

HB 1403-FN – AS INTRODUCED

2014 SESSION

14-2449
06/05

HOUSE BILL ***1403-FN***

AN ACT establishing a state minimum hourly wage.

SPONSORS: Rep. Kelly, Merr 20; Rep. Muns, Rock 21; Rep. Horrigan, Straf 6; Rep. Knowles,
 Hills 37; Sen. Larsen, Dist 15; Sen. Lasky, Dist 13

COMMITTEE: Labor, Industrial and Rehabilitative Services

ANALYSIS

This bill establishes a state minimum hourly wage to be adjusted by the cost of living index.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears ~~[in brackets and struck through]~~.
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fourteen

AN ACT establishing a state minimum hourly wage.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Minimum Hourly Rate. Amend the introductory paragraph of RSA 279:21 to read as follows:
2 279:21 Minimum Hourly Rate. Unless otherwise provided by statute, no person, firm, or
3 corporation shall employ any employee at an hourly rate lower than **\$8.25 or** that set forth in the
4 federal minimum wage law, as amended. Tipped employees of a restaurant, hotel, motel, inn or
5 cabin, who customarily and regularly receive more than \$30 a month in tips directly from the
6 customers will receive a base rate from the employer of not less than 45 percent of the applicable
7 minimum wage. If an employee shows to the satisfaction of the commissioner that the actual
8 amount of wages received at the end of each pay period did not equal the minimum wage for all
9 hours worked, the employer shall pay the employee the difference to guarantee the applicable
10 minimum wage. The limitations imposed hereby shall be subject to the following exceptions:

11 2 Minimum Hourly Rate. Amend the introductory paragraph of RSA 279:21 to read as follows:
12 279:21 Minimum Hourly Rate. Unless otherwise provided by statute, no person, firm, or
13 corporation shall employ any employee at an hourly rate lower than **\$9.00 or** that set forth in the
14 federal minimum wage law, as amended. ***Beginning in September 2016 and each September***
15 ***thereafter, the commissioner shall adjust the minimum hourly rate then in effect based***
16 ***upon the increase in the cost of living. The increase in the cost of living shall be calculated***
17 ***using the 12-month percentage increase, if any, in the Consumer Price Index for all Urban***
18 ***Consumers, U.S. city average, all items or its successor index as published by the Bureau of***
19 ***Labor Statistics of the United States Department of Labor, for the most recent 12-month***
20 ***period for which data is available at the time that the calculation is made. The***
21 ***commissioner shall round the adjusted minimum hourly rate to the nearest multiple of 5***
22 ***cents and announce it by October 1 of each year and it shall become effective on January 1***
23 ***of the following year.*** Tipped employees of a restaurant, hotel, motel, inn or cabin, who
24 customarily and regularly receive more than \$30 a month in tips directly from the customers will
25 receive a base rate from the employer of not less than 45 percent of the applicable minimum wage. If
26 an employee shows to the satisfaction of the commissioner that the actual amount of wages received
27 at the end of each pay period did not equal the minimum wage for all hours worked, the employer
28 shall pay the employee the difference to guarantee the applicable minimum wage. The limitations
29 imposed hereby shall be subject to the following exceptions:

30 3 Effective Date.

31 I. Section 2 of this act shall take effect January 1, 2016.

HB 1403-FN – AS INTRODUCED
- Page 2 -

1 II. The remainder of this act shall take effect January 1, 2015.

HB 1403-FN - FISCAL NOTE

AN ACT establishing a state minimum hourly wage.

FISCAL IMPACT:

The New Hampshire Municipal Association states this bill, **as introduced**, may increase local expenditures by an indeterminable amount in FY 2015 and each year thereafter. The New Hampshire Association of Counties states this bill may increase county expenditures by an indeterminable amount in FY 2016 and each year thereafter. There is no impact on state expenditures, or state, county and local revenue.

METHODOLOGY:

The New Hampshire Municipal Association states this bill increases the minimum wage to \$8.25 an hour on January 1, 2015 and to \$9.00 an hour on January 1, 2016. The Association states to the extent municipalities are paying an hourly wage of less than \$8.25 on January 1, 2015 or less than \$9.00 an hour on January 1, 2016, local expenditures would increase. Based on information available to the Association, few municipal employees have wages below the specified amount. The Association does indicate any increase in expenditures would be minimal. There is no impact on municipal revenue.

The New Hampshire Association of Counties states this bill will have no fiscal impact in FY 2015 as the hourly wages paid to county employees exceeds the \$8.25 an hour minimum but may have an impact in FY 2016 as not all county employee hourly wages may exceed the \$9.00 an hour minimum.

The Department of Administrative Services states this bill will have no impact on the state as the current minimum wage exceeds the amounts contained in the bill.

The Department of Labor states this bill will have no fiscal impact on the Department as it already has the systems in place to meet the requirements of this bill.