

# New York Regulation And Legislation To Watch In 2013

By **Pete Brush**

Law360, New York (January 01, 2013, 5:28 PM ET) -- The future of proposals to raise New York's minimum wage, expand natural gas drilling and ramp up casino gambling will be clouded in 2013 by worries about a budget that could take a hit from costs including those associated with Superstorm Sandy.

## **Minimum Wage Hike**

Legislation aimed at raising the minimum wage passed the Democrat-dominated State Assembly last year by a wide margin but never made it to a vote in the Senate where Republicans, including Sen. Dean Skelos, have called it a "job killer."

Democrats want to bump the minimum hourly pay for restaurant, retail and other service workers to at least \$8.50 — above the federal minimum of \$7.25 — and tie future raises to inflation.

Countering Skelos on the wage issue is Cuomo, who has parked the issue near the top of his list for 2013. "If Sen. Skelos is opposed to the agenda of the people of this state, then I will oppose him," the governor said in a radio interview in December.

But Skelos and his allies may be forced to give ground this year, according to former Albany political insider Errol Cockfield Jr., now a vice president at public relations firm Edelman who assists corporate clients with crisis matters.

Some have suggested a wage hike could pass without being tethered to inflation, a tweak some Republicans have said they could support. But backers of the proposed policy, including Assembly Speaker Sheldon Silver, argue it would be a waste of time to pass the bill without the indexing provision.

A wage hike would also put more money in the pockets of New Yorkers who work for tips and could spark lawsuits if businesses don't quickly comply, said Levy Davis & Maher LLP partner Jonathan A. Bernstein, who represents clients in overtime and wage disputes.

"If the tip minimum wage rises, we're sure to see a spike in the number of restaurant industry cases," Bernstein said.

Many lawyers reject the "job killer" argument, saying higher wages for low-income workers would expand the state's tax base and lead to more hiring.

"Many of my clients earn only minimum wage, which for a person that works 40 hours per week, equates to only \$15,000 per year, which is essentially impossible to live on," Fitapelli & Schaffer LLP partner Brian Schaffer said.