Housing-Based Minimum Wage Act: A New Approach to Fair Wages

The Problem

Current minimum wage systems fail to account for vast regional cost-of-living differences, particularly housing expenses. A single federal minimum wage can't adequately address the economic realities across diverse communities.

The Solution

This legislation creates a dynamic minimum wage system that automatically adjusts to local housing costs—a primary expense for all workers—while preventing extreme wage disparities between regions.

Key Innovations

1. **Local Relevance**: County-level minimum wages based on local housing costs
    - Formula: 6.75% of median owner-occupied home purchase price ÷ 2,080 hours
    - State-level floor and ceiling provisions to prevent extreme disparities
2. **Data-Driven Approach**: Utilizes existing property transaction records
    - Standardized reporting through existing county recording systems
    - Annual calculation based on previous year's housing data
3. **Balanced Implementation**:
    - One-year delayed implementation with 6-month pilot period
    - 10% cap on annual minimum wage increases
    - Gradual 5-year phase-out of reduced tipped minimum wages
4. **Support for Small Businesses**:
    - Technical assistance and adaptation grants
    - Corporate Income Disparity Tax on excessive CEO-to-worker pay ratios funds small business support
5. **Comprehensive Coverage**:
    - Special provisions for vehicle-based gig workers
    - Multi-county employment protections
    - Regular evaluation and reporting requirements

Benefits

- **Automatic Adjustment**: Wages naturally adjust to regional economic conditions without requiring new legislation
- **Economic Fairness**: Workers can afford housing in the communities where they work
- **Regional Flexibility**: Accounts for vast differences between urban, suburban, and rural economies
- **Economic Stability**: Prevents wage stagnation while limiting disruptive rapid increases
- **Data Infrastructure**: Creates valuable economic monitoring tools for policymakers

This approach represents a fundamental rethinking of minimum wage policy, creating a system that's both more responsive to economic realities and more fair to workers across diverse communities.