workplace efficiency, such as streamlining back-end administration and training employees to tackle new tasks. Phasing-in a higher minimum through stages also makes it easier for business owners to adjust without slashing payrolls.²⁸

Higher wages also benefit businesses in ways usually overlooked by minimum wage detractors.²⁹ Workers who earn livable wages are more productive than their poverty-wage counterparts, generating more goods and services in less time. Higher wages give employees a strong incentive to stay and excel at a job, which reduces employee turnover, improves customer service and makes workplaces more efficient.³⁰

Our decision to invest in frontline employees will directly support our business, and is one that we expect to deliver a return many times over.

Glenn Murphy
Chairman and CEO of Gap, Inc.
Announcing company's \$10/hour minimum wage

Some large companies are noticing that livable wages can strengthen their bottom lines in the long run. Gap, Inc. raised its company-wide minimum wage to \$9 an hour in July 2014 and will hike that to \$10 an hour in June 2015. That gives a raise to about 65,000 U.S. employees.³¹ The large furniture employer IKEA also plans to raise its average minimum wage to \$10.76 an hour in January 2015, affecting about half of its 11,000 U.S. workers.³²

We are of course investing in our co-workers. We believe they will invest in our customers, and they will invest in Ikea's stores. We believe that it will be a win-win-win for our co-workers, our customers and our stores.

Rob Olson
Acting U.S. president and CFO of Ikea
Announcing company's \$10.76/hour minimum wage

Perhaps counterintuitively, a stronger wage floor also helps small businesses. Small businesses generally pay their employees more than the legal minimum already, choosing to compete with larger companies on product quality and customer service instead of price alone. Paying poverty-wages allows a big-box retailer like Walmart to undercut local shops on price, often hurting sales or driving them out of business. A stricter wage floor helps level the playing field for small businesses.

Small businesses can also benefit because workers in restaurants and other low-wage establishments are more likely than highwage earners to spend their income where they work, or at other locally-owned businesses.³³ This helps pump money back into local

61%

The share of U.S. small business owners that support a phased-in \$10.10 minimum wage in a recent poll

economies. This explains why 61 percent of U.S. small business owners and 58 percent in the South voiced support for a phased-in \$10.10 minimum wage in a recent poll. More than half of businesses surveyed say raising the minimum wage would result in less employee turnover, increased productivity and higher consumer satisfaction.³⁴

The "Tipped Minimum" Wage Should Rise Too

Workers in food service and other industries who rely on tips to support themselves are treated differently than employees in most fields, generally to their detriment. Congress established a \$2.13 subminimum wage in 1996 for tipped workers that remains stuck at that level today. The static wage continues to lose purchasing power as time passes.³⁵ Tipped workers are about twice as likely to live in poverty nationwide as other workers.³⁶

Federal law requires companies to pay these workers at least \$7.25 per hour once tips are taken into account, but this is not always what happens. More than one in 10 tipped-workers report their hourly wages fall below the federal minimum, even after tips.³⁷ That happens because the compensation rules are laxly enforced and regulators lack the tools to hold employers accountable. Few employees are aware of federal requirements or where to go to report abuse. And those who are aware risk their jobs if they speak up, since tipped professions typically come with low job security.

Some states are responding to these shortfalls by eliminating the subminimum wage altogether. Others are keeping the policy, but require a higher floor than the federal government. Georgia is one of 19 states that do neither.³⁸

Eliminating the subminimum wage is an ambitious strategy to turn tipped-professions into a viable pathway to the middle class. A more modest alternative is to set the tipped minimum at 70 percent of the new minimum wage, as recent federal legislation proposed. This would provide a big boost to hundreds of thousands of Georgians working in tipped professions, many of whom are older and more educated than their public perception. About 29 percent of U.S. tipped workers are over the age of 40 and 52 percent have completed at least some college education.³⁹

