



House of Representatives

General Assembly

File No. 16

February Session, 2008

Substitute House Bill No. 5105

House of Representatives, March 11, 2008

The Committee on Labor and Public Employees reported through REP. RYAN, K. of the 139th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE MINIMUM WAGE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (j) of section 31-58 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2008*):

4 (j) "Minimum fair wage" in any industry or occupation in this state
5 means a wage of not less than six dollars and seventy cents per hour,
6 and effective January 1, 2003, not less than six dollars and ninety cents
7 per hour, and effective January 1, 2004, not less than seven dollars and
8 ten cents per hour, and effective January 1, 2006, not less than seven
9 dollars and forty cents per hour, and effective January 1, 2007, not less
10 than seven dollars and sixty-five cents per hour, and effective January
11 1, 2009, not less than eight dollars per hour, and effective January 1,
12 2010, not less than eight dollars and thirty-five cents per hour or one-
13 half of one per cent rounded to the nearest whole cent more than the
14 highest federal minimum wage, whichever is greater, except as may

15 otherwise be established in accordance with the provisions of this part.
 16 All wage orders in effect on October 1, 1971, wherein a lower
 17 minimum fair wage has been established, are amended to provide for
 18 the payment of the minimum fair wage herein established except as
 19 hereinafter provided. Whenever the highest federal minimum wage is
 20 increased, the minimum fair wage established under this part shall be
 21 increased to the amount of said federal minimum wage plus one-half
 22 of one per cent more than said federal rate, rounded to the nearest
 23 whole cent, effective on the same date as the increase in the highest
 24 federal minimum wage, and shall apply to all wage orders and
 25 administrative regulations then in force. The rates for learners,
 26 beginners, and persons under the age of eighteen years shall be not
 27 less than eighty-five per cent of the minimum fair wage for the first
 28 two hundred hours of such employment and equal to the minimum
 29 fair wage thereafter, except institutional training programs specifically
 30 exempted by the commissioner.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2008</i>	31-58(j)

LAB *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 09 \$	FY 10 \$
Various State Agencies	All Funds - Cost	Minimal	Minimal

Municipal Impact:

Municipalities	Effect	FY 09 \$	FY 10 \$
All Municipalities	STATE MANDATE - Cost	Minimal	Minimal

Explanation

This bill raises the state minimum hourly wage from \$7.65 to \$8.00 beginning January 1, 2009, and to \$8.35 beginning January 1, 2010.

This bill will result in a minimal cost to the state and municipalities. An increase in the state minimum wage will not have a fiscal impact on the salaries of full-time state and municipal employees as it is likely that the only state and municipal workers paid wages at or below the minimum wage are summer workers, student and senior workers, and a few other part-time workers. These costs are not anticipated to be significant, but could have an impact on a limited number of state and municipal programs (such as recreational programs) that largely utilize these types of positions.

An increase in the state minimum wage would also result in higher labor costs for some private sector employers, especially those in service industries. Since the state and municipalities obtain certain services from the private sector, this could result in additional costs. This increase in costs cannot be determined at this time, but is not anticipated to be significant.

OLR Bill Analysis

sHB 5105

AN ACT CONCERNING THE MINIMUM WAGE.

SUMMARY:

This bill raises the state minimum hourly wage from \$7.65 to \$8.00 beginning January 1, 2009, and to \$8.35 beginning January 1, 2010.

EFFECTIVE DATE: October 1, 2008

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable Substitute

Yea 10 Nay 1 (02/28/2008)