**An Act To Update the Classification of Service Employees**

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

**Sec.** **1. 26 MRSA §663, sub-§8,** as amended by PL 2011, c. 118, §1, is further amended to read:

**8.** **Service employee.**  "Service employee" means any employee engaged in an occupation in which the employee customarily and regularly receives more than ~~$30~~ $175 a month in tips. On January 1, 2022, and every January 1st thereafter, the monetary amount over which an employee is considered a service employee under this subsection must be increased by the same percentage of the increase, if any, in the cost of living. The increase in the cost of living is 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 increase rounded to the nearest multiple of $1.

**SUMMARY**

This bill increases the amount of tips an employee must receive to be considered a service employee from $30 per month to $175 per month and provides that this amount, beginning on January 1, 2022, be increased by the same percentage of the increase, if any, in the cost of living.