

MAINE STATE LEGISLATURE

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Date: 3/22/16

Minority

(Filing No. H-589)

LABOR, COMMERCE, RESEARCH AND ECONOMIC DEVELOPMENT

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
127TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 455, L.D. 674, Bill, "An Act To Support Maine's Working Families"

Amend the bill by striking out everything after the enacting clause and inserting the following:

Sec. 1. 26 MRSA §664, sub-§1, as amended by PL 2007, c. 640, §4, is further amended to read:

1. Minimum wage. The minimum hourly wage is \$6.50 per hour. Starting October 1, 2006, the minimum hourly wage is \$6.75 per hour. Starting October 1, 2007, the minimum hourly wage is \$7.00 per hour. Starting October 1, 2008, the minimum hourly wage is \$7.25 per hour. Starting October 1, 2009, the minimum hourly wage is \$7.50 per hour. Starting January 1, 2017, the minimum hourly wage is \$8.50 per hour. Starting January 1, 2018, the minimum hourly wage is \$9.00 per hour. Starting January 1, 2019, the minimum hourly wage is \$9.50 per hour. Starting January 1, 2020, the minimum hourly wage is \$10.00 per hour. If the highest federal minimum wage is increased in excess of the minimum wage in effect under this section, the minimum wage under this section is increased to the same amount, effective on the same date as the increase in the federal minimum wage, but in no case may the minimum wage exceed the minimum wage otherwise in effect under this section by more than \$1 per hour.

Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.

LABOR, DEPARTMENT OF
Administration - Bureau of Labor Standards 0158

Initiative: Provides funds to update and distribute the new minimum wage poster and other related publications in each of the 4 years that the minimum wage increases.

COMMITTEE AMENDMENT

Page 2

COMMITTEE AMENDMENT "A" to H.P. 455, L.D. 674

1
2
3
4
5

6
7
8
9
10
11
12
13
14
15

| | | |
|---------------------------|----------------|----------------|
| GENERAL FUND | 2015-16 | 2016-17 |
| All Other | \$0 | \$16,500 |
| GENERAL FUND TOTAL | \$0 | \$16,500 |

SUMMARY

This amendment is presented as a competing measure to Initiated Bill 4, Legislative Document 1661 of the 127th Legislature, "An Act To Raise the Minimum Wage." This amendment is the minority report and replaces the bill, which is a concept draft, and makes changes to the minimum wage law, increasing the minimum wage to \$8.50 per hour starting January 1, 2017, \$9.00 per hour starting January 1, 2018, \$9.50 per hour starting January 1, 2019 and \$10.00 per hour starting January 1, 2020. The amendment also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)

COMMITTEE AMENDMENT



127th MAINE LEGISLATURE

LD 674

LR 1301(02)

An Act To Support Maine's Working Families

Fiscal Note for Bill as Amended by Committee Amendment 'A' (H-589)
 Committee: Labor, Commerce, Research and Economic Development
 Fiscal Note Required: Yes

Fiscal Note

| | FY 2015-16 | FY 2016-17 | Projections FY 2017-18 | Projections FY 2018-19 |
|-----------------------------------|------------|------------|---------------------------|---------------------------|
| Net Cost (Savings) | | | | |
| General Fund | \$0 | \$16,500 | \$16,500 | \$16,500 |
| Appropriations/Allocations | | | | |
| General Fund | \$0 | \$16,500 | \$16,500 | \$16,500 |

Fiscal Detail and Notes

This bill includes ongoing General Fund appropriations of \$16,500 per year to the Bureau of Labor Standards within the Maine Department of Labor beginning in fiscal year 2016-17 and continuing until the minimum wage reaches \$10.00 per hour in January of 2020. Of this annual amount, \$3,500 per year is for updating the minimum wage poster and other related publications, \$5,000 is for postage costs to distribute the updated poster and publications and \$8,000 is for travel costs associated with compliance, education and outreach.

The 4-step increase in the minimum wage may not increase salary costs to the State until the \$10.00 per hour rate begins on January 1, 2020. The future State Government impact of the changes to the minimum wage will depend on the salary schedules in place at the time the increases occur and cannot be estimated at this time.

The increased wages required by this initiative would create costs to municipalities which would vary by individual municipality. As with State Government, the municipal impact would depend on the existing rates of pay for the lowest paid employees in each municipality at the time a higher wage would be imposed and cannot be estimated at this time.