Overview

The members of the Connecticut Low Wage Employer Advisory Board are respectfully providing our Interim Report on the Board’s activities to date.

At this time, the Board does not have sufficient information nor have we had adequate time to consider all of the issues necessary to offer recommendations on the matters we have been charged with considering.

The Board has recently added two additional members bringing its complement to twelve (12) members. Pursuant to Public Act 15-5, Section 485, establishing the Connecticut Low Wage Employer Advisory Board and its purpose, the board retains one vacancy.

Responsibilities of the Board

Pursuant to Public Act 15-5, Section 485, the State of Connecticut has established a 13 member Connecticut Low Wage Employer Advisory Board within the Department of Labor (DOL) for administrative purposes only. The board must advise the Labor Commissioner, the Department of Labor (DDS), the Department of Social Services (DSS), and the Office of Early Childhood (OEC) on matters related to:

1. The causes and effects of businesses paying low wages to residents of the state,
2. Public assistance usage among working residents of the state,
3. Minimum wage rates necessary to ensure working residents of the state may achieve an economically stable standard of living,
4. Improvement of the quality of public assistance programs affecting such residents,
5. Wages and working conditions for the workforce delivering services to low-wage working families, and
6. Reliance of businesses on state-funded public assistance programs.

The Board is required to undertake the following activities:

1. Consider, suggest, and review legislative and agency proposals and actions regarding the above matters;
2. Study and monitor the (a) causes and effects of large businesses paying low wages to state residents, including the impact of such practices on workers' need for public assistance; (b) minimum wage rates needed for working state residents to meet basic needs, such as food, housing, health care, and child care, without state-funded public assistance programs; and (c) benefits that employers receive from public assistance benefits provided to the state workforce and solutions to associated problems;

3. Foster communication between working state residents who provide or receive public assistance and employers and state agencies to improve the quality of state public assistance programs serving lower-income residents; and

4. Advise the labor commissioner and other interested state agencies or officials on policies and procedures related to the board's study areas.

Composition of the Board

While Public Act 15-15, Section 485 established a thirteen (13)-member board; the board is currently composed of twelve (12) members, two recently appointed (April 2016), with one vacancy remaining. We respectfully request that the final appointment to the board be made in order to ensure that the board has the legislatively mandated composition and membership.

Advisory Board Members

- Merle Berke-Schlossel, President and CEO, United Way of Coastal Fairfield County
- James Bhandary-Alexander (co-chair), Staff Attorney, New Haven Legal Assistance Association, Inc.
- Susan Coleman, Professor and Ansley Chair of Finance, University of Hartford Barney School of Business
- Helene Figueroa, Director, Family Child Care Team, CSEA/SEIU 2001
- Merrill Gay, Executive Director, Connecticut Early Childhood Alliance
- Paul S. Lavoie, VP, Sales, Marketing and Human Resources, ETTER Engineering Company, Inc.
- Stanley McMillen, Adjunct Faculty University of Connecticut Department of Economics
- Jamie Mills (co-chair), Deputy Secretary, Connecticut Office of Policy and Management
- Deborah Schwartz, Home Care Director and Vice-President, SEIU 1199NE
- Michael Seid, Founder and Managing Director, MSA Worldwide
- Eddie Stephens, Home Care Consumer
- Kurt Westby, Deputy Commissioner, Connecticut Department of Labor
- (Vacancy)
Activities of the Board

Meetings and Public Hearings

To date, the Board has held the following meetings and hearings:

- Meeting, 26 January 2016 (Hartford): Administrative and introductory matters. Election of co-chairs by members of the Board. Board members. Distribution of background briefing binders with studies and reports on various issues related to the Board’s mission.
- Public Hearing, 22 March 2016 (New Haven): Testimony presented by approximately 27 members of the public.
- Public Hearing, 14 April 2016 (Hartford): Testimony presented by approximately 25 members of the public.
- Meeting, 21 April 2016 (Wethersfield): Discussion and planning meeting.

The Board Has Received and Preliminarily Discussed

- Presentation by Amy Traub, Senior Policy Analyst, Demos: “Retail Employment in the U.S. and Connecticut.”
- Public comments were received from approximately 50 persons at public hearings held on 22 March 2016 (New Haven) and 21 April 2016 (Hartford).

