



OFFICE OF SENATOR JAMES "JIM" C. MOYLAN

I MINA TRENTAI SINGKO NA LIHESLATURAN GUAHAN | 35TH GUAM LEGISLATURE

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AMENDMENT TO CREATE A YOUTH MINIMUM WAGE FAILS

Hagatna - Studies have shown that when the minimum wage is arbitrarily increased via legislation, the ones greatly impacted are minors who are seeking employment opportunities. With this in mind, Senator James Moylan introduced an amendment to Bill 136-35 to set a Youth Minimum Wage, however the amendment failed. Senator Moylan's amendment would have established the wage at \$8.25 an hour, and to exist for a period not to exceed 90 calendar days. After 90 days, they would be compensated at a rate of no less than the island's minimum wage. A "youth" would be defined as one under the age of 18.

The Federal Labor Standards Act (FLSA) has established the federal youth minimum wage at \$4.25, and defines a "youth" as someone under the age of 20. Senator Moylan's amendment proposed a more beneficial option for Guam's youth, compared to what the federal guidelines have outlined. Nothing would prevent a business from paying the youth employee an amount equal to the island's minimum wage, or even higher, if that opportunity exists.

"When you raise the minimum wage, young people are particularly affected, because they have less work experience and limited skills. Thus when the operational expenses increase for a business, the odds of an adult attaining an entry level position that a minor was competing for would increase," stated Senator Moylan. *"Establishing a Youth Minimum Wage has proven to assist minors in attaining jobs, as it incentivizes businesses to hire them. The primary objective of the amendment was to assure that minors can attain the opportunities to build their skill sets and earn an income, something which would be reduced with the passage of Bill 136-35,"* added Senator Moylan.

The amendment was made towards Bill 136-35, an act to increase the minimum wage. Senator Moylan stated his support for the bill, however because of his experiences in the private sector, and the concerns that such legislation would have towards youth employment, the amendment was proffered. Regardless of the failure of his amendment, the senator plans to vote yes on Bill 136.

As for the issue, Senator Moylan has not decided whether he will introduce the measure as a stand-alone legislation, and will revert to discussions with stakeholders prior to making that decision.

END OF RELEASE