

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



STATE LAW LIBRARY
ALEXISTA BUREAU

124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 192

H.P. 157

House of Representatives, January 21, 2009

An Act To Index the State Minimum Wage to Inflation

Reference to the Committee on Labor suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative TUTTLE of Sanford.
Cosponsored by Senator GERZOFKY of Cumberland and
Representatives: BERRY of Bowdoinham, CLARK of Millinocket, DRISCOLL of Westbrook,
Speaker PINGREE of North Haven, PIOTTI of Unity, Senator: JACKSON of Aroostook.

1 Be it enacted by the People of the State of Maine as follows:

2 Sec. 1. 26 MRSA §663, sub-§15 is enacted to read:

3 15. Consumer price index. "Consumer price index" means the Consumer Price
4 Index for Urban Wage Earners and Clerical Workers, CPI-W, for the Northeast Region,
5 or successor index, as published by the United States Department of Labor, Bureau of
6 Labor Statistics.

7 Sec. 2. 26 MRSA §663, sub-§16 is enacted to read:

8 16. Inflation-adjusted minimum hourly wage. "Inflation-adjusted minimum
9 hourly wage" means the minimum hourly wage adjusted for increases in the consumer
10 price index. The inflation-adjusted minimum hourly wage is calculated annually by the
11 Department of Labor in accordance with section 664, subsection 1-A.

12 Sec. 3. 26 MRSA §664, sub-§1, as amended by PL 2007, c. 640, §4, is further
13 amended to read:

14 1. Minimum wage. The minimum hourly wage is ~~\$6.50~~ \$6.75 per hour. Starting
15 October 1, 2006, the minimum hourly wage is \$6.75 per hour. Starting October 1, 2007,
16 the minimum hourly wage is \$7.00 per hour. Starting October 1, 2008, the minimum
17 hourly wage is \$7.25 per hour. Starting October 1, 2009, the minimum hourly wage is
18 \$7.50 per hour. Starting January 1, 2010 and on January 1st of each year thereafter, the
19 minimum hourly wage is the inflation-adjusted minimum hourly wage calculated in
20 accordance with subsection 1-A. If the highest federal minimum wage is increased in
21 excess of the minimum wage in effect under this section, the minimum wage under this
22 section is increased to the same amount, effective on the same date as the increase in the
23 federal minimum wage, but in no case may the minimum wage exceed the minimum
24 wage otherwise in effect under this section by more than \$1 per hour.

25 Sec. 4. 26 MRSA §664, sub-§1-A is enacted to read:

26 1-A. Minimum wage; inflation adjustment. No later than November 1, 2009 and
27 on November 1st of each year thereafter, the Department of Labor shall calculate the
28 inflation-adjusted minimum hourly wage for the following calendar year. The
29 department shall specify by rule a methodology for calculation of the inflation-adjusted
30 minimum hourly wage. The methodology must:

31 A. Use the consumer price index to calculate inflation; and

32 B. Exclude from the calculation of inflation any month in which the seasonally
33 adjusted unemployment rate for the State exceeds the seasonally adjusted
34 unemployment rate for the United States, as published by the United States
35 Department of Labor, Bureau of Labor Statistics.

36 Each inflation-adjusted minimum hourly wage calculated under this subsection takes effect
37 on January 1st of the following year. The department shall adopt rules to implement this
38 subsection. Rules adopted pursuant to this subsection are routine technical rules as defined in
39 Title 5, chapter 375, subchapter 2-A.

1

SUMMARY

2 This bill provides for the state minimum hourly wage to be adjusted for inflation
3 beginning January 1, 2010 and annually thereafter. The bill requires the Department of
4 Labor to calculate the inflation-adjusted minimum hourly wage based on changes in the
5 consumer price index and to exclude from the calculation any month in which the State's
6 unemployment rate exceeds the national unemployment rate.