

# A \$15 minimum wage in Indy? Unlikely

Allison Prang 1:43 p.m. EDT June 18, 2014



(Photo: Karen Bleier / AFP / Getty Images)

Seattle earlier this month raised the minimum wage to \$15. Chicago is proposing to do the same. This past winter, Washington, D.C., raised its minimum wage to eventually hit \$11.50.

The efforts reflect a growing movement at the local level to increase the minimum wage.

But it's a trend cities in Indiana won't be joining anytime soon. State law doesn't allow it.

Indiana is among 14 states that have a law barring local jurisdictions from passing citywide minimum wage ordinances, according to the National Conference of State Legislatures. Indiana, which passed its law in 2011, currently abides by the federal minimum wage of \$7.25.

"I wanted to create a level playing field for the entire state," said state Rep. Mike Speedy, a former Indianapolis City-Council Council member who was the author of the 2011 bill. Speedy, a Republican, said he had seen the trend of localities pushing to increase the minimum wage taking hold.

An increase like Seattle's would hurt Indianapolis, he said. Businesses in Marion County would have reason to leave, which could cause property values to go down.

Some economists and retailers note the risk of losing jobs, particularly for teenagers.

"It's not meant to be a wage that you're going to raise a family on," said Grant Monahan, president of the Indiana Retail Council. "It's a wage for entry-level employees."

Indiana law does allow local governments or entities to establish a minimum wage for paying their own employees.

The city of Bloomington passed its Living Wage Ordinance in 2006, which mandates that the city pay hourly city employees or contract workers a living wage based annually on the cost of living. This is \$12.06 an hour for the year 2014, according to the city's website.

Indiana University will now pay minimum-wage workers \$8.25 starting July 1 of this year, according to a news release from the university.

Some of Indiana's Democratic lawmakers have tried to raise the minimum wage at the state level, but three bills proposing an increase didn't make it far in the past legislative session.

According to the National Conference of State Legislatures, eight other states enacted increases in 2014, and a total of 22 states as of June 1 had minimum wages that surpassed the federal wage.

Derek Thomas, senior policy analyst at the Indiana Institute for Working Families, said his group is in favor of an increase. According to census data, he said, half of the people working minimum-wage jobs in Indiana are 23 or older.

Still, raising the minimum wage has not been one of the institute's big issues.

"We just know it's not gonna pass," he said.

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