Georgia Among Stingiest States for Tipped Workers

State requires employers to pay workers full state minimum wage before tips		oyers to pay workers ed minimum wage	States that requires employers to pay workers as low as federal tipped minimum wage				
Seven States	Twenty-four S	tates Plus D.C.	Nineteen States				
Alaska	Arizona	Maryland	Alabama	South Carolina			
California	Arkansas	Massachusetts	GEORGIA	South Dakota			
Minnesota	Colorado	Michigan	Indiana	Tennessee			
Montana	Connecticut Missouri		Kansas	Texas			
Nevada	Delware	New Hampshire	Kentucky	Utah			
Oregon	D.C.	New York	Louisiana	Virginia			
Washington	Florida	North Dakota	Mississippi	Wyoming			
	Hawaii	Ohio	North Carolina				
	Idaho	Pensylvania	Nebraska				
	Illinois	Rhode Island	New Jersey				
	Iowa Vermont		New Mexico				
	Maine Wisconsin		Oklahoma				
		West Virginia					

Source: U.S. Department of Labor, Wage and Hour Division; Rates effective as of Sept. 1, 2014.

Conclusion

Georgia will be at its best when it becomes a place where hard work and determination are rewarded with a chance for economic success. Workers and their families cannot thrive if the economy fails to provide sufficient chances to make a living. As Georgia's economy tilts more toward low-paying jobs, a higher minimum wage is a sensible way to give hardworking families a pathway to the middle class.

Raising Georgia's minimum wage to \$10.10 an hour over three years gives nearly 1 million workers a raise and boosts the prospects of women, parents and children in particular. It ensures families can afford the basics and provides the extra money workers need to invest in the future, such as going back to school or saving for retirement. And it would transform the pool of low-wage workers into a larger source of customers for Georgia businesses, pumping millions of dollars back into local economies.

A higher minimum wage is more than just a raise for Georgia's workers. It is a proactive solution to lower poverty, raise economic mobility and build a stronger foundation for economic growth.

Endnotes

¹Tom Jensen, "Minimum Wage Increase Popular in KY, GA; Could Play Big role in Senate Races", Public Policy Polling, January 28, 2014. A majority of voters in that survey, 54 percent, also responded favorably to increasing the minimum wage from \$7.25 to \$10 per hour.

²For more details on this phenomenon, see "Bad Times for Good Jobs," Georgia Budget and Policy Institute. 7/17/2014.

³GBPI analysis of Consumer Price Index, U.S. City Average, 2007-2013.

4Raise the Minimum Wage. "A Decade in Reverse: Under Current Law, the Federal Minimum Wage will be Worth Only \$5.99 by 2022." 2014.

⁵David Cooper, "Raising the Federal Minimum Wage to \$10.10 Would Lift Wages for Millions and Provide a Modest Economic Boost", Economic Policy Institute, December 19, 2013. Updated values for 2014 provided to GBPI upon request.

⁶lbid.

THOUGHTFUL ANALYSIS, RESPONSIBLE POLICY

⁷Economic Policy Institute Analysis of Current Population Survey data, 2013.

⁸For more details, see "Raising the Federal Minimum Wage to \$10.10 Would Lift Wages for Millions and Provide a Modest Economic Boost," Economic Policy Institute. 12/19/2013.

⁹Arizona, Colorado, Florida, Missouri, Montana, Ohio, Oregon, Vermont, and Washington saw their minimum wages increase automatically because those states have indexed them to inflation. The remaining five states – California, Connecticut, New Jersey, New York and Rhode Island – raised their rates directly through legislation. "4.5 Million Workers Start the New Year with Higher Pay," Economic Policy Institute. 1/2/2014.

¹⁰"2014 Minimum Wage by State," National Conference of State Legislatures. Accessed 10/7/2014.

11"Many low-wage workers not protected by minimum wage," CNN Money. 4/23/2014.

¹²The \$10.10 per hour target comes from a recent piece of federal legislation, which is often pointed to as a best practice for states to strive toward. In 2013, U.S. Senator Tom Harkin from Iowa and U.S. Representative George Miller from California proposed that Congress raise the federal minimum wage from \$7.25 per hour to \$10.10 per hour. Their proposal, known as the Miller-Harkin plan, raises the minimum wage by \$0.95 annually over a period of three years. The Miller-Harkin plan would index the minimum wage to inflation, but our recommendation does not include indexing Georgia's minimum wage to inflation. Altitude in Georgia's state legislature that recommend increasing the state minimum wage. Georgia Senate Bill 314 proposed increasing the state's minimum wage to \$10.10 in one step, adjusted for inflation. Another piece of legislation, Georgia House Bill 681, proposed raising minimum wage to \$9.80 in a three step process, while not adjusting for inflation.

