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|-----|----------------------|---|
|     | 1                    | L.D. 589  |
|     | 2                    | Date: 5 30 25 (Filing No. S- /96)   |
|     | 3                    | MAJORITY<br>Labor   |
|     | 4                    | Reproduced and distributed under the direction of the Secretary of the Senate.  |
|     | 5                    | STATE OF MAINE  |
|     | 6                    | SENATE  |
|     | 7                    | 132ND LEGISLATURE   |
|     | 8                    | FIRST SPECIAL SESSION   |
|     | 9<br>10<br>11        | COMMITTEE AMENDMENT " $A$ " to S.P. 273, L.D. 589, "An Act to Make Agricultural Workers and Other Related Workers Employees Under the Wage and Hour Laws"   |
|     | 12                   | Amend the bill by striking out the title and substituting the following:  |
|     | 13                   | 'An Act to Establish a State Minimum Hourly Wage for Agricultural Workers'  |
|     | 14<br>15             | Amend the bill by striking out everything after the enacting clause and inserting the following:  |
|     | 16                   | 'Sec. 1. 26 MRSA c. 7, sub-c. 2-B is enacted to read:   |
|     | 17                   | SUBCHAPTER 2-B  |
|     | 18<br>19             | AGRICULTURAL EMPLOYEE MINIMUM HOURLY WAGE AND RELATED<br><u>PROVISIONS</u>  |
|     | 20                   | <u>§651. Definitions</u>  |
|     | 21<br>22             | As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.  |
|     | 23                   | 1. Employ. "Employ" means to suffer or permit to work.  |
|     | 24<br>25<br>26<br>27 | 2. Employee. "Employee" means an individual employed to perform agricultural labor as defined in the Employment Security Law and the Federal Unemployment Tax Act, except that members of the family of the employer who reside with and are dependent upon the employer are exempt from this subchapter. |
|     | 28<br>29<br>30       | 3. Employer. "Employer" means a person or entity that directly or indirectly engages<br>the services or permits the work of an individual employed to perform agricultural labor or<br>an individual employed in certain activities related to agriculture.   |

Page 1 - 132LR0197(02)

# **COMMITTEE AMENDMENT**

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### COMMITTEE AMENDMENT "A" to S.P. 273, L.D. 589 (S - 196)

4. Wages. "Wages" means compensation paid to an employee in the form of legal tender of the United States and checks on banks convertible into cash on demand and includes the reasonable cost to the employer that furnishes the employee board or lodging. "Wages" also includes compensation paid through a direct deposit system, automated teller machine card or other means of electronic transfer as long as the employee can make an initial withdrawal of the entire net pay without additional cost to the employee or the employee can choose another means of payment that involves no additional cost to the employee.

#### <u>§652. Minimum hourly wage</u>

10An employer may not employ an employee at a rate less than the rates required by this11section.

12 Beginning January 1, 2026, the minimum hourly wage for an employee is \$14.65 per 13 hour, increased by the increase, if any, in the cost of living, measured by the percentage 14 increase, if any, as of August of 2025 over August of 2024 in the Consumer Price Index 15 for Urban Wage Earners and Clerical Workers, CPI-W, for the Northeast Region, or its 16 successor index, as published by the United States Department of Labor, Bureau of Labor Statistics or its successor agency, with the amount of the minimum hourly wage increase 17 18 rounded to the nearest multiple of  $5^{\circ}$ , On January 1, 2027 and each January 1st thereafter, 19 the minimum hourly wage then in effect must be increased by the increase, if any, in the 20 cost of living. The increase in the cost of living must be measured by the percentage 21 increase, if any, as of August of the previous year over the level as of August of the year 22 preceding that year in the Consumer Price Index for Urban Wage Earners and Clerical 23 Workers, CPI-W, for the Northeast Region, or its successor index, as published by the 24 United States Department of Labor, Bureau of Labor Statistics or its successor agency, with 25 the amount of the minimum hourly wage increase rounded to the nearest multiple of 5¢. If 26 the highest federal minimum hourly wage is increased in excess of the minimum hourly 27 wage in effect under this section, the minimum hourly wage under this section is increased 28 to the same amount, effective on the same date as the increase in the federal minimum 29 hourly wage, and must be increased in accordance with this section thereafter.

