

HB 1403 – JUST THE FACTS

HB 1403 (Representatives Kelly, Knowles, Muns, and Horrigan; Senators Larsen and Lasky) would raise New Hampshire's minimum wage in two stages and provide for annual cost of living increases in the future. It would increase the minimum from \$7.25 to \$8.25 per hour on January 1, 2015 and to \$9.00 per hour on January 1, 2016. Beginning January 1, 2017, it would automatically increase New Hampshire's minimum wage to account for inflation (based on the Consumer Price Index).

- **HB 1403 would raise the wages of 76,000 New Hampshire workers by 2016.**
 - 48,000 workers would see a direct increase in their wages (i.e. they currently earn less than \$9.00 per hour).
 - Another 28,000 workers would experience an indirect increase in their wages as employers adjust their internal pay structures.
 - All told, roughly 12 percent of New Hampshire's workforce would receive higher wages if HB 1403 became law.

- **HB 1403 would principally benefit adults, women, and people working at least half time.**
 - 72 percent of the New Hampshire workers who would benefit, either directly or indirectly, from HB 1403 are age 20 and older; 36 percent are 30 and older;
 - 32 percent work full-time and another 38 percent work at least half time or more;
 - 59 percent are women, and;
 - 14 percent are parents.

- **Inflation has eaten away 23 percent of the minimum wage's real purchasing power in the last three and half decades.**
 - In 1979, New Hampshire's minimum wage was worth \$9.47 per hour in today's dollars. For someone working full time, that more than \$2 per hour difference amounts to a loss of close to \$90 per week or more than \$4,500 per year.
 - Someone working full time at the minimum wage earns less than \$300 per week or about \$15,000 per year.

- **New Hampshire's minimum wage has not gone up in over 5 years.**
 - Legislation enacted in 2007 brought New Hampshire's minimum wage to \$6.55 per hour on September 1, 2007 and to \$7.25 per hour on September 1, 2008.
 - New Hampshire's minimum wage has increased just 4 times since 1997; between 1980 and 1997, due to federal and state changes, it went up 10 times.

- **21 states and the District of Columbia have minimum wages above the federal minimum of \$7.25 per hour; 11 now automatically adjust for inflation each year.**
 - Washington and Oregon have minimum wages above \$9.00 per hour; New York, California, Vermont, Connecticut, and DC will soon have minimums of at least \$9.00.
 - New Hampshire is the only New England state that does not have a minimum wage above the federal level.

Sources: Estimates of impact of HB 1403 based on Economic Policy Institute analysis of Current Population Survey data; calculations of the real value of the minimum wage performed by NHPPI; history of New Hampshire minimum wage and data on state minimum wages based on NH RSAs, data from the US Department of Labor, and various press accounts