



# House of Representatives

**File No. 727**

General Assembly

February Session, 2008

**(Reprint of File No. 16)**

Substitute House Bill No. 5105  
As Amended by House Amendment Schedule  
"A"

Approved by the Legislative Commissioner  
April 24, 2008

## **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2 repealed and the following is substituted in lieu thereof (*Effective*  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 twenty-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)

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 \$
Various 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 \$8.25 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.

House "A" reduced the state minimum hourly wage to \$8.25, from \$8.35 in the underlying bill, beginning January 1, 2010. House "A" slightly reduces the costs to the state and municipalities.

**OLR Bill Analysis**

**sHB 5105 (as amended by House "A")\***

***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 \$8.25 beginning January 1, 2010.

\*House Amendment "A" decreases the second year of the minimum wage increase in the original bill (File 16) from \$8.35 to \$8.25 an hour.

EFFECTIVE DATE: October 1, 2008

**COMMITTEE ACTION**

Labor and Public Employees Committee

Joint Favorable Substitute

Yea 10 Nay 1 (02/28/2008)

Appropriations Committee

Joint Favorable

Yea 35 Nay 15 (04/11/2008)