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## **Senate Rejects Minimum Wage Increase** *Denies a Raise to Nearly 76,000 Granite Staters*

CONCORD, NH – The New Hampshire Senate today voted 13 to 11 against legislation to raise New Hampshire’s minimum wage, which currently rests at the federal rate of \$7.25 per hour and where it has remained since 2008. HB 1403 would have increased the state minimum wage to \$8.25 per hour on January 1, 2015 and to \$9.00 per hour on January 1, 2016. Beginning January 1, 2017, the bill would have made automatic cost-of-living adjustments to account for inflation, based on the Consumer Price Index.

“Later this evening, a sales clerk in Derry or a waitress in Hampton will return home from a hard day’s work and will have to decide whether to pay the bills on her kitchen table or to go to the grocery store – because she doesn’t have enough to do both,” said Jeff McLynch, executive director of the New Hampshire Fiscal Policy Institute. “The Senate had an opportunity today to ease their struggles and the difficulties faced by thousands of New Hampshire residents like them. Yet, rather than pass a modest, gradual, and sustained increase in New Hampshire’s minimum wage, the Senate simply walked away.”

Had HB 1403 been adopted, nearly 76,000 New Hampshire workers would have experienced a pay increase, 72 percent of whom are adults over the age of 20 and approximately 32 percent of whom work full-time, according to an analysis by the Economic Policy Institute. Moreover, passage of HB 1403 would have improved economic security for the 21,000 New Hampshire children who have a parent who would be affected by the higher minimum wage.

Due to inflation and legislative inaction, New Hampshire’s minimum wage has lost 23 percent of its purchasing power since 1979. Failure to adopt a new increase means that the real value of the minimum wage could fall to just \$6.50 per hour within the next several years.

“New England can be an expensive place to live,” McLynch added. “Policymakers in every other state in the region have acknowledged this reality and set their minimum wages above the federal level. Only New Hampshire expects people to continue to stretch \$7.25 per hour to meet that high cost of living.”

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*The New Hampshire Fiscal Policy Institute (NHFPI) is an independent, non-partisan organization dedicated to exploring, developing, and promoting public policies that foster economic opportunity and prosperity for all New Hampshire residents, with an emphasis on low- and moderate-income families and individuals. Learn more at [www.nhfpi.org](http://www.nhfpi.org).*