¹³David Cooper, "Raising the Federal Minimum Wage to \$10.10 Would Lift Wages for Millions and Provide a Modest Economic Boost", Economic Policy Institute, December 19, 2013.

¹⁴Women comprised 46.9 percent of Georgia's labor force in 2013, versus 53.1 percent for men. Economic Policy Institute analysis of Current Population Survey.

¹⁵Chuck Marr, Chye-Ching Huang, and Arloc Sherman, "Earned Income Tax Credit Promotes Work, Encourages Children's Success at School, Research Finds", Center on Budget and Policy Priorities, April 15, 2014.

¹⁶"Nine Things you Might Not Know About Minimum-Wage Workers", Off the Charts blog; Center on Budget and Policy Priorities, June 9, 2014.

¹⁷Low-wage workers are defined here as those making less than \$10 an hour in 2011 dollars. Jared Bernstein and Sharon Parrott, "Proposal to Strengthen Minimum Wage Would Help Low-Wage Workers, With Little Impact on Employment", Center on Budget and Policy Priorities, January 7, 2014.

¹⁸Wesley Tharpe. "Bad Times for Good Jobs," Georgia Budget and Policy Institute. 7/17/2014.

¹⁹Of the industries listed in the report, Leisure and Hospitality, Education and Health Services, and Retail Trade had the largest amount of minimum wage workers nationwide in 2013. "Characteristics of Minimum Wage Workers, 2013", U.S. Bureau of Labor Statistics, March 2014

²⁰GBPI analysis of Employment Projections Program, U.S. Bureau of Labor Statistics

²¹GBPI analysis of Quarterly Census of Employment and Wages (QCEW)

²²For more details, see "Raising the Federal Minimum Wage to \$10.10 Will Not Lead to Job Loss," Economic Policy Institute. 2/12/2014.

²³GDP and jobs stimulus figures utilize a national model to estimate the impact of workers' increased earnings. The increased economic activity from these additional wages adds not just jobs but also hours for people who already have jobs. Estimates for full-time employment account for these job-hours by essentially taking the number of total hours added and dividing by 40, to get full-time-equivalent jobs added. For more details on EPI's methodology on jobs and GDP, see Josh Bivens, "Method memo on estimating jobs impact of various policy changes." Economic Policy Institute. 11/8/2011.

²⁴John Schmitt, "Why Does the Minimum Wage Have No Discernible Effect on Employment?" Center for Economic and Policy Research, February 2013.

²⁵ California also passed a minimum wage increase in 2013, but it did not take effect until July 2014.

²⁶ Big Business, Corporate Profits and the Minimum Wage," National Employment Law Project, July 2012.

²⁷Sylvia A. Allegretto and Steven C. Pitts, "To Work With Dignity: the Unfinished March Toward a Decent Minimum Wage", Economic Policy Institute. 8/26/13.

²⁸"Gradual Phase-in Helps Employers Adapt to Minimum Wage Hike," Off the Charts Blog, Center on Budget and Policy Priorities. 4/30/2014.

²⁹See "Consider the Source: 100 Years of Broken-Record Opposition to the Minimum Wage," National Employment Law Project (NELP). March 2013.

- 3ºZeynep Ton, "The Good Jobs Strategy: How the Smartest Companies Invest in Employees to Lower Costs and Boost Profits." January 2014.
- ³¹"Gap raises its minimum wage to \$9 an hour," Chicago Tribune. 6/23/2014
- 32"Ikea to raise its minimum wage," USA Today. 6/26/2014.
- ³³Richard Florida, "The Business Case for Paying Service Workers More", From The Atlantic, CityLab. 3/3/14.
- 34 "61% of Small Businesses Support \$10.10 Federal Minimum Wage in New National Poll," Business for a Fair Minimum Wage. 7/10/2014.
- ³⁵Tipped workers are classified as employees that make at least \$30 or more in tips during a normal work week.
- ³⁶Sylvia A. Allegretto and David Cooper, "Twenty –Three years and Still Waiting for Change: Why It's Time to Give Tipped Workers the Regular Minimum Wage." 7/7/14.
- ³⁷ "The Impact of Raising the Minimum Wage on Women," White House report prepared by the National Economic Council, the Council of Economic Advisers, the Domestic Policy Council and the Department of Labor. March 2014.
- ³⁸Sylvia A. Allegretto and David Cooper, "Twenty —Three years and Still Waiting for Change: Why It's Time to Give Tipped Workers the Regular Minimum Wage." 7/7/14.
- ³⁹lbid.

