

131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

No. 513

S.P. 230

In Senate, February 9, 2023

An Act Regarding Overtime Protections for Certain Maine Workers

Reference to the Committee on Labor and Housing suggested and ordered printed.

DAREK M. GRANT Secretary of the Senate

Presented by Senator TIPPING of Penobscot.
Cosponsored by Representative ROEDER of Bangor and
Senators: CHIPMAN of Cumberland, DAUGHTRY of Cumberland, Representatives: GERE of Kennebunkport, MALON of Biddeford, SKOLD of Portland.

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

- **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, 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. Until December 31, 2023, the rate is 3,000 times the State's minimum hourly wage; beginning January 1, 2024, the rate is 3,500 times the State's minimum hourly wage; and beginning January 1, 2025, the rate is 4,000 times the State's minimum hourly wage; and beginning January 1, 2026, the rate is 4,500 times the State's minimum hourly wage; and
- **Sec. 2. 26 MRSA §664, sub-§4,** as enacted by PL 2003, c. 423, §2 and affected by §5, is amended to read:
- **4. Compensatory time.** To the extent permitted under the federal Fair Labor Standards Act of 1938, as amended, 29 United States Code, Section 207(o), the overtime pay requirement applicable to executive or judicial employees as described in subsection 3, paragraph D and to employees of nonprofit corporations organized under Title 13-B may be met through compensatory time agreements.
 - Sec. 3. 26 MRSA §664, sub-§5 is enacted to read:
- **5. Rules.** The Department of Labor shall adopt rules to implement and enforce the provisions of this section, including rules regarding compensatory time for employees of nonprofit corporations. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

25 SUMMARY

This bill annually raises the minimum salary that an employee who works in an executive, administrative or professional capacity must earn in order for that employee to be exempt from the laws governing the minimum wage and overtime pay until it is, when converted to an annual rate, greater than 4,500 times the State's minimum hourly wage on January 1, 2026. It provides that the overtime pay requirement applicable to employees of nonprofit corporations may be met through compensatory time agreements. It directs the Department of Labor to adopt routine technical rules, including rules regarding compensatory time for employees of nonprofit corporations.