



127th MAINE LEGISLATURE

LD 1661

LR 2771(02)

An Act To Raise the Minimum Wage

Fiscal Note for House Amendment " " to Original Bill

Sponsor: Rep. Guerin of Glenburn

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 amendment reduces the increase in the required minimum wage proposed in the initiated bill from \$9.00 per hour to \$8.50 per hour effective January 1, 2017; from \$10.00 per hour to \$9.00 per hour effective January 1, 2018; from \$11.50 per hour to \$9.50 per hour effective January 1, 2019 and from \$12.00 per hour to \$10.00 per hour effective January 1, 2020. This amendment also removes the inflation adjustment requirement in subsequent years and eliminates the change in the tip credit.

The 4-step increase in the minimum wage proposed in this amendment 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 Bureau of Labor Standards within the Maine Department of Labor will still require General Fund appropriations of \$16,500 per year for each of the 4 years that the minimum wage is increased. Of this annual amount, \$3,500 per year would be for updating the minimum wage poster and other related publications, \$5,000 would be for postage costs to distribute the updated poster and publications and \$8,000 would be for travel costs associated with compliance, education and outreach.