Appendix A: Minimum Wage Laws by State
The following table shows state-level minimum wages as they are scheduled to stand January 1, 2016. If Georgia lawmakers follow this report's recommendations, at that point the state's minimum wage would rise to \$8.20 an hour. Increases to \$9.15 and \$10.10 follow in subsequent years.

	WI	nere St	ate N	/linim	um \		Will	Stand	at tl	ne Sta	rt of	2016		
29 State	s Plu	s DC		14 8	States	3		2 S	tates			5 St	ates	
Greater th	an F	ederal	Equals Federal			Less than Federal				No Minimum Wage			/age	
Minimu	ım W	age	Mini	mum V	Vage-	- \$7.25		Minimu	ım Wa	ige		Requ	uired	
State	Α	mount	S	tate	Aı	nount	ξ	State	An	nount	S	tate	An	nount
AK	\$	9.75	ΙA		\$	7.25	GA		\$	5.15	AL		\$	-
AR	\$	8.00	ID		\$	7.25	WY		\$	5.15	LA		\$	-
AZ	\$	7.90	IN		\$	7.25					MS		\$	-
CA	\$	10.00	KS		\$	7.25					SC		\$	-
CO	\$	8.00	KY		\$	7.25					TN		\$	-
CT	\$	9.60	NC		\$	7.25								
DC	\$	10.50	ND		\$	7.25								
DE	\$	8.25	NH		\$	7.25								
FL	\$	7.93	0K		\$	7.25								
HI	\$	8.50	PA		\$	7.25								
IL	\$	8.25	TX		\$	7.25								
MA	\$	10.00	UT		\$	7.25								
MD	\$	8.25	VA		\$	7.25								
ME	\$	7.50	WI		\$	7.25								
MI	\$	8.50												
MN	\$	9.50												
MO	\$	7.50												
MT	\$	7.90												
NE	\$	9.00												
NJ	\$	8.25												
NM	\$	7.50												
NV	\$	8.25												
NY	\$	9.00												
OH	\$	7.95												
0R	\$	9.10												
RI	\$	9.00												
SD	\$	8.50												
VT	\$	9.60												
WA	\$	9.32												
WV	\$	8.75												
Source: Natio	onal C	Conference	on S	tate Leg	islatui	res								

Appendix B: Georgians Affected by an Increase to \$10.10 per Hour, by Demographic

	Fallmakad				Oh f	Share of
	Estimated wage-earning	Directly	Indirectly	Total	Share of the total	workforce category
Category	workforce	affected	affected	affected	affected	affected
Total	4,044,651	576,735	333,117	909,852	100.0%	22.5%
Gender	.,,	,		,		
Female	1,938,859	323,946	171,819	495,765	54.5%	25.6%
Male	2,105,792	252,790	161,298	414,087	45.5%	19.7%
Age	, ,	,	,	,		
Under 20	91,752	56,262	16,833	73,095	8.0%	79.7%
20 +	3,952,899	520,473	316,284	836,758	92.0%	21.2%
16 to 24	474,555	211,266	93,872	305,138	33.5%	64.3%
25 to 39	1,376,546	166,473	127,324	293,796	32.3%	21.3%
40 to 54	1,454,625	126,851	76,338	203,190	22.3%	14.0%
55+	738,925	72,146	35,583	107,729	11.8%	14.6%
Race/ethnicity		,		,		
White	2,314,777	254,285	149,266	403,551	44.4%	17.4%
Black or African	_,; ,,		0,200	.00,00.	, 0	,
American	1,222,492	235,971	118,860	354,831	39.0%	29.0%
Hispanic	289,125	64,167	47,654	111,821	12.3%	38.7%
Asian or other race	218,257	22,313	17,337	39,649	4.4%	18.2%
Family structure						
Married parent	1,103,827	74,746	57,605	132,351	14.5%	12.0%
Single parent	345,241	77,632	42,930	120,562	13.3%	34.9%
Married, no children	1,099,696	95,066	63,360	158,426	17.4%	14.4%
Unmarried, no children	1,495,887	329,292	169,222	498,514	54.8%	33.3%
Family income						
Less than \$20,000	454,325	164,897	69,958	234,855	25.8%	51.7%
\$20,000 - \$39,999	826,476	169,952	112,340	282,292	31.0%	34.2%
\$40,000 - \$59,999	770,053	99,836	61,051	160,888	17.7%	20.9%
\$60,000 - \$74,999	534,546	43,379	31,192	74,571	8.2%	14.0%
\$75,000 – \$99,999	579,476	44,432	27,816	72,248	7.9%	12.5%
\$100,000 - \$149,999	507,589	35,487	21,268	56,755	6.2%	11.2%
\$150,000 or more	372,185	18,752	9,492	28,244	3.1%	7.6%
Industry	, , , , , , , , , , , , , , , , , , , ,	-, -	-, -	-,		
Construction	219,916	17,168	27,285	44,453	4.9%	20.2%
Manufacturing	442,646	45,340	28,593	73,933	8.1%	16.7%
Retail	465,510	119,470	60,352	179,822	19.8%	38.6%
Education and	,	2,	,	-,-= <u>-</u>	2.2.0	33.370
Healthcare	863,036	88,522	54,535	143,057	15.7%	16.6%
Leisure and Hospitality	358,806	157,848	40,311	198,159	21.8%	55.2%
Other industry	1,694,737	148,388	122,041	270,429	29.7%	16.0%

