

# (NEW DRAFT OF H.P. 1431, L.D. 1948) SECOND REGULAR SESSION

### ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

NO. 2582

H.P. 1887 Reported by Representative McHENRY from the Committee on Labor and printed under Joint Rule 2.

EDWIN H. PERT, Clerk Original bill sponsored by Representative DIAMOND of Bangor. Cosponsored by President PRAY of Penobscot, Speaker MARTIN of Eagle Lake and Senator DUTREMBLE of York.

### STATE OF MAINE

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

1 2	AN ACT to Increase the Minimum Wage.				
3 4	Be it enacted by the People of the State of Maine as follows:				
5 6	Sec. 1. 26 MRSA §664, first ¶, as amended by PL 1985, c. 76, §2, is further amended to read:				
7 8	By reason of the declaration of policy set for in section 661 and in the protection of the industry				
	Page 1-LR5174				

1 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 2 3 otherwise provided in this subchapter, at the rate of 4 5 than \$3-45 per hour starting on January less ±7 19857 and \$3.55 per hour starting on January  $1_7$  19867 and \$3.65 per hour starting on January  $1_7$  in 1987 б 7 and \$3.75 per hour starting January 1, 1989 and \$3.85 per hour starting January 1, 1990, but in no case may 8 9 minimum hourly wage exceed the average minimum 10 the 11 hourly wage of the 5 other New England states; or to 12 require any employee to work more than 40 hours in one week, unless 1 1/2 times the regular hourly rate is 13 14 paid for all work done over 40 hours in any one week; 15 whenever the highest federal minimum wage and is 16 increased in excess of \$3.55 per hour, the minimum wage established under this section, the minimum wage 17 18 shall be increased to the same amount, effective on 19 the same date as the increase in the highest federal 20 minimum wage, but in no case shall the minimum wage exceed \$4 <u>\$5</u> per hour. The overtime provision of 21 22 this section shall not apply to seamen, the canning, processing, preserving, freezing, drying, marketing, storing, packing for shipment or distribution of 23 24 25 perishable of herring sardines, of foods, as 26 agricultural produce and meat and fish products, nor to the canning of perishable goods, nor to hotels, motels, restaurants and other eating establishments, 27 28 29 public employees, nor to automobile mechanics or automobile salesmen. 30

31 Sec. 2. 26 MRSA §664, 2nd ¶, as amended by PL 32 1985, c. 576, is further amended to read:

3.3. In determining the wage of a service employee, the 34 amount paid such employee by his employer shall be deemed to be increased on account of tips by an amount 35 determined by the employer, but not by an amount in 36 37 excess of <del>\$1.54 in</del> 19867 and \$1.64 per hour beginning on January 17 in 19877 and \$1.74 per hour starting January 1, 1989 and, starting January 1, 1990, at the minimum hourly wage set forth in this 38 39 40 41 section, minus \$2.01 per hour; except that in the case 42 of an employee who, either himself or acting through his representative, shows to the satisfaction of the 43 44 director that the

Page 2-LR5174

actual amount of tips received by him was less than the amount determined by the employer as the amount by which the wage paid him was deemed to be increased, the amount paid such employee by his employer shall be deemed to have been increased by such lesser amount.

**Sec. 3.** Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

1988-89

## 10 HUMAN SERVICES, 11 DEPARTMENT OF

- 12 Supplemental Security Income
- 13 All Other

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19 20

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\$72,177

14	Provides		funds	to
15 ·	reimburse		boarding	
16	homes	for	incre	ased
17	wages.			

### FISCAL NOTE

The projected cost of this new draft is \$216,531 for fiscal year 1989-90 and \$288,708 thereafter.

#### STATEMENT OF FACT

This new draft increases the minimum wage by 10¢ to \$3.75 effective January 1, 1989 and 10¢ to \$3.85 effective January 1, 1990 unless the average minimum wage of the New England States is less than \$3.85. This mechanism increases the minimum wage to a level consistent with the minimum wage throughout the region. The wage rate for employees receiving tips is maintained.

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Page 3-LR5174

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