

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

wage at one dollar above the federal level and then escalate it in future years, received predictable mixed reviews before a State House panel Tuesday.

Feb. 13, 2014

The 2014 version of a New Hampshire minimum wage hike bill, which would set the wage at one dollar above the federal level and then escalate it in future years, received predictable mixed reviews before a State House panel Tuesday.

Business group representatives told the House Labor, Industrial and Rehabilitative Services Committee during a two-hour hearing that raising the minimum will costs jobs and hurt the economy, while organized labor and advocates for low-income working poor Granite States the hike is a necessity for survival for some.

According to the U.S. Department of Labor, New Hampshire is among 18 states that currently set their minimum wage at federal level, which is \$7.25-an-hour. In the Northeast, the other five New England states and New York and New Jersey are higher; only Pennsylvania also observes the federal wage.

The New Hampshire debate opened as President Barack Obama tries to urge Congress to hike the federal minimum wage to \$10.10. The President on Wednesday is expected to sign an executive order hiking the wage to that level for federal contractors.

In New Hampshire, House Bill 1403 would raise the New Hampshire minimum wage to \$8.25-an-hour effective Jan. 1, 2015. On the following Jan. 1, the wage would increase to \$9-an-hour, and in ensuing years, it would increase commensurate with cost-of-living increases based on the Consumer Price Index.

But it would not decrease if the CPI were to drop. And, like the current state law, the bill provides tipped employees who regularly receive more than \$30 a month in tips a base salary of not less than 45 percent of the minimum wage.

In 2011, the House, then controlled by Republicans, repealed the state's minimum

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

do with politics, Republican or Democratic.”

Citing a poll last week that showed 76 percent of Granite Staters supporting the provisions of House bill 1403 and only 13 percent opposed, Kelly called the proposal “modest, gradual and sustainable.”

Rev. William Exeter, a Goffstown pastor, called passage of the bill “a moral imperative,” while Gail Mitchell, owner of Accident Analysis Associates of Dover, a firm that specializes in accident reconstruction, said, “It is time for America to pay our employees livable wages. I can't imagine living on \$7-an-hour.”

Top business groups were united in opposition.

David Juvet, vice president of the Business and Industry Association of New Hampshire, said a “24 percent increase is hardly what anyone would call minimal,” predicting that “a bill like this will tend to make New Hampshire uncompetitive.”

Bruce Berke, a lobbyist for the National Federation of Independent Businesses, said that while the “24 percent increase is bad, indexing is worse. We're against both, but we're against indexing more.”

“The alternative to a bill like this is the free market,” said Berke. He cited studies showing, he said, “a minimum wage increase causes a loss of jobs, especially in the lower end of the wage scale. Positions are eliminated and worker hours are reduced.”

But Mark MacKenzie, president of the state AFL-CIO, said, “The fact is that minimum and lower wage workers in our state don't earn enough to support a family. The annual income for a full-time employee making the minimum wage of \$7.25 an hour is \$15,080. Living below the poverty line, these families have little or no hope of providing for a better life for their children.

“Jobs should lift workers out of poverty, not trap them in poverty,” MacKenzie said.

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

When people at the bottom income levels get money in their pockets, they go spend it,” Vachon said. “Then these business will advertise in their local papers, which are my clients.”

But Curtis Barry of the Retail Merchants Association warned that a hike in the minimum wage will not only hurt teenagers looking for work but it will also hurt those who employ them because businesses will pay more in the Business Enterprise Tax, which is a tax on payroll.

“The result is fewer hours for those who are employed or making a decision to hire when that opportunity otherwise would have come up,” he said. “Employers will say, 'I'll do more with less. I'll work more myself.'

“This decision should be left to the business owners to determine what's best for their businesses,” said Barry, “to be able to keep and hire good employees while at the same time keeping their prices low.”

“There are real faces to this (current minimum) wage,” countered Gail Kinney, a Danbury pastor and advocate for low-income people. “They are our neighbors, friends and they may even be our families and they are sitting in the pews of many, many churches in the state.

“I wish there was a way for the 'nay' votes to choose between food and heat and medicine,” she said.

Anita Mendes, a 67-year-old self-described former mental health case manager, domestic violence services advocate and psychotherapist, who now has a \$7.25-a-hour job in human services, said she works to supplement her Social Security income.

She said that she can “get by” living without “many modern things,” such as an

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

for an occasional meal or social event, which would relieve some of the emotional tension in my life.”

Laurel Redden of Housing Action New Hampshire said someone making the current minimum wage “cannot afford to live anywhere in the state. They have a housing affordability budget of only \$400 a month, while the medium rent is \$1,018 a month.

“Government alone cannot solve the housing affordability problem in New Hampshire,” said Redden. “We need not only government but also businesses to come to the table as well.”

In written testimony, Derek Dufresne of the conservative issues advocacy group Citizens for a Strong New Hampshire, said, “Raising the minimum wage would not only have a detrimental effect on small businesses and job creators in our state, but it would also have a negative effect on the young people who are just starting out in the workforce by prohibiting them from gaining jobs and valuable skills from New Hampshire's service industry and small businesses.”

Copyright 2014 – The New Hampshire Union Leader, Manchester

Income Tax • Payroll • Small Business

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved

