

HOUSE JOINT RESOLUTION NO. 20

INTRODUCED BY M. DUNWELL

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A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING A STUDY OF A LIVING WAGE IN MONTANA AND THE POTENTIAL IMPACTS ON THE STATE'S ECONOMY.

WHEREAS, the economic theory of supply and demand is only one of many factors in determining wages, which also depends on the right match of experience and training for jobs; and

WHEREAS, the high number of Montana small employers sometimes is considered a factor in lower-wage jobs bringing Montana's average annual wages under the national average; and

WHEREAS, there are many unknowns related to the impact of Main Street and other small businesses on the Montana economy in terms of whether the owners are receiving lower take-home pay than their employees but offsetting those losses with tax benefits or whether the minimum wage itself impacts these businesses to so great an extent that discussion of a living wage would be considerably more difficult; and

WHEREAS, more information is needed to determine which occupations pay minimum wage, whether employee turnover is inconsequential to a company that pays minimum wage, and what impact changes in the minimum wage would have on these occupations and the companies that pay minimum wage; and

WHEREAS, the subject of a living wage is best viewed in a multidimensional context that incorporates Montana's vast geographic distances, which include high-poverty counties as well as university towns that house high numbers of highly skilled employees; and

WHEREAS, implementation of a living wage is best weighed against both costs and benefits to the state's economy, and more information is necessary to assess both potential costs and possible benefits specific to Montana.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That the Legislative Council be requested to designate an appropriate interim committee, pursuant to 5-5-217, MCA, or direct sufficient staff resources to:

- (1) work with the Montana Chamber of Commerce, the Montana unit of the National Federation of



1 Independent Business, the Montana Restaurant Association, the Montana Retail Association, the Department
2 of Labor and Industry, the Department of Commerce, Montana labor unions, nonprofit organizations, social
3 service advocates, and other interested parties to determine the impacts of existing increases in the minimum
4 wage since adoption of the inflation index in 2007 and the prospective impacts of a living wage on Montana
5 employers and employees, with particular emphasis on impacts in different geographic areas of Montana;

6 (2) compile analyses of the costs and benefits in communities that have adopted a living wage;

7 (3) compile to the extent possible employment data, including information on employee turnover and
8 wages, regarding Main Street and other small businesses, tax benefits related to small businesses, and income
9 disparities across the state and across business size and ownership;

10 (4) work with representatives of college placement officers, Job Service offices, and high school
11 counselors to determine what factors go into matching applicants and job skills and what areas might be improved
12 in Montana to provide better matches of applicants to needed skills; and

13 (5) develop recommendations regarding a living wage in Montana for the 65th Legislature.

14 BE IT FURTHER RESOLVED, that all aspects of the study, including presentation and review
15 requirements, be concluded prior to September 15, 2016.

16 BE IT FURTHER RESOLVED, that the final results of the study, including any findings, conclusions,
17 comments, or recommendations of the appropriate committee, be reported to the 65th Legislature.

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