(Washington, DC) – U.S. Representative Rush Holt (NJ-12) today highlighted the federal increase in minimum wage from $6.55 per hour to $7.25 per hour. The 70-cent increase is the third and final increase to take place as result of the Fair Minimum Wage Act, legislation which Holt co-sponsored and helped pass in 2007. New Jersey is one of 31 states whose workers will see an increase in wages. Prior to this increase, the state's minimum wage was $7.15. An estimated 4.4 million American workers will benefit from this pay increase.

"It is unacceptable that honest, hard-working Americans struggle to make ends meet – and in many cases are trapped beneath the weight of poverty," said Holt. "This increase will help ease that burden. Additionally, by putting more money in American workers' paychecks, we will help boost consumer spending, benefiting the economy as a whole."

A recent study by economists at the Federal Reserve Bank of Chicago found that every dollar increase in the minimum wage leads to an $800 increase in spending per quarter by families with minimum wage workers. The Economic Policy Institute estimated that this increased purchasing power will boost consumer spending by more than $5.5 billion over the next 12 months.

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