	Estimated wage-earning	Directly	Indirectly	Total	Share of the total	Share of workforce
Category	waye-earning workforce	affected	affected	affected	affected	category
Occupation						
Professional, business,						
science	907,697	46,593	38,517	85,110	9.4%	9.4%
Service	672,645	227,121	83,332	310,453	34.1%	46.2%
Sales	439,940	107,097	45,917	153,014	16.8%	34.8%
Office, Administrative						
support	519,669	57,380	55,478	112,858	12.4%	21.7%
Transportation	309,580	61,725	28,871	90,596	10.0%	29.3%
Other occupation	1,195,120	76,820	81,003	157,822	17.3%	13.2%
Work hours per week						
Part time (< 20 hours)	132,969	55,191	23,800	78,991	8.7%	59.4%
Mid time (20–34 hours)	483,657	202,351	61,715	264,066	29.0%	54.6%
Full time (35+ hours)	3,428,025	319,193	247,602	566,795	62.3%	16.5%
Education						
High School	1,456,803	336,150	174,846	510,996	56.2%	35.1%
Some college	1,202,505	192,883	118,620	311,503	34.2%	25.9%
Bachelor's or higher	1,385,343	47,703	39,652	87,354	9.6%	6.3%
Sector						
For profit	3,127,552	496,262	279,839	776,101	85.3%	24.8%
Government	738,240	64,360	37,181	101,542	11.2%	13.8%
Non-profit	178,859	16,113	16,097	32,210	3.5%	18.0%
Children with at						
least one affected						
parent	2,591,138	327,480	186,155	513,635		19.8%

Source: EPI Analysis of Current Population Survey, Outgoing Rotation Group public use microdata, 2013

¹Total estimated workers is estimated from the CPS respondents who were 16 years old or older, employed, but not self-employed and for whom either a valid hourly wage is reported or one can be imputed from weekly earnings and average weekly hours. Consequently, this estimate represents the identifyable wage-earning workforce and tends to understate the size of the full workforce.

²Directly Affected workers will see their wages rise as the new minimum wage rate will exceed their current hourly pay.

³Indirectly affected workers have a wage rate just above the new minimum wage (between the new minimum wage and the new minimum wage plus the dollar amount of the increase in the previous year's minimum wage). They will receive a raise as employer pay scales are adjusted upward to reflect the new minimum wage.

