



Press Release

Considering California's \$22 Minimum Wage at the Federal Level

PAULINA ENCK | SEPTEMBER 20, 2022

The Fast Food Accountability and Standards Recovery Act (or FAST Recovery Act, AB 257), recently signed into law by California Governor Gavin Newsom, creates a council of labor representatives and grants it authority to raise the minimum wage for fast-food workers to \$22 per hour and set hours and other conditions for those workers. In new research, Labor Policy Analyst Isabella Hindley examines the impact of this new law, as well as the potential effects of a \$22 federal minimum wage.

Key points:

- This legislation's significant implications for employers, consumers, and likely many of the workers themselves, led critics of AB 257 to file a referendum to block the new California labor law.
- As wage-driven labor movements continue, observers have acknowledged the potential for federal AB 257-like legislation.
- This study finds that such significant and rapid wage increases nationally would drive up costs by up to 35 percent, resulting in increased prices, decreased demand for labor, or most likely, some combination of the two.

[Read the analysis](#)