

# MAINE STATE LEGISLATURE

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# 114th MAINE LEGISLATURE

## SECOND REGULAR SESSION - 1990

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Legislative Document

No. 2279

H.P. 1646

House of Representatives, February 5, 1990

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

Reference to the Committee on Labor suggested and ordered printed.

A handwritten signature in cursive script that reads 'Ed Pert'.

EDWIN H. PERT, Clerk

Presented by Representative McHENRY of Madawaska.

Cosponsored by President PRAY of Penobscot and Speaker MARTIN of Eagle Lake.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND NINETY

---

An Act Concerning the State Minimum Wage.

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2  
3 **Be it enacted by the People of the State of Maine as follows:**

4       26 MRSA §664, as amended by PL 1987, c. 738, §§1 and 2 is  
5 repealed and the following enacted in its place:

6 **§664. Compliance required**

7       By reason of the declaration of policy set forth in section  
8 661 and in the protection of the industry or business and in the  
9 enhancement of public interest, health, safety and welfare, an  
10 employer may not employ any employee at a wage rate of less than  
11 \$3.85 per hour, except as otherwise provided in this subchapter.

12  
13       1. Adjustments. Beginning July 1, 1991, the minimum wage  
14 is to be adjusted annually by a percentage increase or decrease  
15 equal to the percentage change in the state average weekly wage  
16 for the previous calendar year, as computed by the Bureau of  
17 Employment Security.

18  
19       A. If the highest federal minimum wage is increased in  
20 excess of the minimum wage established under this section,  
21 the minimum wage is increased to the same amount, effective  
22 on the same date as the increase in the highest federal  
23 minimum wage. This increased minimum wage rate is also  
24 adjusted annually by the percentage increase or decrease in  
25 the state average weekly wage in the prior calendar year as  
26 provided in this subsection.

27  
28       2. Service employees. In determining the wage of a service  
29 employee, the amount paid that employee by the employer is deemed  
30 to be increased on account of tips by an amount determined by the  
31 employer, but not by an amount greater than the minimum hourly  
32 wage set forth in this section, minus \$2.01 per hour, except that:

33  
34       A. If an employee, either personally or acting through a  
35 representative, shows to the satisfaction of the director  
36 that the actual amount of tips received by the employee was  
37 less than the amount determined by the employer as the  
38 amount by which the wage paid the employee was deemed to be  
39 increased, the amount paid that employee by the employer is  
40 deemed to have been increased by the lesser amount; or

41  
42       B. If the tipping credit established under federal law is  
43 changed to an amount that results in an actual minimum paid  
44 wage in excess of \$2.01 per hour for service employees, the  
45 credit applied under this subsection is changed to the same  
46 amount, effective on the same date as the change in the  
47 federal tipping credit.

48  
49       3. Students under 19 years of age. An employer may pay an  
50 employee, who is under 19 years of age, regularly enrolled in an  
51 educational institution or on vacation from an educational  
52

2 institution, a rate lower than that otherwise required in this  
3 section but not less than 75% of the minimum wage rate required  
4 for other employees in the same occupation.

5 4. Overtime work. An employer may not require any employee  
6 to work more than 40 hours in one week, unless 1 1/2 times the  
7 regular hourly rate is paid for all work done over 40 hours in  
8 any one week. This subsection does not apply to:

10 A. Mariners;

12 B. The canning, processing, preserving, freezing, drying,  
13 marketing, storing, packing for shipment or distribution of:

14 (1) Herring as sardines;

16 (2) Perishable foods;

18 (3) Agricultural produce;

20 (4) Meat products; or

22 (5) Fish products;

24 C. The canning of other perishable goods;

26 D. Hotels or motels;

28 E. Restaurants and other eating establishments;

30 F. Public employees; or

32 G. Automobile mechanics or automobile sales representatives.  
34

36 **STATEMENT OF FACT**

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39  
40 This bill provides for the state minimum wage to be adjusted  
41 annually by the same percentage increase or decrease that occurs  
42 in the state average weekly wage for the prior calendar year.  
43 This adjustment protects those persons earning the minimum wage  
44 by ensuring that the real purchasing power of their wages will  
45 not be reduced over time by inflation. This also eliminates the  
46 need for periodic legislative adjustments to be made to the  
47 minimum wage since the effects of inflation are adjusted for  
48 automatically. In addition, 2 terms differ from those appearing  
49 in statutory law to comply with the Maine Revised Statutes, Title  
50 1, section 71, subsection 7-A.