Attorney General Raoul Leads Coalition Supporting Fair Wages For Federal Contract Workers

January 30 2024 9:02 AM



CHICAGO - Attorney General Kwame Raoul led a coalition of 22 attorneys general in filing an amicus brief supporting the federal government's actions to increase the minimum wage to \$15 per hour for certain federal contractors. The policy was first enacted by presidential executive order in April 2021, and then implemented by the U.S. Department of Labor in November 2021 in the final rule, "Increasing the Minimum Wage for Federal Contract Workers."

Raoul and the coalition <u>submitted the amicus brief</u> in Texas v. Biden, a case involving a challenge to the executive order and final rule raising the minimum wage for federal

contractors. Raoul and the states argue that both the president and the Department of Labor acted well within their authority when implementing the policies to ensure federal contract workers are paid fair living wages. In addition, Raoul and the attorneys general argue that the minimum wage increase is fully supported by empirical evidence and is consistent with state and local experiences in raising the minimum wage for contractors.

"Federal contractors work hard on behalf of the public, and they have the right to receive fair compensation," Raoul said. "I will continue to advocate for all workers to earn fair wages that allow them to provide for themselves and their families.

At issue in the underlying lawsuit is an executive order and follow-on rule increasing the minimum wage for certain federal contractors, which had been set at \$10.10 per hour since 2014. Texas, Louisiana and Mississippi filed a lawsuit challenging the validity of the executive order and final rule as unlawful. The district court concluded that the president exceeded his statutory authority under the Procurement Act and enjoined the federal government from enforcing the executive order and rule against those three states. The federal government appealed that decision to the U.S. Court of Appeals for the 5th Circuit.

In their brief, Raoul and the attorneys general argue that the appellate court should reverse the lower court's decision. The coalition points to the ways an increased minimum wage benefits employers, employees and consumers, citing studies and reports demonstrating that an increased minimum wage leads to improved morale and productivity, reduced turnover and absenteeism, as well as improved income equality and decreased poverty for federal contractual workers. Those benefit lead to improved service and enhanced consumer experiences.

The amicus brief is the latest action Raoul has led with other state attorneys general in taking to protect the rights of workers. In 2020, Raoul filed two lawsuits challenging Department of Labor rules that impermissibly altered protections for tipped workers and eliminated key protections for workers under the Fair Labor Standards Act. In 2022, Raoul led a multistate coalition in filing an amicus brief supporting transportation workers' rights in Southwest v. Saxon (U.S. 21-209). In 2023, Raoul led a multistate coalition in filing an amicus brief in Nebraska v Su, a similar case, that also supported the federal government's actions to increase the minimum wage to \$15 per hour for certain federal contractors. Attorney General Raoul also previously filed two amicus briefs in support of Illinois workers' rights under the Illinois Wage Payment and Collection Act and the Illinois Minimum Wage Law.

Attorney General Raoul encourages workers who have concerns about wage and hour violations or potentially unsafe working conditions to call his Workplace Rights Hotline at 1-844-740-5076 or <u>file an online complaint</u>.

Joining Raoul in filing the brief are attorneys general from California, Colorado, Connecticut, Delaware, the District of Columbia, Hawaii, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New Mexico, New York, North Carolina, Oregon, Rhode Island, Vermont, Washington and Wisconsin.