

109TH CONGRESS
2^D SESSION

H. R. 6422

To amend the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) to reflect the actual costs of living in various regions of the country and to bring the minimum to a fair wage that can support federal workers and contractors and their families.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 8, 2006

Ms. MCKINNEY introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To amend the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) to reflect the actual costs of living in various regions of the country and to bring the minimum to a fair wage that can support federal workers and contractors and their families.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. FINDINGS.**

4 (a) Over 10% of Federal Contract workers earn below
5 poverty level wages.

6 (b) The majority of federal contractors paying pov-
7 erty level wages are defense contractors (62%).

1 (c) Most contractors are large businesses (59%), not
2 small businesses or nonprofit organizations.

3 (d) Over a quarter of one million direct federal work-
4 ers work at poverty level wages. (EPI Study released in
5 2000)

6 (e) Since members of Congress last voted to boost
7 minimum wages, they have raised their own pay by 23%.
8 (Christian Science Monitor 1/30/06)

9 (f) While real income is declining for working fami-
10 lies, top corporate executives receive an average 431 times
11 the salary of a worker in his or her company. (Christian
12 Science Monitor 1/30/06)

13 (g) A graduated increase of the minimum wage pro-
14 posed in current pending legislation from \$5.85/hr. to
15 \$7.25/hr. does not bring the annual income of a family
16 of four above the poverty line.

17 **SEC. 2. AMENDMENT TO THE FAIR LABOR STANDARDS ACT**
18 **OF 1938.**

19 (a) IN GENERAL.—Section 6(a)(1) of the Fair Labor
20 Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended
21 to read as follows:

22 (1) except as otherwise provided in this section,
23 not less than an hourly wage (or salary equivalent)
24 sufficient for a worker to earn, while working 40
25 hours a week on a full-time basis, equal to or above

1 what it would cost to cover the cost of housing, food,
2 childcare, transportation and healthcare needs of a
3 family of four based on the regional or municipal
4 cost of living; and

5 (2) an additional amount, determined by the
6 Secretary based on the locality in which a worker re-
7 sides, sufficient to cover the costs to such worker to
8 obtain any fringe benefits not provided by the work-
9 er's employer; and

10 (3) an hourly wage that will be adjusted annu-
11 ally in accord with Federal Cost of Living Adjust-
12 ments; and that

13 (4) the hourly wage for Federal Workers and
14 Contract Workers will increase by the same percent-
15 age as the Congressional pay raise whenever Con-
16 gress votes to raise their salaries above COLA.

17 (5) EFFECTIVE DATE.—The amendment made
18 by section (a) above shall take effect 60 days after
19 the date of enactment of this Act; and

20 (b) IN GENERAL.—Section 6 of the Fair Labor
21 Standards Act of 1938 (29 U.S.C. 206) shall apply to the
22 Commonwealth of the Northern Mariana Islands.

23 (1) TRANSITION.—Notwithstanding subsection
24 (a), the minimum wage applicable to the Common-
25 wealth of the Northern Mariana Islands under sec-

1 tion 6(a)(1) of the Fair Labor Standards Act of
2 1938 (29 U.S.C. 206(a)(1)) shall be—

3 (a) except as otherwise provided in this
4 section, not less than an hourly wage (or salary
5 equivalent) sufficient for a worker to earn,
6 while working 40 hours a week on a full-time
7 basis, equal to or above what it would cost to
8 cover the cost of housing, food, childcare, trans-
9 portation and healthcare needs of a family of
10 four based on the regional or municipal cost of
11 living; and

12 (b) an additional amount, determined by
13 the Secretary based on the locality in which a
14 worker resides, sufficient to cover the costs to
15 such worker to obtain any fringe benefits not
16 provided by the worker's employer; and

17 (c) an hourly wage that will be adjusted
18 annually in accord with federal Cost of Living
19 Adjustments; and that

20 (d) the hourly wage for Federal Workers
21 and Contract Workers will increase by the same
22 percentage as the Congressional pay raise
23 whenever Congress votes to raise their salaries
24 above COLA.

1 (2) Any items produced or manufactured dis-
2 playing a “Made in the USA” label must be com-
3 pensated with an hourly wage that complies with the
4 federally mandated minimum wage standards in sec-
5 tion (b) above.

6 (3) EFFECTIVE DATE.—The amendment made
7 by section (b) above shall take effect 60 days after
8 the date of enactment of this Act.

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