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I offer this testimony IN FAVOR OF a minimum wage increase in the State of North Dakota. **HCR 3032** proposes to raise the minimum wage by \$2.00 per hour. It has been at \$7.25 since 2009, when it was last raised by Congress.

Our country began requiring a minimum wage way back in 1938 with the passage of the Fair Labor Standards Act. According to the [Economic Policy Institute's A History of the Minimum Wage](#) article posted on August 31<sup>st</sup> of 2023, "*Congress raised the minimum wage fairly consistently for decades, but that began to change in the 1980s, with increases becoming fewer and farther between.*" They further explain that "*Without any mechanisms in place to automatically adjust it for rising prices, the real value of the federal minimum wage has gradually declined, reaching a 66-year low in 2023, where it is now worth [42% less than its highest point](#) in 1968. Moreover, the federal minimum wage is worth 30% less today than when it was last raised 14 years ago. This significant loss in purchasing power means that the federal minimum wage today is nowhere close to a living wage.*"

Due to Congress' inaction, most states have raised their state's minimum wage. You can note which states have done so at the Economic Policy Institute's **Minimum Wage Tracker** at [epi.org/minimum-wage-tracker/](http://epi.org/minimum-wage-tracker/) which has been updated as recently as January 1, 2025. As this site illustrates, EVERY state surrounding North Dakota has a higher minimum wage.

- Minnesota is at \$11.13,
- Montana is at \$10.55, and
- South Dakota is at \$11.50.

*The following page contains a screen shot of the Minimum Wage Tracker web page as of 3/4/2025 at 9:00 p.m.*

If North Dakota is serious about attracting and retaining a talented workforce, we would be setting our minimum wage to at least these levels. Rep Hagar's very conservative proposal of \$9.25 per hour does not go far enough, in my humble opinion, but it is important to address this issue! And long-overdue!

The indexing contained in HCR 3032 is also important. At present, the federal minimum wage is NOT indexed, thus it has been stagnant for far too long, as noted by the Economic Policy Institute above. Every state surrounding North Dakota indexes their minimum wage level. North Dakota does not. This means that inaction on this issue will cause us to fall even FURTHER BEHIND our neighboring states.

It is interesting to note that the initial resistance to a minimum wage centered on the idea that it would be disruptive to business operations. Again referencing the Economic Policy Institute in describing the initial passage of a minimum wage bill back in 1938:

*“Opponents of the bill insisted that higher wages would cause labor cuts, but the administration fought back harder. In a fireside chat discussing the bill, President Roosevelt said, “Do not let any calamity-howling executive with an income of \$1,000 a day...tell you...that a wage of \$11 a week is going to have a disastrous effect on all American industry.” Incorrect statements from businesses opposing the minimum wage continue to the present day with assertions that minimum wage increases would cause businesses to close or reduce jobs. Studies demonstrate how these predictions did not come true.”*

**I urge you to support HCR 3032.**

The Economic Policy Institute

# Minimum Wage Tracker



The federal minimum wage has not been raised since 2009. In the absence of action at the national level, many states and localities have raised their own minimum wages. Explore the map to see how these rapidly changing laws differ across the country. *Updated January 1, 2025*

*Related: Why the U.S. needs a \$17 minimum wage • Why eliminate the tipped minimum wage*

