

# 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 OF MAINE

REPORT  
OF THE  
**ATTORNEY GENERAL**

For the Years  
1967 through 1972

could co-exist and overlap in performing regional planning.

The only method under chapter 382 by which the council of governments can completely assume the planning functions of a regional planning commission, to the exclusion of the commission, is if the municipalities who are members of the commission vote to transfer all its assets, liabilities, rights and obligations to the council, and to dissolve the commission.

ROBERT G. FULLER, JR.  
Assistant Attorney General

September 12, 1969  
Labor and Industry

Madge E. Ames, Director,  
Minimum Wage, Women & Child Labor

Deductions from Minimum Wage.

*SYLLABUS:*

The term "wages" as defined in Title 26 M.R.S.A. § 663, subsection 5 does not include compensation paid to an employee in any form other than legal tender of the United States, checks on banks convertible into cash on demand, or the reasonable cost to the employer who furnishes such employee board or lodging.

Further, expenses of the employer that are passed on to the employee cannot be deducted from wages of the employee if such deductions bring the total wages below the minimum level.

*FACTS:*

Title 26 M.R.S.A. § 663, subsection 5 provides as follows:

"5. Wages. 'Wages' paid to any employee includes compensation paid to such employee in the form of legal tender of the United States, checks on banks convertible into cash on demand, and includes the reasonable cost to the employer who furnishes such employee board or lodging."

Title 26 M.R.S.A. § 664 provides for a minimum wage for all employees unless excluded therein or elsewhere.

The Department of Labor and Industry advises that the following situations are typical as to certain employers:

1. A restaurant requires kitchen workers to wear an apron and charges the employees \$1.00 a day for use and laundering, deducting this from the wages.
2. A restaurant requires waitresses to wear uniforms, which they are required to buy from the employer, deducting this from wages.
3. A restaurant charges \$1.50 a week for broken dishes and deducts this from the wages of all employees.
4. A gasoline service station deducts from the wages of its employees any losses incurred because credit card purchases turn out to be not bona fide, or from bad checks.
5. A gasoline service station and a restaurant deduct from the employees' wages any shortage which occurs in the cash register.

*QUESTION:*

Does the term "wages" as defined in Title 26 M.R.S.A. § 663, subsection 5 include compensation paid to an employee in any form other than legal tender of the United States, checks on banks convertible into cash on demand, or the reasonable cost to the employer who furnishes such employee board or lodging?

*ANSWER:*

No.

*REASON:*

A plain reading of the definition of "wages" set forth hereinabove clearly reveals that the term "wages" only includes compensation paid to an employee in the form of legal tender or checks convertible into cash with the one exception that the employer may include the reasonable cost for furnishing board or lodging to the employee.

It is significant that the five examples set forth above either directly or indirectly constitute expenses of the employer that are being passed on to the employee. Consequently, they cannot reasonably be held to be deductions at the request of the employee.

Where the employer computes the minimum wage and then proceeds to deduct from wages, items that are really expenses to the employer, he is doing indirectly what cannot legally be done directly. Deductions that merely pay the expenses of an employer, as in the examples set out above, cannot be deducted from the wages of the employee if such deductions bring the total wages below the minimum legal level.

HARRY N. STARBRANCH  
Assistant Attorney General

September 16, 1969  
Treasury

Dura S. Bradford, Deputy Treasurer

Legality of Negotiated Bond Issue

*SYLLABUS:*

Absent specific legislative action, a bond issue may be negotiated with the approval of the Governor and Executive Council for any term of years not exceeding that stated in the bond issue Act.

*FACTS:*

The 102nd Legislature at a Special Session proposed a bond issue in the amount of \$1,500,000 to develop the Allagash Waterway. The bond issue was ratified by the people at a special election. During the intervening years most of the bonds have been issued until there is presently a balance of \$250,000 not issued. The Act, P. & S. L. 1965 Chapter 277, places a limit of 5% on this bond issue. The present bond market is such that any bids for bonds would run over 6%.