Appendix C: Georgians Affected by an Increase to \$9.15 per Hour, by Demographic

	Estimated				Share of	Share of
Category	wage-earning workforce	Directly affected	Indirectly affected	Total affected	the total	workforce category affected
Category Total	3,997,678	423,263	174,927	598,190	100.0%	15.0%
Gender	3,997,070	423,203	174,527	390,190	100.070	13.0 /0
Female	1,916,342	242,289	100,355	342,644	57.3%	17.9%
Male	2,081,336	180,974	74,572	255,546	42.7%	12.3%
Age	2,001,000	100,574	14,512	200,040	72.7 70	12.5 /0
Under 20	90,687	50,495	6,513	57,008	9.5%	62.9%
20 +	3,906,991	372,767	168,414	541,182	90.5%	13.9%
16 to 24	469,043	159,171	53,162	212,333	35.5%	45.3%
25 to 39	1,360,560	120,938	53,500	174,437	29.2%	12.8%
40 to 54	1,437,732	93,042	41,095	134,137	22.4%	9.3%
55+	730,343	50,113	27,170	77,283	12.9%	10.6%
Race/ethnicity	730,343	50,115	21,170	11,203	12.970	10.0 %
White	2,287,894	187,362	79,214	266,576	44.6%	11.7%
WITH	2,207,094	107,302	73,214	200,370	44.0 70	11.7 70
Black or African American	1,208,294	168,914	71,140	240,054	40.1%	19.9%
Hispanic	285,768	51,831	14,390	66,221	11.1%	23.2%
Asian or other race	215,723	15,155	10,183	25,339	4.2%	11.7%
Family structure						
Married parent	1,091,008	52,461	26,170	78,631	13.1%	7.2%
Single parent	341,232	63,733	16,587	80,320	13.4%	23.5%
Married, no children	1,086,924	71,429	29,483	100,912	16.9%	9.3%
Unmarried, no children	1,478,514	235,641	102,686	338,326	56.6%	22.9%
Family income						
Less than \$20,000	449,049	123,171	44,838	168,009	28.1%	37.4%
\$20,000 - \$39,999	816,878	124,401	53,520	177,921	29.7%	21.8%
\$40,000 - \$59,999	761,110	79,371	22,980	102,351	17.1%	13.4%
\$60,000 - \$74,999	528,338	33,190	15,048	48,239	8.1%	9.1%
\$75,000 - \$99,999	572,747	22,489	20,865	43,353	7.2%	7.6%
\$100,000 - \$149,999	501,694	26,348	12,290	38,638	6.5%	7.7%
\$150,000 or more	367,863	14,293	5,386	19,679	3.3%	5.3%
Industry						
Construction	217,362	10,475	6,494	16,968	2.8%	7.8%
Manufacturing	437,506	29,148	20,191	49,340	8.2%	11.3%
Retail	460,103	96,517	30,536	127,052	21.2%	27.6%
Education and Healthcare	853,013	64,576	28,634	93,209	15.6%	10.9%
Leisure and Hospitality	354,639	120,873	36,791	157,664	26.4%	44.5%
Other industry	1,675,055	101,675	52,281	153,956	25.7%	9.2%

Category	Estimated wage-earning workforce	Directly affected	Indirectly affected	Total affected	Share of the total affected	Share of workforce category affected
Occupation						
Professional, business,						
science	897,155	29,369	20,517	49,887	8.3%	5.6%
Service	664,833	166,591	63,706	230,297	38.5%	34.6%
Sales	434,831	94,874	18,460	113,334	18.9%	26.1%
Office, Administrative						
support	513,633	37,192	21,715	58,906	9.8%	11.5%
Transportation	305,985	41,484	20,209	61,694	10.3%	20.2%
Other occupation	1,181,241	53,753	30,320	84,073	14.1%	7.1%
Work hours per week						
Part time (< 20 hours)	131,424	42,655	15,818	58,473	9.8%	44.5%
Mid time (20–34 hours)	478,040	151,485	58,505	209,990	35.1%	43.9%
Full time (35+ hours)	3,388,213	229,124	100,604	329,727	55.1%	9.7%
Education						
High School or less	1,439,885	249,864	98,792	348,656	58.3%	24.2%
Some college	1,188,540	141,777	57,718	199,495	33.3%	16.8%
Bachelor's or higher	1,369,254	31,622	18,418	50,040	8.4%	3.7%
Sector						
For profit	3,091,230	369,462	144,004	513,466	85.8%	16.6%
Government	729,666	41,901	25,225	67,127	11.2%	9.2%
Non-profit	176,782	11,899	5,698	17,597	2.9%	10.0%
Children with at least						
one affected parent	2,561,046	268,769	82,797	351,565		13.7%
Source: EPI Analysis of C	urrent Population S	urvey, Outgoi	ng Rotation G	roup public u	se microda	ta, 2013