#### 30 §653. Records; retention, examination, copies

31 An employer subject to this subchapter shall keep a true and accurate record of the 32 hours worked by each employee and of the wages paid, such records to be preserved by the 33 employer for a period of at least 3 years, and shall furnish to each employee with each 34 payment of wages a statement that clearly shows the date of the pay period, the hours, total 35 earnings and itemized deductions. An employer making payment by direct deposit or other 36 means of electronic transfer shall provide each employee with an accurate record of the 37 transfer, including the date of the pay period, the hours, total earnings and itemized 38 deductions, when the transfer is made. If the record is provided in an electronic format, the 39 employer shall provide a method by which the employee may have ready access to the 40 information and print it without cost to the employee. The director or the director's 41 authorized representative may, and upon written complaint shall, enter the place of business 42 or employment of an employer or employee for the purpose of examining and inspecting 43 such records and copy any such records as the director or the director's authorized 44 representative determines necessary or appropriate. All information received is considered 45 confidential and may not be divulged to any other person or agency, except as may be necessary for the enforcement of this subchapter. 46

Page 2 - 132LR0197(02)

## COMMITTEE AMENDMENT

COMMITTEE AMENDMENT "A" to S.P. 273, L.D. 589 (S-19b)

#### §654. Enforcement

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An employer is liable to an employee for the amount of any unpaid minimum hourly wages under this subchapter. Upon a judgment being rendered in favor of an employee in any action brought to recover unpaid minimum hourly wages under this subchapter, the judgment must include, in addition to the unpaid minimum hourly wages adjudged to be due, an additional amount equal to the unpaid minimum hourly wages as liquidated damages and costs of suit, including a reasonable attorney's fee.

An employer that violates this subchapter is subject to a fine of not less than \$50 and not more than \$200.

An employer that discharges or in any other manner discriminates against an employee because the employee makes a complaint to the director or to a district attorney concerning a violation of this subchapter is subject to a fine of not less than \$50 and not more than \$200.

14 The Department of Labor has exclusive authority to bring an action for unpaid wages 15 on behalf of an employee or employees under this section.

This section may not be construed to restrict or impair any existing right available to an employee under any other section of this chapter.

18 In the event of a violation of this subchapter, the Attorney General may bring an action 19 in the Superior Court to enjoin further violation of this subchapter.

#### 20 **§655. Unfair contracts**

An employer may not be exempted from this subchapter by special contract with an employee or by any other means."

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

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#### SUMMARY

26 This amendment replaces the bill and changes the title. The amendment provides that, 27 beginning January 1, 2026, the minimum hourly wage for an individual employed to 28 perform agricultural labor may not-be paid at a rate less than the state minimum hourly wage. It provides that, on January 1, 2027 and each January 1st thereafter, the minimum 29 30 hourly wage then in effect must be increased by the increase in the cost of living. It also provides that employers that employ individuals to perform agricultural labor are required 32 to keep a true and accurate record of the hours worked by each employee and the wages paid to each employee. The amendment provides remedies for employees and penalties for 34 employers for minimum hourly wage violations. It provides that the Department of Labor 35 has exclusive authority to bring an action for unpaid wages on behalf of an employee for 36 unpaid minimum hourly wages. It also provides that the provisions of the amendment may 37 not be construed to restrict or impair any existing right available to an employee under any 38 other section of the Maine Revised Statutes, Title 26, chapter 7.

#### FISCAL NOTE REQUIRED

(See attached)

Page 3 - 132LR0197(02)

### COMMITTEE AMENDMENT



### **132nd MAINE LEGISLATURE**

LD 589

#### LR 197(02)

An Act to Make Agricultural Workers and Other Related Workers Employees Under the Wage and Hour Laws

> Fiscal Note for Bill as Amended by Committee Amendment "A"(S 19(a) Committee: Labor Fiscal Note Required: Yes

### **Fiscal Note**

Minor cost increase - General Fund Minor revenue increase - General Fund Minor revenue increase – Other Special Revenue Funds

#### **Correctional and Judicial Impact Statements**

This bill may increase the number of civil suits filed in the court system. The additional workload associated with me minimal number of new cases does not require additional funding at this time. The collection of additional fines and filing fees will increase General Fund or other dedicated revenue by minor amounts.

Fiscal Detail and Notes

Any additional costs to the Department of Labor and the Office of the Attorney General from the enforcement of this bill are expected to be minor and can be absorbed within existing budgeted resources.