Member of the public presenting to the board at the public hearings were low-wage workers representing Child Care Providers, Quick Service Restaurant Employees, Agricultural Workers, Home Care Workers, Security Guards, Industrial Laundry Workers and, a representative of the Service Employees International Union (SEIU).

Each speaker was substantially in support of an increase in the State of Connecticut's minimum wage to $15.00 per hour and also in support of the passage of SB3912 “An Act Concerning The Recoupment Of State Costs Attributable To Low Wage Employers.” The speakers discussed the negative impact that low wages and state regulations was having on them and their families. As appropriate the board asked questions and further discussed the matters presented with several of the speakers.

---

The Board Has Received But Has Not Yet Discussed

Member of the Board have circulated internally articles and other presentations including, but not limited to:

- Washington Post, 4 April 2016, “Leaked documents show strong business support for raising the minimum wage. So why do most chambers of commerce still oppose it?” Lydia DePillis
- The Atlantic, 30 March 2016, “A major leap for the minimum wage, California announced a deal to reach $15 an hour by 2022, and New York could soon follow”, Russell Berman
- Hot Air, 9 April 2016, “Guess which states lost retail jobs while hiring overall increased?” Jazz Shaw
- Journal of Human Resources, August 2015, “Effects of the Minimum Wage on Employment Dynamics”, Jonathan Meer, Texas A&M University and NBER, Jeremy West, Massachusetts Institute of Technology
- Congress of the United States, Congressional Budget Office, February 2014, “The effect of a minimum wage increase on employment and family income”
- Employment Policies Institute, 2016, “What’s in a (Brand) Name? A Comparison of Minimum Wage Effects on Franchise and Non-Franchise Businesses.”
- The Seattle Times, 31 March 2016, “A year in, ‘the sky is not falling’ from Seattle’s minimum-wage hike” Blanca Torres

---

5 http://www.theatlantic.com/politics/archive/2016/03/a-major-leap-for-the-minimum-wage/475920/
6 http://hotair.com/archives/2016/04/09/guess-which-states-lost-retail-jobs-while-hiring-overall-increased/
7 http://www.fuqua.duke.edu/news_events/news-releases/cfo-survey-march-2016/#.VwK7V0X3anM
8 http://econweb.tamu.edu/jmeer/Meer_West_MinimumWage_JHR-final.pdf
9 http://www.jstor.org/
11 https://www.cbo.gov/publication/44995
12 https://www.epionline.org/studies/whats-in-a-brand-name/
During the course of our work we anticipate that the Board members will circulate additional information, as they deem appropriate for consideration. The members of the Board have not yet discussed the above-included material and will do so during our further deliberations.

**Schedule of Meeting 2016**

The board is scheduled to meet on the second Tuesday of each month in room 1D at the Legislative Office Building in Hartford for the remainder of the year.

- 10 May - 3:00 pm to 5:00 pm
- 14 June - 3:00 pm to 5:00 pm
- 12 July - 3:00 pm to 5:00 pm
- 9 August - 3:00 pm to 5:00 pm
- 13 September - 3:00 pm to 5:00 pm
- 11 October - 3:00 pm to 5:00 pm
- 8 November - 3:00 pm to 5:00 pm
- 13 December - 3:00 pm to 5:00 pm

The co-chairs of the Board, as has been our practice, will publish an agenda prior to each meeting for consideration and adoption by the Board members.

**Initial Recommendations of the Board**

The Board anticipates submitting, by the statutory deadline of 1 December 2016, a report that considers and makes recommendations related to the $15 per hour Minimum Wage, its impact on low-wage workers and employers and alternatives that may be considered. The Board does not have sufficient information at this time to offer any recommendation.

Over the next few months, the Board anticipates additional public hearings and will be including, in addition to low-wage workers, representatives of employers in the State of Connecticut and others.

We have been asked to consider a broad range of issues impacting low-wage workers and employers in the State of Connecticut. The Board anticipates, following its submission of its 1 December 2016 report to issue additional reports discussing the balance of the comprehensive set of issues it has been asked to address during its term.

---