

**132nd MAINE LEGISLATURE****LD 599****LR 1509(02)****An Act to Codify the Federal Salary Threshold for Overtime Pay****Fiscal Note for Bill as Amended by Committee Amendment " "****Committee: Labor****Fiscal Note Required: Yes**

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$5,023,517	\$10,047,033	\$10,047,033	\$10,047,033
Appropriations/Allocations				
General Fund	\$5,023,517	\$10,047,033	\$10,047,033	\$10,047,033

Fiscal Detail and Notes

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 to a minimum of \$58,656 will increase costs to employers beginning January 2026. This bill includes ongoing General Fund appropriations of \$1,008,517 in fiscal year 2025-26 and \$2,017,033 in fiscal year 2026-27, to the Executive Branch Departments and Independent Agencies - Statewide program within the Department of Administrative and Financial Services for the costs associated with this increase, including the increase in the employer contributions to retirement costs.

This bill also includes ongoing General Fund appropriations to the Maine Community College System of \$1,250,000 and \$2,500,000 in fiscal year 2025-26 and fiscal year 2026-27, respectively, and \$2,765,000 in fiscal year 2025-26 and \$5,530,000 in fiscal year 2026-27 to the University of Maine System for the additional cost of this increase effective January 1, 2026.