Appendix D: Georgians Affected by an Increase to \$8.20 per Hour, by Demographic

	Estimated	D'annation	La d'annation	T. 4. 1	Share of	Share of
Cotogory	wage-earning	Directly	Indirectly	Total	the total	workforce
Category Total	workforce 3,951,251	affected 193,048	244,010	437,058	affected 100.0%	category affected 11.1%
	3,951,251	193,040	244,010	437,000	100.0%	11.170
Gender	1 00 4 00 7	110 001	100.000	050 400	F7.00/	10.00/
Female	1,894,087	119,201	133,290	252,490	57.8%	13.3%
Male	2,057,164	73,847	110,720	184,567	42.2%	9.0%
Age						
Under 20	89,634	33,784	16,125	49,909	11.4%	55.7%
20 +	3,861,617	159,264	227,885	387,149	88.6%	10.0%
16 to 24	463,596	80,782	79,627	160,409	36.7%	34.6%
25 to 39	1,344,759	40,408	87,460	127,868	29.3%	9.5%
40 to 54	1,421,034	46,313	45,418	91,732	21.0%	6.5%
55+	721,862	25,545	31,504	57,049	13.1%	7.9%
Race/ethnicity						
White	2,261,323	81,178	113,300	194,478	44.5%	8.6%
Black or African						
American	1,194,262	80,190	95,326	175,516	40.2%	14.7%
Hispanic	282,449	24,139	27,946	52,084	11.9%	18.4%
Asian or other race	213,217	7,541	7,438	14,979	3.4%	7.0%
Family structure						
Married parent	1,078,338	20,252	35,614	55,866	12.8%	5.2%
Single parent	337,269	30,160	35,584	65,745	15.0%	19.5%
Married, no children	1,074,301	37,604	37,382	74,985	17.2%	7.0%
Unmarried, no						
children	1,461,343	105,032	135,430	240,462	55.0%	16.5%
Family income						
Less than \$20,000	443,834	55,147	72,565	127,712	29.2%	28.8%
\$20,000 - \$39,999	807,391	55,715	64,512	120,228	27.5%	14.9%
\$40,000 - \$59,999	752,271	31,861	57,881	89,741	20.5%	11.9%
\$60,000 - \$74,999	522,202	18,367	15,492	33,859	7.7%	6.5%
\$75,000 - \$99,999	566,095	11,546	11,607	23,152	5.3%	4.1%
\$100,000 -						
\$149,999	495,868	15,463	11,844	27,307	6.2%	5.5%
\$150,000 or more	363,590	4,948	10,110	15,059	3.4%	4.1%
Industry						
Construction	214,838	1,094	10,993	12,088	2.8%	5.6%
Manufacturing	432,425	8,128	21,767	29,895	6.8%	6.9%
Retail	454,760	40,387	60,182	100,569	23.0%	22.1%
Education and						
Healthcare	843,106	28,226	41,530	69,755	16.0%	8.3%
Leisure and						
Hospitality	350,521	65,143	58,903	124,046	28.4%	35.4%
Other industry	1,655,601	50,069	50,635	100,705	23.0%	6.1%

	Estimated	Diago Hor	I - d! 4I	T-1-1	Share of	Share of
Category	wage-earning workforce	Directly affected	Indirectly affected	Total affected	the total affected	workforce category affected
Occupation						<u> </u>
Professional,						
business, science	886,736	17,340	15,323	32,663	7.5%	3.7%
Service	657,112	75,105	100,217	175,322	40.1%	26.7%
Sales	429,781	51,737	41,431	93,168	21.3%	21.7%
Office, Administrative						
support	507,668	18,906	18,915	37,821	8.7%	7.4%
Transportation	302,431	10,982	33,329	44,311	10.1%	14.7%
Other occupation	1,167,522	18,978	34,795	53,773	12.3%	4.6%
Work hours per week						
Part time (< 20						
hours)	129,898	24,683	19,788	44,471	10.2%	34.2%
Mid time (20–34						
hours)	472,489	74,272	81,068	155,340	35.5%	32.9%
Full time (35+	2 240 064	04.002	140 154	227 247	E4 20/	7.1%
hours) Education	3,348,864	94,093	143,154	237,247	54.3%	7.170
	1 400 100	100 104	100 100	055.000	EQ. 40/	17.00/
High School or less	1,423,162	123,104	132,183	255,286	58.4%	17.9%
Some college	1,174,737	60,518	86,345	146,862	33.6%	12.5%
Bachelor's or higher	1,353,352	9,426	25,483	34,909	8.0%	2.6%
Sector						
For profit	3,055,330	170,542	210,434	380,976	87.2%	12.5%
Government	721,192	18,039	25,208	43,247	9.9%	6.0%
Non-profit	174,729	4,467	8,368	12,834	2.9%	7.3%
Children with at least one						
affected parent	2,531,303	111,577	166,832	278,408		11.0%
Source: EPI Analysis	of Current Populat	ion Survey, O	utgoing Rotati	ion Group put	olic use micro	data, 2013

