

# MAINE STATE LEGISLATURE

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Date: 4/5/24

(Filing No. S-605)

MAJORITY  
LABOR AND HOUSING

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STATE OF MAINE  
SENATE  
131ST LEGISLATURE  
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 230, L.D. 513, "An Act Regarding Overtime Protections for Certain Maine Workers"

Amend the bill by striking out the title and substituting the following:

**'An Act Regarding Overtime Protections for Certain Salaried Employees'**

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

**'Sec. 1. 26 MRSA §663, sub-§3, ¶K**, as amended by PL 2009, c. 529, §2, is further amended to read:

K. A salaried employee who works in a bona fide executive, administrative or professional capacity and whose regular compensation, when converted to an annual rate, ~~meets or exceeds 3000 times the State's minimum hourly wage~~ the rate established in this paragraph or the annualized rate established by the United States Department of Labor under the federal Fair Labor Standards Act, whichever is higher. Prior to January 1, 2025, the rate is 3,000 times the State's minimum hourly wage. Beginning January 1, 2025, the rate is \$55,068. On January 1, 2026, and annually thereafter, the rate must be increased by the annual percentage increase, if any, in the 35th percentile of weekly earnings for employed full-time salary workers in the lowest-wage census region as published by the United States Department of Labor, Bureau of Labor Statistics, or its successor agency, with the amount of the rate increase rounded to the nearest dollar; and

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

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF  
Executive Branch Departments and Independent Agencies - Statewide 0017**

Initiative: Provides ongoing funds for the additional overtime costs associated with increasing the annual rate that an employee who works in an executive, administrative or professional capacity must earn in order to be exempt from the laws governing the

**COMMITTEE AMENDMENT**

ROS

COMMITTEE AMENDMENT "A" to S.P. 230, L.D. 513 (S.L. 5)

1 minimum wage and overtime pay from 3,000 times the State's minimum hourly wage to  
2 \$55,068 beginning January 1, 2025.

3	<b>GENERAL FUND</b>	<b>2023-24</b>	<b>2024-25</b>
4	Personal Services	\$0	\$1,414,501
5			
6	<b>GENERAL FUND TOTAL</b>	<hr/>	<hr/>
7		\$0	\$1,414,501

8 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section  
9 number to read consecutively.

10 **SUMMARY**

11 This amendment replaces the bill and changes the title. It provides that, beginning  
12 January 1, 2025, a salaried employee who works in an executive, administrative or  
13 professional capacity must earn at least \$55,068 annually or the annualized rate under the  
14 federal Fair Labor Standards Act, whichever is higher, to be exempt from the laws  
15 governing the minimum wage and overtime pay. The amendment provides for an annual  
16 increase, beginning January 1, 2026, based on the annual percentage increase, if any, in  
17 certain weekly earnings as published by the United States Department of Labor, Bureau of  
18 Labor Statistics.

19 **FISCAL NOTE REQUIRED**  
20 **(See attached)**

**COMMITTEE AMENDMENT**



# 131st MAINE LEGISLATURE

LD 513

LR 1998(02)

## An Act Regarding Overtime Protections for Certain Maine Workers

Fiscal Note for Bill as Amended by Committee Amendment "A/S-6605")  
Committee: Labor and Housing

Fiscal Note Required: Yes

### Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$1,414,501	\$2,829,001	\$2,829,001
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$1,414,501	\$2,829,001	\$2,829,001

#### Fiscal Detail and Notes

This bill includes ongoing General Fund appropriations of \$1,414,501 in fiscal year 2024-25 to the Executive Branch Departments and Independent Agencies - Statewide program within the Department of Administrative and Financial Services (DAFS) for the costs associated with increasing the annual rate that an employee who works in an executive, administrative or professional capacity must earn in order to be exempt from the laws governing the minimum wage and overtime pay from 3,000 times the State's minimum hourly wage (\$42,450 in 2024) to \$55,068 effective January 1, 2025. The estimated cost provided by DAFS assumes 207 positions would become eligible for overtime pay under this law, that each employee would work one hour of overtime per workday at an overtime rate of \$39.71 per hour. The estimated cost provided by DAFS also includes \$691,809 per year as a result of the increase in retirement costs.