



Honorable Members of the Massachusetts House of Representatives SouthCoast Area Delegation  
24 Beacon St  
Boston, MA 02133

Dear Members of the Massachusetts House of Representatives SouthCoast Area Delegation:

On behalf of the New Bedford Area Chamber of Commerce, I respectfully ask for your consideration and support of three proposed amendments to H.4461, An Act relative to job creation, workforce development and infrastructure investment.

Ask any small business owner on what they need to be successful, to compete with big companies, to thrive alongside the new “innovation economy,” and to compete with smartphone sellers and they will likely tell you two things – **higher sales** and **lower costs**.

Passage of the following three amendments are the best ways for state government to deliver on those two asks of our Main Street employers. These proposals would greatly benefit small employers in the Commonwealth and would spur growth on our Main Streets, moving our local employers further down the path toward a level playing field with their out-of-state and online competitors.

Please **support** the following:

### **#31 – Sunday Time and a Half**

This amendment seeks to phase out a four decades old Blue Law requirement on retailers which requires stores to pay time and a half on Sundays. Retail is *the only industry* required by law in the Commonwealth to pay hourly workers a Sunday premium wage of time-and-a-half, and Rhode Island is the only other state in the nation to impose this costly requirement on merchants. Adopted in 1982, when the minimum wage was \$3.35, the requirement is no longer affordable today for stores attempting to compete with those over the border or on the internet.

The current minimum wage of \$10.00 results in a Sunday starting wage of \$15.00 while across the border in New Hampshire the minimum remains at \$7.25. By 2017 the Sunday wage will be \$16.50. With smartphone sales representing a majority of shopping activity by today’s Millennials, we simply cannot afford a Sunday retail minimum wage of \$16.50 on 52 Sundays. Online competition, both in state and out, is not covered by this Blue Law requirement, and phasing it out is imperative to prevent our Main Streets from going dark. A recent study by the Beacon Hill Institute placed the *per employee cost in MA at an average of \$4400 higher than in 48 other states*.

Jobs are already being shed, and the time has come to repeal this antiquated law. The 7-day a week economy in 2016 is vastly different from the economy of 1982. In order to compete with advanced and emerging technologies, we must remove old laws that cling to the old way of doing business.

This very reasonable language grandfathers in current employees, and allows stores to pay straight time for NEW employees hired as of January 1, 2017.

#### **#40 – Small Group Plan Rebate**

This amendment seeks to help battered small businesses and their employees which have endured year after year of double digit health insurance premium increases—far higher than what has been seen in the large group marketplace. The amendment adds flexibility to the MA Small Business Health Insurance Cooperative law by allowing end of plan year financial incentives or rebates to award consumers working together to get healthier and be smarter purchasers of healthcare services under the cooperative’s wellness and transparency programs. Originally passed to attempt to get fairness and equal rights for those who work for small business versus big business or government, the innovative cooperatives have been stymied by preemptive Affordable Care Act (ACA) requirements on state rating factors. Ironically, Massachusetts small businesses have been hurt by the ACA as state innovations and premium regulation has been preempted. This amendment will replace upfront discounts with back end financial incentives to award participants for their collective wellness and consumer activities.

#### **#53 – Establishing a Sales Tax Holiday in 2016**

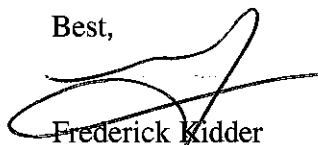
As you know, the Sales Tax Holiday (STH) has become an important event on the Massachusetts retail calendar. This type of incentive is the perfect fit for an economic stimulus bill. In fact, out of the eleven total Sales Tax Holidays that the Commonwealth has held, four were established as part of larger economic stimulus bills, in 2004, 2010, 2012, and 2014. The Sales Tax Holiday is pro-consumer, pro-Main Street, and pro-retail employee. Consumers love it, and our Main Streets need it. Results have shown that during the STH weekend MA picks up millions of new impulse buys and recovers vital sales that would normally go to non-taxed locations in New Hampshire or online. One-third of all retail purchases are impulse buys, made simply because the consumer entered the store.

The STH delivers for the Commonwealth in many ways. Staffing levels in most retail stores impacted by the holiday weekend are more than doubled to accommodate the increased customer traffic. Simply stated, the STH puts people to work, and the retail sector employs 17% of all workers in the state. Increased payroll taxes, sales taxes on meals, and property taxes generated from a booming shopping weekend cannot be overlooked.

It is vital that we keep these sales here in Massachusetts and not risk losing the potential sales to New Hampshire or the internet. Online sales continue to surge on laptops, tablets and smartphones. Mobile commerce growth means consumers can shop online anytime and from anywhere, often tax free. Retailers in the Commonwealth have waited decades for Congress to fix the online sales tax loophole and it appears as though their wait will continue. Until that loophole is fixed, the STH is the least we can do to provide a brief two day equalizer. So while online sellers get 365 days a year to sell tax free – two days in August is the least we can do for our local, in-state merchants.

Thank you for your consideration of these important Main Street initiatives.

Best,



Frederick Kidder  
New Bedford Area Chamber of Commerce