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An Act To Slow the Rate at Which the State's Minimum Wage Increases and To Eliminate Cost-of-living Increases to the Minimum Wage

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

Sec. 1. 26 MRSA §664, sub-§1, as amended by IB 2015, c. 2, §1, is further amended to read:

1. Minimum wage. The minimum hourly wage is \$7.50 per hour. Starting January 1, 2017, the minimum hourly wage is \$9.00 per hour; starting January 1, 2018, the minimum hourly wage is \$10.00 per hour; ~~starting~~ Starting January 1, 2019~~2020~~, the minimum hourly wage is \$11.00~~\$10.50~~ per hour; and starting January 1, 2020~~2021~~, the minimum hourly wage is \$12.00~~\$11.00~~ per hour; starting January 1, 2022, the minimum hourly wage is \$11.50 per hour; and starting January 1, 2023, the minimum hourly wage is \$12.00 per hour. On January 1, 2021 and each January 1st thereafter, the minimum hourly wage then in effect must be increased by the increase, if any, in the cost of living. The increase in the cost of living must be measured by the percentage increase, if any, as of August of the previous year over the level as of August of the year preceding that year in the Consumer Price Index for Urban Wage Earners and Clerical Workers, CPI-W, for the Northeast Region, or its successor index, as published by the United States Department of Labor, Bureau of Labor Statistics or its successor agency, with the amount of the minimum wage increase rounded to the nearest multiple of 5¢. 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, and must be increased in accordance with this section thereafter.

SUMMARY

This bill:

1. Slows the rate at which the State's minimum wage increases by starting with \$10.50 per hour on January 1, 2020 and increasing it by 50¢ per hour each year until it reaches \$12.00 per hour on January 1, 2023; and
2. Eliminates the requirement that the minimum wage increase each year by the percentage increase in the cost of living.