Appendix E: Estimated Economic Effects of Proposed Georgia State Minimum Wage Increase

Minimur	n Wage	Increase Wou	ld Expand Economy and	Provide Modes	t Jobs Boost
		Size of increase	Increased wages for directly & indirectly affected1	GDP Impact2	Jobs Impact3
Multi-step	proposal	:			
1/1/2016:	\$8.20	\$0.95	\$232,750,000	\$147,331,000	1,100
1/1/2017:	\$9.15	\$0.95	\$447,371,000	\$283,186,000	2,100
1/1/2018:	\$10.10	\$0.95	\$601,992,000	\$381,061,000	2,900
Three-year	total:	\$2.85	\$1,282,113,000	\$811,578,000	2,900

Source: EPI Analysis of Current Population Survey, Outgoing Rotation Group public use microdata, 2013

¹Total annual amount of increased wages for directly and indirectly affected workers.

²GDP and job stimulus figures use a national model to estimate the Gross Domestic Product (GDP) impact of workers' increased earnings. The total state stimulus can be lower than this amount because workers in each state will not necessarily spend all of their increased earnings in the same state where they are employed. This model assumes most of the increased earnings are spent in the state where income is earned, so most of the jobs created are in-state. Jobs numbers assume full-time employment requires \$133,000 in additional GDP.

³The increased economic activity from these additional wages adds not just jobs but also hours for people who already have jobs. (Work hours for people with jobs also dropped in the recent economic downturn). Full-time employment takes that into account, by essentially taking the number of total hours added and dividing by 40, to get full-time-equivalent jobs added. (This includes both hours from new jobs and more hours for people who already have jobs). For more details, see Josh Bivens, "Method memo on estimating jobs impact of various policy changes." Economic Policy Institute. 11/8/2011.

Appendix F: Results of Public Policy Polling (PPP) Survey of Georgia Voters, January 2014

QUESTION:	-	Do you agree or disagree with the following statement? 'Someone who works full-time should be paid enough to keep them out of poverty.'											
		Gend	ender Party Race Age										
	Total	Woman	Man	Democrat	Republican	Independent/Other	White	African American	Other	18 t0 29	30 to 45	46 to 65	Older than 65
Agree	66%	71%	61%	88%	52%	56%	61%	81%	64%	74%	63%	68%	63%
Disagree	20%	15%	25%	6%	28%	29%	23%	9%	29%	9%	21%	21%	21%
Not Sure	14%	14%	14%	7%	20%	15%	16%	11%	8%	17%	17%	11%	16%

QUESTION:		Would you support or oppose raising the minimum wage from \$7.25 an hour to \$10 an hour?											
		Gend	ler		Party	Race			Age				
	Total	Woman	Man	Democrat	Republican	Independent/Other	White	African American	Other	18 to 29	30 to 45	46 to 65	Older than 65
Support	54%	59%	49%	89%	27%	42%	43%	82%	51%	53%	54%	56%	51%
Oppose	37%	31%	43%	7%	62%	45%	47%	11%	47%	40%	40%	32%	42%
Not Sure	9%	10%	8%	4%	10%	14%	10%	8%	1%	8%	5%	12%	7%

Source: Tom Jensen, "Minimum Wage Increase Popular in KY, GA; Could Play Big role in Senate Races", Public Policy Polling, January 28, 2014.