

ALEC EXPOSED

"ALEC" has long been a secretive collaboration between Big Business and "conservative" politicians. Behind closed doors, they ghostwrite "model" bills to be introduced in state capitols across the country. This agenda—underwritten by global corporations—includes major tax loopholes for big industries and the super rich, proposals to offshore U.S. jobs and gut minimum wage, and efforts to weaken public health, safety, and environmental protections. Although many of these bills have become law, until now, their origin has been largely unknown. With **ALEC EXPOSED**, the Center for Media and Democracy hopes more Americans will study the bills to understand the depth and breadth of how big corporations are changing the legal rules and undermining democracy across the nation.

ALEC's Corporate Board
—in recent past or present

- AT&T Services, Inc.
- centerpoint360
- UPS
- Bayer Corporation
- GlaxoSmithKline
- Energy Future Holdings
- Johnson & Johnson
- Coca-Cola Company
- PhRMA
- Kraft Foods, Inc.
- Coca-Cola Co.
- Pfizer Inc.
- Reed Elsevier, Inc.
- DIAGEO
- Peabody Energy
- Intuit, Inc.
- Koch Industries, Inc.
- ExxonMobil
- Verizon
- Reynolds American Inc.
- Wal-Mart Stores, Inc.
- Salt River Project
- Altria Client Services, Inc.
- American Bail Coalition
- State Farm Insurance

For more on these corporations, search at www.SourceWatch.org.

DID YOU KNOW? Corporations VOTED to adopt this. Through ALEC, global companies work as "equals" in "unison" with politicians to write laws to govern your life. Big Business has "a VOICE and a VOTE," according to newly exposed documents. **DO YOU?**

Home → [Model Legislation](#) → Commerce, Insurance, and Economic Development

Resolution in Opposition to any Increase in the Starting (Minimum) Wage

Summary

The Resolution in Opposition to Any Increase in the Starting (Minimum) Wage recognizes that increasing the starting (minimum) wage is counterproductive. An increase in the starting wage makes it more difficult for employers to bring teenagers, entry-level workers, and others who need job experience, into the workforce where they can gain skills, training and confidence.

Model Resolution

WHEREAS, increasing the starting wage results in higher costs for business owners, which leads to higher prices for consumers; and

WHEREAS, increases in prices has an adverse impact on everyone, especially those on limited budgets, while an increase in the starting wage only temporarily benefits a few; and

WHEREAS, over three-fourths of all economists agree that increasing the starting wage leads to a reduction in job opportunities; and

WHEREAS, starting wage jobs provide millions of teenagers and others the value of a work ethic, how to work as a team, how to show up on time, dress for a job and more, without the need of a government grant or subsidy; and

WHEREAS, 60 percent of current restaurant managers and owners got their start in entry-level restaurant jobs, washing dishes, busing tables, and waiting on customers; and

WHEREAS, a majority of starting wage workers are secondary workers in moderate or middle income families, or primary workers in families with other significant sources of income; and

WHEREAS, 70 percent of starting wage workers are in families well above the poverty level, with nearly 40 percent in families in the top half of the income distribution; and

WHEREAS, less than 6.5 percent of starting wage workers are single parents, male or female, and only about half of these single parents work full time; and

WHEREAS, even the Association of Community Organizations for Reform (ACORN), a prime supporter of raising the starting wage, has recognized that starting wages have a negative affect on employment opportunities, as evidenced by its lawsuit against the State of California which alleges the state's starting wage is unconstitutional because it limits the number of activists the organization is able to employ; and

WHEREAS, the most vulnerable to job losses include unskilled, inner-city minorities, who most need the opportunity to develop skills; and

WHEREAS, studies show that increasing the starting wage has no impact on pulling people out of poverty, since only 9.2 percent of poor people of working age are employed full-time, while 60 percent do not work at all; and

WHEREAS, employers use starting wage jobs to provide millions of Americans with real on-the-job training which employees need to move on to higher wages and develop better skills and more responsibilities; and

WHEREAS, starting wage employment is largely tied to work experience, with more than 26 percent of teenagers aged 16-17 working at the starting wage, while less than 8/10ths of one percent of persons 40 or over earn the starting wage; and

WHEREAS, when people are hired at the starting wage, they usually lack skills and knowledge, but as they acquire skills and knowledge, their wages go up -- thus, studies show that 63 percent of workers at the starting wage will earn higher wages within 12 months, with the median raise being 20 percent; and

WHEREAS, studies show that increasing starting wages lures high school students into the full-time work force, resulting in an increase in high school drop-out rates; and

Did you know that global corporation Kraft Foods served as corporate co-chair in 2011?

WHEREAS, many people statistically categorized as starting wage workers, actually make much more than the starting wage when tips are taken into consideration -- in fact, 63 percent of all restaurant employees earning the starting wage also earn tips; and

WHEREAS, increasing the starting wage represents an unfunded mandate on business by the government, and disproportionately makes it difficult for small business -- the engine of job creation -- to hire new employees; and

WHEREAS, individual states that seek to approve mandated increases in the starting wage run the risk of losing their ability to economically compete with neighboring states, and;

WHEREAS, the forces of supply and demand are more than capable of determining wage levels, taking into consideration regional differences, such as the cost of living and available workforce;

NOW THEREFORE BE IT RESOLVED, that the State/Commonwealth of (insert state) affirms the principle that increasing the starting wage is counterproductive, because it mainly helps middle class families and adversely affects the working poor by increasing their expenses, while decreasing their opportunities;

BE IT FURTHER RESOLVED, that increasing the starting wage makes it more difficult for employers to bring teenagers, entry-level workers, and others who need job experience, into the workforce, where they can gain skills, training and confidence.

1996 Sourcebook of American State Legislation

About Us and **ALEC EXPOSED**. The Center for Media and Democracy reports on corporate spin and government propaganda. We are located in Madison, Wisconsin, and publish www.PRWatch.org, www.SourceWatch.org, and now www.ALECExposed.org. For more information contact: editor@prwatch.org or 608-260-9713.