HB 1764-FN - AS INTRODUCED

2018 SESSION

18-2370
08/05

HOUSE BILL ***1764-FN***

AN ACT relative to New Hampshire cost of living information.

SPONSORS: Rep. Cleaver, Hills. 35; Rep. Murray, Rock. 24; Rep. Cilley, Straf. 4; Rep. Messmer, Rock. 24; Rep. Vann, Hills. 24; Rep. Edgar, Rock. 21

COMMITTEE: Executive Departments and Administration

ANALYSIS

This bill requires the commissioner of the department of employment security to compile certain data relative to the cost of living in New Hampshire.

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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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

18-2370
08/05

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Eighteen

AN ACT relative to New Hampshire cost of living information.

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

1 New Section; Cost of Living Information. Amend RSA 282-A by inserting after section 180 the following new section:

282-A:181 New Hampshire Cost of Living Information.

I.(a) "Commissioner" means the commissioner of the New Hampshire department of employment security.

(b) "Basic cost-of-living" means the minimum pre-tax dollar amount of annual personal income or earnings necessary for a typical household to maintain economic self-sufficiency, based on family composition and the number of adults with full time employment per household.

(c) "Economic self-sufficiency" means the ability of individuals and families to consistently meet their needs, including food, housing, utilities, health care, transportation, taxes, dependent care, and clothing, with minimal or no outside assistance or subsidies from public or private sources.

(d) "Current economic data" means data and statistical analysis collected and validated by bona fide public sources, including the New Hampshire department of employment security, the United States Census Bureau, United States Department of Labor Statistics, United States Department of Agriculture, and other state and federal agencies that collect and analyze relevant economic and statistical data for New Hampshire and state sub-regions.

II. The commissioner shall conduct an annual cost-of-living study for New Hampshire. The study shall include:

(a) A calculation of the statewide estimated cost-of-living necessary for individuals and families to maintain economic self-sufficiency, adjusted for family size and number of full time employed adults per household.

(b) A calculation of the estimated basic cost-of-living by county, and by standard economic sub-regions as appropriate and when comparable data is available, adjusted for family size and the number of full-time employed adults per household.

(c) An analysis of statewide and county cost-of-living data, workforce age population and employment data, workforce educational attainment and estimated job totals with median annual wages for major occupational categories.

(d) A summary report of prevailing economic trends and changes over time.

III. Cost-of-living calculations shall use current economic data to estimate the minimum yearly cost of goods and services necessary for individuals and families to achieve and maintain

economic self-sufficiency, including:

(a) Housing;

(b) Food;

(c) Healthcare;

(d) Transportation;

(e) Essential utilities, including heat, electricity, water, and telecommunications services;

(f) Child care, including the cost of before and after school care for children aged 5 to 12 when all adults in the household are employed full time;

(g) Federal and local taxes;

(h) Clothing; and

(i) Other common expenses necessary for household self-sufficiency, as determined by the commissioner.

IV. The commissioner shall publish cost-of-living estimates and summary reports in a portable electronic file format on the department of employment security website by October 1 of each year and provide copies to the governor and general court at the time of publication.

2 Effective Date. This act shall take effect July 1, 2018.

LBAO
18-2370
Revised 11/27/17

HB 1764-FN- FISCAL NOTE
AS INTRODUCED

AN ACT relative to New Hampshire cost of living information.

FISCAL IMPACT: [X] State [ ] County [ ] Local [ ] None

	Estimated Increase / (Decrease)			
STATE:	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**
Appropriation	$0	$0	$0	$0
Revenue	$0	$0	$0	$0
Expenditures	$329,500	$229,125	$116,250	$122,750
Funding Source:	[X] General	[ ] Education	[ ] Highway	[ ] Other

METHODOLOGY:

This bill would require the Commissioner of the Department of Employment Security to conduct an annual cost-of-living study for New Hampshire and publish annual cost-of-living estimates and summary reports.

The Department of Employment Security indicates it would take approximately 18 months to develop the model and report to meet the annual reporting requirement. The Department provides the following estimate of the cost to develop and maintain this program:

	FY 2019	FY 2020	FY 2021	FY 2022
Costs for Development:				
Research Analyst, LG 23 (7/1/18 – 12/31/19)	$ 104,000	$ 54,500	$ -	$ -
Two Labor Market Analyst II's, LG 20 (7/1/18 - 12/31/19)	$ 190,000	$ 100,000	$ -	$ -
Part-time Statistical Clerk III, LG 12	$ 22,500	$ 11,750	$ -	$ -
In-State Travel	$ 13,000	$ 7,000	$ -	$ -
Sub Total:	$ 329,500	$ 173,250	$ -	$ -
Ongoing Costs:				
Part-time Statistical Clerk III, LG 12 (Starting 1/1/2020)	$ -	$ 5,875	$ 12,250	$ 12,750
Labor Market Analyst II, LG 20 (Starting 1/1/2020)	$ -	$ 50,000	$ 104,000	$ 110,000
Sub Total:	$ -	$ 55,875	$ 116,250	$ 122,750
Total:	$ 329,500	$ 229,125	$ 116,250	$ 122,750

The Department indicates the study would include statewide data and data for each county. The report would be based on current economic data on the cost of goods and services including housing, food, health care, transportation, essential utilities, child care, federal and local taxes,

clothing and other common expenses. The Department assumes in-state travel would be necessary to obtain local cost information needed to determine the cost of living estimates. This bill does not appropriate funds for the program. The Department has no general fund appropriations in it's budget and the federal funds received by the Department are restricted and would not be available for this purpose. The Department indicates the only other funding in the Department's budget is unemployment taxes paid by employers.

Since the Department has no budgeted appropriations which could be used to fund this program, it is assumed, the additional expenditures to develop and maintain the program would be a cost to the general fund.

AGENCIES CONTACTED:

Department of Employment Security