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Gov. Wolf Takes New Action to Help Tipped Workers, Calls on Legislature to Finally Boost Wages, Support Paid Sick Leave

Harrisburg, PA – Gov. Tom Wolf continues to step up pressure on Republican legislative leaders to finally support hardworking Pennsylvanians. During a press conference in Philadelphia, the governor announced <u>new proposed regulations</u> to ensure tipped workers are treated fairly and outlined his legislative agenda for workers that will increase paychecks, guarantee paid leave and create safer workplaces.

"American workers are demanding better quality jobs," said Gov. Wolf. "People want higher pay for their hard work, fair paid time off and safety on the job. I took executive action on all three issues last month, but for too long Republican leaders in Harrisburg have ignored workers in favor of big corporations and forced people to struggle. It's time they passed laws to support good middle class jobs, increase wages, and help families make ends meet. That's what my plan and this legislation will do."

The governor was joined at a news conference at the Mayfair Recreation Center in Philadelphia by Department of Labor & Industry (L&I) Secretary Jennifer Berrier, state Senator Christine M. Tartaglione, chairwoman of the PA Senate Labor and Industry Committee, and other legislators and workers.

Helping Tipped Workers

The governor announced L&I is proposing new regulations to update decades-old rules about how employers pay workers, especially those workers whose take-home pay ultimately depends on tips. The update increases the amount in tips a worker must receive monthly from \$30 to \$135 before their employer can reduce their hourly pay from \$7.25 per hour to as low as \$2.83 per hour. The Independent Regulatory Review Commission will review the proposal.

"The world of work has changed significantly since these regulations first went into effect in 1977, but tipped workers remain a sizeable and critical segment of Pennsylvania's workforce," said Sec. Berrier. "They are the only workers whose take-home pay ultimately depends on the generosity of their customers and not the obligation of their employer. This

proposal to update the Minimum Wage Act regulations aims to establish robust and modernized guardrails to protect tipped workers in the 21st Century and ensure consistency for employers."

Increase Worker Pay

Gov. Wolf believes Pennsylvanians deserve fair pay for their hard work and has proposed a minimum wage increase each year he has been in office. The governor is again urging he General Assembly to finally pass S.B. 12, sponsored by Sen. Tartaglione, or H.B. 345, sponsored by Rep. Patty Kim, to raise Pennsylvania's minimum wage to \$12 an hour with a path to \$15 and remove local preemption.

Once reaching \$15, annual minimum wage increases would be based on the Consumer Price Index so workers are not left behind again by Republican leaders.

"The governor's recent action providing guaranteed paid leave, safer workplaces, and increased worker pay for employees of businesses that receive grants or contracts from the commonwealth is a great start." said Tartaglione. "But we cannot let it end there. We currently have legislation pending in the senate that would codify these orders into law for all workers of this commonwealth."



#RaiseTheWage

Graphic is available here.

Eight states are on a path to \$15, including red states, and President Joe Biden is raising the federal minimum wage for contractors to \$15. Overall, 29 other states, including every state that borders Pennsylvania, have a higher minimum wage, leaving our workers behind with a wage floor of only \$7.25.

The governor took executive action last month directing the Department of Community and Economic Development to verify businesses receiving an offer of assistance provide workers paid sick leave and pay no less than the minimum wage for state employees before making a financial incentive offer. The \$13.50 minimum wage for state employees and contractors will reach \$15 on July 1, 2024, under an executive order the governor signed in 2018.

Paid Sick Leave

Pennsylvanians should never have to choose between losing a day's pay or going to work sick. The governor is urging the legislature to extend paid sick leave to an estimated 400,000 workers by passing Sen. Vince Hughes' S.B. 13 and Rep. Mike Zabel's H.B. 1035.

Paid sick leave can be used to recover from an illness, such as COVID-19, for medical appointments, to care for a family member, or to seek help from abuse or violence.

Safer Workplaces

Every worker deserves a safe and healthy workplace, but state and local public workers are not protected by Occupational Safety and Health Administration (OSHA) safety rules. The governor supports passage of Sen. Tartaglione's S.B. 310 and Rep. Pat Harkins' H.B. 1976 to protect all public employees – safeguards the nation's private sector and federal employees have received for 50 years

The governor's recent executive order directs L&I and the Office of Administration to study the feasibility of having OSHA standards apply to offices under the governor's jurisdiction. State agencies will also ensure those receiving state grants and contracts follow labor laws and understand the consequences of not complying.

Help for Out-of-Work Pennsylvanians

The governor supports Rep. Gerald Mullery's H.B. 549, to help out-of-work Pennsylvanians. The bill updates the Unemployment Compensation Law to streamline the process for eligible workers to get the benefit and ensures payments are available to workers during future times of high unemployment and economic downturn.

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