Every American worker deserves to earn a living wage.

While there has been debate over whether an increase to the minimum wage or an increase of the Earned Income Tax Credit is the right path to increase wages, Delaney believes that the right approach is to increase both. Additionally, a true living wage should also account for paid family leave so that workers don’t have to choose between taking leave to care for their newborn or sick loved one and earning enough money to support their family.

Delaney’s Living Wage proposal includes 3 new policies:
1. Workers’ Tax Credit
2. Minimum Wage Increase
3. Paid Family Leave
1. Workers’ Tax Credit

Delaney will create a new Workers’ Tax Credit by expanding and nearly doubling the existing Earned Income Tax Credit (EITC) program. Currently, the EITC’s benefits lift 2.8 million adults and nearly 3 million children out of poverty, but these families and others just outside the income thresholds are still struggling to get by. Delaney will provide more support for hardworking families by increasing their tax credits and expanding the program to include more low-income workers.

- Delaney’s new Workers’ Tax Credit will increase maximum benefits for low-income earners by $1,500 for each eligibility category.
- The new Workers’ Tax Credit would provide much-needed financial assistance to 14 million more households than the current EITC program, an increase of almost 50%.
  - As an example, a single mother of one who earns $20,000 would receive a fully refundable tax credit of more than $5,000.
- The Workers’ Tax Credit proposal will be paid for by raising capital gains tax rates on high income earners, repealing the Trump tax cuts for high income earners, and creating a new Robot Tax on job-displacing capital investments.

![Graphs showing different categories of Workers’ Tax Credit benefits](image)

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2. Minimum Wage Increase

No American should still live in poverty if they work full time. Period. The minimum wage has long served as a protection to ensure that workers could make a living, but due to increases to the cost of living, the minimum wage’s inflation-adjusted value has declined by more than 37% since 1968. There have been no changes to the federal minimum wage since 2009, the longest period in American history without a minimum wage increase. We need to make up for that.2

- Delaney will raise the federal minimum wage to $15 per hour over time, including for tipped employees, and then index it to inflation.
- Successful recent state-wide ballot initiatives in Arkansas, Colorado, Maine, and Washington show widespread bipartisan support for increasing the minimum wage.

3. Paid Family Leave

The United States is the only industrialized country that doesn’t provide some form of paid caregiving leave, and it’s time to make a change. Providing guaranteed time off and income replacement will be a major benefit for workers and their families, while funding family leave through the federal government will avoid placing large financial burdens on small businesses.

- Delaney will establish a new federal paid family leave program, which can be fully paid for with a very small payroll tax increase.
  - Delaney’s plan allows eligible individuals to take up to eight weeks of leave each year, receiving 60% of their monthly wage.
  - Workers would be able to take paid leave for a serious health problem; birth and care of a child; placement and care of an adopted child or a child in foster care; or caring for a child, spouse, parent, or domestic partner with a serious health problem.

It is impossible to be pro-worker if you’re not pro-business, and it’s impossible to be pro-business if you’re not pro-worker. We have to support both.

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