



## Iowa's Stalled Minimum Wage

### A Grim Picture for Women and Families in 2025

Mary Ann Ahrens, 2025 Equal Pay Day AAUW Iowa Event Chair

The minimum wage was created in 1938 (Fair Labor Standards Act) by President Theodore Roosevelt at 25 cents per hour as part of his New Deal. The intent was to create a minimum, standard of living for employees to help those lowest paid workers...who did not have bargaining power. Congress raised the minimum wage fairly consistently for decades, but that began to change in the 1980s with increases becoming few and far between.

Without any mechanisms in place to automatically adjust it for rising prices, the real value of the federal minimum wage has gradually declined and is worth 30% less today than when it was last raised. Today, the minimum wage is nowhere close to a living wage. The Center for Economic and Policy Research found that had wages kept up with productivity as it had before 1968, the minimum wage would be \$21.50 an hour.

**The number of Iowans living under the poverty line is approximately 366,288 or 11.3% of Iowa's total population. In Iowa, the number of children (under the age of 18) living in poverty is 12.3% or 45,053. (U.S. Census Bureau, American Community Survey.)** One in six American children or 10 million live below the poverty level, according to Children's Defense Fund.

Why are these facts and conditions important to Iowans...particularly women? Why is the minimum wage legislation for this 15-year neglected agenda not being addressed? ***This is not a partisan issue. It is an issue of survival, respect, and dignity for one another!*** Does our government really care about our people?? Currently in Iowa women are paid 81.6% of what men earn, not to mention the different ethnic and racial populations who receive much less. (Bureau of Labor Statistics)

The National Partnership for Women and Families

reports that in the U.S. mothers are breadwinners in 40% of families with children under the age of 18 each year-- and about 70% of women will be the primary earner at some point in their first 18 years of motherhood. Nearly 36 million households in the U.S. are headed by women, more than six million of them with children under 18. More than 8.4 million of those households including 2 million with children—have incomes that fall below the poverty level of \$15,070 for one person; \$20,440 for two; \$25,820 for three; \$31,200 for four which is not even close to living wages! It is no wonder families are ill, hungry, poorly dressed, late for school/work, without transportation, home alone, have few possessions, depressed, sharing limited space, multiple families, etc.

Women tend to hold lower-paying jobs, work in lower-paying industries, and spend less time in the formal workforce. *These trends result from* factors such as pervasive stereotypes and social norms about gender and work, a lack of workplace support for family caregiving, to gender and racial discrimination, to the devaluation of work when it is primarily done by women—and the effects are both starker and qualitatively different for women in different racial-ethnic populations.

**How long and how many more Iowans must struggle in poverty before the Iowa Legislature takes ACTION to increase the minimum wage? The necessity of Equal Pay Day is a stark reminder to our Iowa Legislators of what is at stake! Iowans claim that we have the "Freedom to Flourish." If so, for whom?**

On the back page is a list of minimum wages by state for 2024 and 2025. There is also a list of 21 states increasing their minimum wages in 2025. Iowa is not on the list, and remains at \$7.25 per hour.

# What is the minimum wage in each state for 2025?

Information below is from Paycom.com. Twenty-one states will increase minimum wage in 2025. These states are marked with \*\* below.

State	2025 Minimum Hourly Wage	2024 Minimum Hourly Wage
Alabama	\$7.25	\$7.25
Alaska**	\$11.91*	\$11.73
Arizona**	\$14.70*	\$14.35
Arkansas	\$11.00	\$11.00
California**	\$16.50	\$16.00
Colorado**	\$14.81*	\$14.42
Connecticut**	\$16.35*	\$15.69
Delaware**	\$15.00	\$13.25
Florida	\$13.00*	\$13.00
Georgia	\$7.25	\$7.25
Hawaii	\$14.00	\$14.00
Idaho	\$7.25	\$7.25
Illinois**	\$15.00	\$14.00
Indiana	\$7.25	\$7.25
Iowa	\$7.25	\$7.25
Kansas	\$7.25	\$7.25
Kentucky	\$7.25	\$7.25
Louisiana	\$7.25	\$7.25
Maine**	\$14.65*	\$14.15
Maryland	\$15.00	\$15.00
Massachusetts	\$15.00	\$15.00
Michigan**	\$10.56†	\$10.33
Minnesota**	\$11.13*	\$8.85 for small employers and \$10.85 for large employers.‡
Mississippi	\$7.25	\$7.25
Missouri**	\$13.75*	\$12.30
Montana**	\$10.55*¶	\$10.30
Nebraska**	\$13.50*	\$12.00
Nevada	\$12.00*	\$12.00
New Hampshire	\$7.25	\$7.25
New Jersey**	\$15.49 for most employers; \$14.53 for seasonal and small employers who have less than six workers.*	\$15.13 for most employers; \$13.73 for seasonal and small employers who have less than six workers.

State	2025 Minimum Hourly Wage	2024 Minimum Hourly Wage
New Mexico	\$12.00	\$12.00
New York**	\$16.50 for New York City, Long Island and Westchester County; \$15.50 for the rest of the state.*	\$16.00 for New York City, Long Island and Westchester; \$15.00 for the rest of the state.
North Carolina	\$7.25	\$7.25
North Dakota	\$7.25	\$7.25
Ohio**	\$10.70 for employers with annual gross receipts of \$394,000 or more. \$10.70 per hour for nontipped employees and \$5.35 per hour for tipped employees.*	\$10.45 for employers with annual gross receipts of \$385,000 or more. Minimum wage of \$7.50 for employers with annual gross receipts under \$385,000.
Oklahoma	\$7.25	\$7.25
Oregon	Basic minimum wage is \$14.70, \$15.95 for Portland Metro Area and \$13.70 for non-urban counties.*	Basic minimum wage is \$14.70, \$15.95 for Portland Metro Area and \$13.70 for non-urban counties.
Pennsylvania	\$7.25	\$7.25
Rhode Island**	\$15.00	\$14.00
South Carolina	\$7.25	\$7.25
South Dakota**	\$11.50*	\$11.20
Tennessee	\$7.25	\$7.25
Texas	\$7.25	\$7.25
Utah	\$7.25	\$7.25
Vermont**	\$14.01*	\$13.67
Virginia**	\$12.41*	\$12.00
Washington, D.C.	\$17.50*	\$17.50
Washington**	\$16.66*	\$16.28
West Virginia	\$8.75	\$8.75
Wisconsin	\$7.25	\$7.25
Wyoming	\$7.25	\$7.25

\* Minimum wage is adjusted annually based on the Consumer Price Index.

† Michigan's minimum wage will increase to \$12.48 effective Feb. 21, 2025.

‡ Minnesota defines "large employers" as businesses with \$500K or more in gross revenue.

\*\*One of 21 states increasing minimum wage in 2025

¶ A business not covered by the federal Fair Labor Standards Act whose gross annual sales are \$110,000 or less may pay \$4 per hour. However, if an individual employee is producing or moving goods between states or otherwise covered by the federal Fair Labor Standards Act, that employee must be paid the greater of either the federal minimum wage or Montana's minimum wage.