

I. The New Jersey Law

A bill signed into law in November 1989 raised the federal minimum wage from \$3.35 per hour to \$3.80 effective April 1, 1990, with a further increase to \$4.25 per hour on April 1, 1991. In early 1990 the New Jersey legislature went one step further, enacting parallel increases in the state minimum wage for 1990 and 1991 and an increase to \$5.05 per hour effective April 1, 1992. The scheduled 1992 increase gave New Jersey the highest state minimum wage in the country and was strongly opposed by business leaders in the state (see Bureau of National Affairs, *Daily Labor Report*, 5 May 1990).