

# MAINE STATE LEGISLATURE

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# 125th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2011

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Legislative Document

No. 698

H.P. 527

House of Representatives, February 23, 2011

### An Act To Bring Wage Equity to the Workplace

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Received by the Clerk of the House on February 18, 2011. Referred to the Committee on Labor, Commerce, Research and Economic Development pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script, reading "Heather J.R. Priest".

HEATHER J.R. PRIEST  
Clerk

Presented by Representative GOODE of Bangor.  
Cosponsored by Senator CRAVEN of Androscoggin and  
Representatives: BOLDUC of Auburn, BRYANT of Windham, KUMIEGA of Deer Isle,  
MORRISON of South Portland, O'BRIEN of Lincolnville, RUSSELL of Portland, STUCKEY  
of Portland, Senator: PATRICK of Oxford.

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

2 **Sec. 1. 22 MRSA §3174-QQ** is enacted to read:

3 **§3174-QQ. Limitation on receipt of MaineCare funds**

4 Notwithstanding any provision of law to the contrary, an employer employing 50 or  
5 more employees that is eligible for and receives MaineCare funds may not pay wages to  
6 its highest paid employee that are more than 10 times the wages paid to the lowest paid  
7 employee. Any employer who willfully and knowingly violates this section is subject to a  
8 fine of not less than \$250 for each violation.

9 **Sec. 2. 26 MRSA §1303**, as amended by PL 1997, c. 757, §1, is further amended  
10 to read:

11 **§1303. Public works; minimum wage and benefits**

12 In the employment of laborers in the construction of public works, including state  
13 highways, by the State or by persons contracting for the construction, preference must  
14 first be given to citizens of the State who are qualified to perform the work to which the  
15 employment relates and, if they can not be obtained in sufficient numbers, then to citizens  
16 of the United States. Every contract for public works construction must contain a  
17 provision for employing citizens of this State or the United States. The hourly wage and  
18 benefit rate paid to laborers employed in the construction of public works, including state  
19 highways, may not be less than the fair minimum rate as determined in accordance with  
20 section 1308. For employers employing 50 or more employees, the wages of the top  
21 earning employee at the workplace may not be more than 10 times that of the lowest paid  
22 employee. Any contractor who knowingly and willfully violates this section is subject to  
23 a fine of not less than \$250 per employee violation. Each day that any contractor  
24 employs a laborer at less than the wage and benefit minimum stipulated in this section  
25 constitutes a separate violation of this section.

26 **Sec. 3. 26 MRSA §1312, sub-§1**, as amended by PL 2009, c. 452, §2, is further  
27 amended to read:

28 **1. Violation by contractor or subcontractor.** Except as provided in section 1308,  
29 subsection 1-A, any contractor or subcontractor who willfully and knowingly violates  
30 section 1302-A or sections ~~1304~~ 1303 to 1313 is subject to a ~~forfeiture~~ fine of not less  
31 than \$250.

32 **Sec. 4. 36 MRSA c. 919-B** is enacted to read:

33 **CHAPTER 919-B**

34 **LIMITATION**

35 **§6906. Limitation on receipt of benefit or tax credit**

36 Notwithstanding any provision of law to the contrary, an employer is ineligible for a  
37 benefit pursuant to this Part or a tax credit pursuant to chapter 822 unless the wages of the

1 highest paid employee of that employer are no more than 10 times the wages paid to the  
2 lowest paid employee of the employer. For purposes of this chapter, "employer" means a  
3 person with 50 or more employees, including a governmental entity, such as a county or  
4 municipality, and a charitable or educational institution.

5

### SUMMARY

6 This bill prohibits the payment of wages to the highest paid employee that are 10  
7 times higher than the wages paid to the lowest paid employee at the same workplace if  
8 the employer has 50 or more employees and the employer receives a state tax credit, state  
9 tax break or state funds or is a contractor for public works construction.