

MAINE STATE LEGISLATURE

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SECOND REGULAR SESSION

ONE HUNDRED AND TWELFTH LEGISLATURE

Legislative Document

No. 1702

H.P. 1197 House of Representatives, December 20, 1985

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26.

Received by the Clerk of the House on December 20, 1985. Referred to the Committee on Labor and 1,600 ordered printed pursuant to Joint Rule 14.

EDWIN H. PERT, Clerk

Presented by Representative Beaulieu of Portland.

Cosponsored by Representative McCollister of Canton, Senator Erwin of Oxford and Speaker Martin of Eagle Lake.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-SIX

AN ACT to Require that State Programs
Recognize the Impact of Minimum Wage
Increases.

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

26 MRSa §664 first ¶, as amended by PL 1985, c. 76, §2, is further amended to read:

By reason of the declaration of policy set forth in section 661 and in the protection of the industry or business and in the enhancement of public interest, health, safety and welfare, it is declared unlawful for any employer to employ any employee, except as otherwise provided in this subchapter, at the rate of less than \$3.45 per hour starting on January 1, 1985, and \$3.55 per hour starting on January 1, 1986, and \$3.65 per hour starting on January 1, 1987; or to require any employee to work more than 40 hours in one week, unless 1 1/2 times the regular hourly rate is paid for all work done over 40 hours in any

1 one week; and whenever the highest federal minimum
2 wage is increased in excess of \$3.55 per hour, the
3 minimum wage established under this section shall be
4 increased to the same amount, effective on the same
5 date as the increase in the highest federal minimum
6 wage, but in no case shall the minimum wage exceed \$4
7 per hour. The overtime provision of this section
8 shall not apply to seamen, the canning, processing,
9 preserving, freezing, drying, marketing, storing,
10 packing for shipment or distribution of herring as
11 sardines, of perishable foods, of agricultural
12 produce and meat and fish products, nor to the can-
13 ning of perishable goods, nor to hotels, motels, res-
14 taurants and other eating establishments, public em-
15 ployees, nor to automobile mechanics or automobile
16 salesmen. To the extent that minimum wage increases
17 affect compensation levels for workers in State sup-
18 ported programs, appropriate adjustments shall be
19 made in those programs to take into account the rea-
20 sonable impact of the increases.

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STATEMENT OF FACT

2 This bill is intended to require that certain
3 state supported programs reflect the reasonable im-
4 pact of the recent increases in the state minimum
5 wage law upon the compensation levels of these pro-
6 grams. For example, Maine's nursing homes are reim-
7 bursed through the Medicaid system as set forth in
8 the Principles of Reimbursement for Intermediate Care
9 Facilities. In the years 1979 through 1981, the de-
10 partment adjusted per diem rates to reflect directly
11 the percentage increase in minimum wages, recognizing
12 the across-the-board relationship between minimum
13 wages and other wage rates. The Department of Human
14 Services' current regulations require that it allow
15 extraordinary circumstances adjustments to reflect
16 such factors as minimum wage increases. The depart-
17 ment has thus far refused to make an adjustment to
18 reflect state minimum wage increases to \$3.45 per
19 hour as of January 1, 1985, \$3.55 per hour as of Jan-
20 uary 1, 1986, and \$3.65 per hour as of January 1,
21 1987. This requires this department and others to
22 consider the impact of the minimum wage increase on
23 overall wage rates and state-supported programs and
24 make appropriate adjustments.

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