

Effects of Jan 1, 2012 State Minimum Wage Increases										
	Amount of Increase	New Minimum Wage	Number of Workers Directly Affected ¹	Number of Workers Indirectly Affected ²	Total Number of Affected Workers	Increased Wages for Directly & Indirectly Affected Workers	Average Individual Increase in Annual Income	GDP Impact ³	Jobs Impact - Full-time employment ⁴	Jobs Impact - Payroll Jobs
Arizona	\$ 0.30	\$ 7.65	84,000	49,000	133,000	\$ 39,869,000	\$ 298	\$ 25,237,373	219	199
Colorado	\$ 0.28	\$ 7.64	74,000	17,000	91,000	\$ 42,222,000	\$ 465	\$ 26,726,313	232	210
Florida	\$ 0.36	\$ 7.67	226,000	155,000	381,000	\$ 145,443,000	\$ 382	\$ 92,065,511	801	725
Montana	\$ 0.30	\$ 7.65	15,000	6,000	21,000	\$ 8,116,000	\$ 379	\$ 5,137,736	45	40
Ohio	\$ 0.30	\$ 7.70	291,000	56,000	347,000	\$ 120,808,000	\$ 348	\$ 76,471,730	665	602
Oregon	\$ 0.30	\$ 8.80	143,000	19,000	162,000	\$ 87,237,000	\$ 538	\$ 55,220,775	480	435
Vermont	\$ 0.31	\$ 8.46	18,000	5,000	23,000	\$ 11,375,000	\$ 497	\$ 7,200,154	63	57
Washington	\$ 0.37	\$ 9.04	194,000	87,000	281,000	\$ 123,820,000	\$ 441	\$ 78,378,197	682	617
		Total:	1,045,000	394,000	1,439,000	\$ 578,890,000		\$ 366,437,788	3,187	2,885

Source: EPI Analysis of Current Population Survey, 2010 Annual Social and Economic Study

Notes:

¹Directly affected workers will see their wages rise as the new minimum wage rate will exceed their current hourly pay.

²Indirectly affected workers currently have a wage rate just above the new minimum wage (between the new minimum wage and the new minimum wage plus the dollar amount of the increase in the 2012 minimum wage). They will receive a raise as employer pay scales are adjusted upward to reflect the new minimum wage.

³GDP and job stimulus figures utilize a national model to estimate the GDP impact of workers' increased earnings. Thus the total state stimulus may be lower than this amount because workers in each state will not necessarily spend all of their increased earnings in-state. However, we can assume that most of the increased earnings will be spent in-state, and thus most of the jobs created will be in-state. Jobs numbers assume full-time employment requires \$115,000 in additional GDP and payroll employment requires an additional \$127,000 in GDP.

⁴The increased economic activity from these additional wages adds not just jobs but also hours for people who already have jobs (work hours for people with jobs also dropped in the downturn). Full-time employment takes that into account, by essentially taking the number of total hours added (including both hours from new jobs and more hours for people who already have jobs) and dividing by 40, to get full-time-equivalent jobs added. Simply counting new payroll jobs misses all the added hours for people with jobs.

Job impact estimation methods can be found in: Bivens, Josh L. 2011. Method memo on estimating the jobs impact of various policy changes. Washington, D.C.: Economic Policy Institute. <http://www.epi.org/publication/methodology-estimating-jobs-impact/>