

SB 176-FN - AS INTRODUCED

2025 SESSION

25-0571

06/05

SENATE BILL **176-FN**

AN ACT relative to the state minimum hourly rate.

SPONSORS: Sen. Altschiller, Dist 24; Sen. Fenton, Dist 10; Sen. Perkins Kwoka, Dist 21; Sen. Watters, Dist 4; Sen. Long, Dist 20; Sen. Rosenwald, Dist 13; Rep. Muns, Rock. 29; Rep. Luneau, Merr. 9; Rep. Simpson, Rock. 33; Rep. Schultz, Merr. 29; Rep. Knab, Rock. 12

COMMITTEE: Commerce

ANALYSIS

This bill provides for increases in the minimum hourly rate.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Five

AN ACT relative to the state minimum hourly rate.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Minimum Hourly Rate. Amend the introductory paragraph of RSA 279:21 to read as follows:
2 279:21 Minimum Hourly Rate. Unless otherwise provided by statute, no person, firm, or
3 corporation shall employ any employee at an hourly rate lower than that set forth in the federal
4 minimum wage law, as amended, **or the following, whichever is higher:**

5 ***From September 1, 2025 to June 30, 2026, \$12 per hour.***

6 ***From July 1, 2026 and thereafter, \$15 per hour.***

7 Tipped employees of a restaurant, **cigar bar as defined in RSA 178:20-a, II**, hotel, motel, inn
8 or cabin, or ballroom who customarily and regularly receive more than \$30 a month in tips directly
9 from the customers will receive a base rate from the employer of not less than 45 percent of the
10 applicable minimum wage. If an employee shows to the satisfaction of the commissioner that the
11 actual amount of wages received at the end of each pay period did not equal ~~the minimum wage~~
12 ***\$15 per hour*** for all hours worked, the employer shall pay the employee the difference to guarantee
13 the ~~applicable minimum wage~~ ***\$15 per hour rate***. The limitations imposed hereby shall be subject
14 to the following exceptions:

15 2 Minimum Hourly Rate; Contingent Version. The contingent introductory paragraph of RSA
16 279:21 is repealed and reenacted to read as follows:

17 279:21 Minimum Hourly Rate. Unless otherwise provided by statute, no person, firm, or
18 corporation shall employ any employee at an hourly rate lower than that set forth in the federal
19 minimum wage law, as amended, or the following, whichever is higher:

20 From September 1, 2025 to June 30, 2026, \$12 per hour.

21 From July 1, 2026 and thereafter, \$15 per hour.

22 Tipped employees of a restaurant, cigar bar as defined in RSA 178:20-a, II, hotel, motel, inn or
23 cabin, or ballroom who customarily and regularly receive more than \$30 a month in tips directly
24 from the customers will receive a base rate from the employer of not less than 45 percent of the
25 applicable minimum wage. If an employee shows to the satisfaction of the commissioner that the
26 actual amount of wages received at the end of each pay period did not equal \$15 per hour for all
27 hours worked, the employer shall pay the employee the difference to guarantee the \$15 per hour
28 rate. The limitations imposed hereby shall be subject to the following exceptions:

29 3 Contingency. Section 2 of this act shall take effect on the date the federal minimum wage is
30 increased to \$15 per hour, or the minimum wage in the state of New Hampshire is increased to \$15
31 per hour, whichever occurs earlier.

SB 176-FN - AS INTRODUCED

- Page 2 -

1 4 Effective Date.

2 I. Section 2 of this act shall take effect as provided in section 3 of this act.

3 II. The remainder of this act shall take effect on September 1, 2025.

**SB 176-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to the state minimum hourly rate.

FISCAL IMPACT: This bill does not provide funding, nor does it authorize new positions.

Estimated State Impact				
	FY 2025	FY 2026	FY 2027	FY 2028
Revenue	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
Expenditures*	\$0	\$373,000	Indeterminable Increase	Indeterminable Increase
<i>Funding Source(s)</i>	General Fund and Various Agency Funds			
Appropriations*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

Estimated Political Subdivision Impact				
	FY 2025	FY 2026	FY 2027	FY 2028
County Revenue	\$0	\$0	\$0	\$0
County Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable
Local Revenue	\$0	\$0	\$0	\$0
Local Expenditures	\$0	\$0	\$0	\$0

METHODOLOGY:

This bill provides for increases in the minimum hourly rate. The Department of Administrative Services assumes this bill would apply to both full-time and part-time employees working for the State of New Hampshire. The Department states it would perform a system upload to the State's payroll system each year to increase the pay of employees who are earning less than the new minimum hourly rates beginning in FY 2026. The Department estimated the cost for Executive Branch agencies using data on current hourly rates of pay for all part-time and full-time employees. The Department identified all current full-time, part-time positions that would be impacted by the increase in the hourly rate of pay. The Department indicated there are no State employees compensated at, or below, \$12 per hour and there would be no fiscal impact in FY 2025. The estimated cost of \$372,869 for FY 2026 includes the fiscal impact of raising the wage to \$15 per hour, considering the 2% pay increase included in the 2023-2025 Collective

Bargaining Agreement, for state employees. The Department indicated the fiscal impact for fiscal years beyond FY 2026 is indeterminable.

The New Hampshire Municipal Association assumes, based on their analysis of hourly wage data from the Bureau of Labor Statistics since 2006 and trended forward, that this bill would not impact local revenue or expenditures.

The New Hampshire Association of Counties indicated it is not able to determine the number of employees that would be impacted by the bill or how wage rates for county employees may change. The Association is not able to determine how the bill may impact county expenditures.

AGENCIES CONTACTED:

Department of Administrative Services, New Hampshire Municipal Association and New Hampshire Association of Counties

[As this bill is identical to SB 308, 2024 Session, we used the same information the agency provided at that time to prepare the above fiscal note]