

HB 731-FN - AS AMENDED BY THE SENATE

9Jan2020... 2767h
 9Jan2020... 2897h
 9Jan2020... 0024h
 06/16/2020 1464s

2019 SESSION

19-0761
 04/06

HOUSE BILL 731-FN

AN ACT relative to the state minimum hourly rate.

SPONSORS: Rep. Schultz, Merr. 18; Rep. King, Hills. 33; Rep. Read, Rock. 17; Rep. Conley, Straf. 13; Rep. T. Smith, Hills. 17; Rep. Josephson, Graf. 11; Rep. Ellison, Merr. 27; Rep. Bunker, Rock. 18; Rep. Frost, Straf. 16

COMMITTEE: Labor, Industrial and Rehabilitative Services

AMENDED ANALYSIS

This bill sets the minimum hourly rate paid to employees. The bill also amends the minimum hourly rate for tipped employees.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Nineteen

AN ACT relative to the state minimum hourly rate.

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

1 Minimum Hourly Rate. Amend the introductory paragraph of RSA 279:21 to read as follows:

279:21 Minimum Hourly Rate. Unless otherwise provided by statute, no person, firm, or corporation shall employ any employee at an hourly rate lower than that set forth in the federal minimum wage law, as amended ***or the following, whichever is higher:***

From January 1, 2021 to December 31, 2022, \$10 per hour.

From January 1, 2023 and thereafter, \$12 per hour.

Tipped employees of a restaurant, hotel, motel, inn or cabin, or ballroom who customarily and regularly receive more than \$30 a month in tips directly from the customers will receive a base rate from the employer of not less than ~~[45 percent of the applicable minimum wage]~~ ***\$4 per hour***. If an employee shows to the satisfaction of the commissioner that the actual amount of wages received at the end of each pay period did not equal ~~[the minimum wage]~~ ***\$12 per hour*** for all hours worked, the employer shall pay the employee the difference to guarantee the ~~[applicable minimum wage]~~ ***\$12 hourly rate***.

Tipped employees who are licensed as secondary game operators pursuant to RSA 287-D and who customarily and regularly receive more than \$30 a month in tips directly from the customers, will receive a base rate from the employer of not less than \$7.25 per hour. If such an employee shows to the satisfaction of the commissioner that the actual amount of wages received at the end of

each pay period did not equal \$12 per hour for all hours worked, the employer shall pay the employee the difference to guarantee the \$12 hourly rate.

The limitations imposed hereby shall be subject to the following exceptions:

2 Effective Date. This act shall take effect upon its passage.

LBAO
19-0761
Amended 6/18/20

HB 731-FN- FISCAL NOTE
AS AMENDED BY THE SENATE (AMENDMENT #2020-1464s)

AN ACT relative to the state minimum hourly rate.

FISCAL IMPACT: ☒ State ☒ County ☒ Local ☐ None

STATE:	Estimated Increase / (Decrease)			
	FY 2020	FY 2021	FY 2022	FY 2023
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	Indeterminable Increase
Funding Source:	<input checked="" type="checkbox"/> General Government Funds <input type="checkbox"/> Education <input checked="" type="checkbox"/> Highway <input checked="" type="checkbox"/> Other - Various			

LOCAL:

Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase

METHODOLOGY:

This bill sets the minimum hourly rate paid to employees. The bill also amends the minimum hourly rate for tipped employees.

The Department of Administrative Services indicates the lowest labor grade for state employees is labor grade 1 which is paid \$10.90 per hour. New hires in these job classifications typically start at labor grade 2 or 3. A labor grade 2 position currently starts at \$11.19 or \$1.19 higher than the minimum wage proposed by the bill beginning on January 1, 2021, but less than the proposed \$12 per hour minimum rate effective January 1, 2023. The Department assumes, because the typical starting wage rate is already close to \$12 per hour, without considering step increases or cost of living adjustments, any impact on state expenditures if any would be minimal. Any future increase the federal wage rate beyond \$12.00 per hour may impact State expenditures, but any potential impact is indeterminable at this time.

The New Hampshire Municipal Association assumes this bill would increase municipal payroll expenditures by an indeterminable amount. The Association does not have information to determine the number of employees that would be affected by the bill. There will be no impact on municipal revenues.

The New Hampshire Association of Counties does not anticipate an impact on county expenditures or revenues.

AGENCIES CONTACTED:

Department of Administrative Services, New Hampshire Municipal Association and New Hampshire Association of Counties