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Legislative Document

No. 357

S.P. 143

In Senate, February 3, 2025

An Act to Establish a State Minimum Hourly Wage for Agricultural Workers

Received by the Secretary of the Senate on January 30, 2025. Referred to the Committee on Labor pursuant to Joint Rule 308.2 and ordered printed.

DAREK M. GRANT Secretary of the Senate

Presented by Senator BENNETT of Oxford.
Cosponsored by Representative ROEDER of Bangor and
Senators: TALBOT ROSS of Cumberland, TIPPING of Penobscot.

| 1 | Be it enacted by the People of the State of Maine as follows | S |
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Sec. 1. 26 MRSA c. 7, sub-c. 2-B is enacted to read:

3 <u>SUBCHAPTER 2-B</u>

AGRICULTURAL EMPLOYEE MINIMUM HOURLY WAGES AND RELATED PROVISIONS

§651. Definitions

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

- **1. Employ.** "Employ" means to suffer or permit to work.
- **2. Employee.** "Employee" means an individual employed to perform agricultural labor as defined in the Employment Security Law and the Federal Unemployment Tax Act, except that members of the family of the employer who reside with and are dependent upon the employer are exempt from this subchapter.
- <u>3. Employer.</u> "Employer" means a person or entity that directly or indirectly engages the services or permits the work of an individual employed to perform agricultural labor or an individual employed in certain activities related to agriculture.
- 4. Wages. "Wages" means compensation paid to an employee in the form of legal tender of the United States and checks on banks convertible into cash on demand and includes the reasonable cost to the employer that furnishes the employee board or lodging. "Wages" also includes compensation paid through a direct deposit system, automated teller machine card or other means of electronic transfer as long as the employee either can make an initial withdrawal of the entire net pay without additional cost to the employee can choose another means of payment that involves no additional cost to the employee.

§652. Minimum hourly wage

An employer may not employ an employee at a rate less than the rates required by this section.

Beginning January 1, 2026, the minimum hourly wage for an employee is \$14.65 per hour. On January 1, 2027 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 hourly wage increase rounded to the nearest multiple of 5¢. If the highest federal minimum hourly wage is increased in excess of the minimum hourly wage in effect under this section, the minimum hourly wage under this section is increased to the same amount, effective on the same date as the increase in the federal minimum hourly wage, and must be increased in accordance with this section thereafter.

§653. Records; retention, examination, copies

An employer subject to this subchapter shall keep a true and accurate record of the hours worked by each employee and of the wages paid to the employee, such records to be preserved by the employer for a period of at least 3 years, and shall furnish to each employee with each payment of wages a statement that clearly shows the date of the pay period, the hours worked, total earnings and itemized deductions. An employer making payment by direct deposit or other means of electronic transfer shall provide each employee with an accurate record of the transfer, including the date of the pay period, the hours worked, total earnings and itemized deductions, when the transfer is made. If the record is provided in an electronic format, the employer shall provide a method by which the employee may have ready access to the information and print it without cost to the employee. The Director of the Bureau of Labor Standards within the Department of Labor or the director's authorized representative may, and upon written complaint shall, enter the place of business or employment of an employer or employee for the purpose of examining and inspecting such records and copy any such records as the director or the director's authorized representative determines necessary or appropriate.

§654. Employee remedies

An employer is liable to an employee for the amount of any unpaid minimum hourly wages under this subchapter. Upon a judgment being rendered in favor of an employee in any action brought to recover unpaid minimum hourly wages under this subchapter, the judgment must include, in addition to the unpaid minimum hourly wages adjudged to be due, an additional amount equal to the unpaid minimum hourly wages as liquidated damages and costs of suit, including reasonable attorney's fees.

§655. Penalties

An employer that violates this subchapter is subject to a fine of not less than \$50 and not more than \$200.

An employer that discharges or in any other manner discriminates against an employee because the employee makes a complaint to the Director of the Bureau of Labor Standards within the Department of Labor or to a district attorney concerning a violation of this subchapter is subject to a fine of not less than \$50 and not more than \$200.

In the event of a violation of this subchapter, the Attorney General may bring an action in the Superior Court to enjoin further violation of this subchapter.

§656. Unfair contracts

An employer may not be exempted from this subchapter by special contract with an employee or by any other means.

36 SUMMARY

This bill provides that individuals employed to perform agricultural labor may not be paid at a rate less than the state minimum hourly wage of \$14.65 per hour and that, on January 1, 2027 and each January 1st thereafter, the minimum hourly wage then in effect must be increased by the increase in the cost of living. It also provides that employers that employ individuals to perform agricultural labor are required to keep a true and accurate record of the hours worked by each employee and the wages paid to each employee. The

| 1 2 | bill also provides remedies for employees and penalties for employers for unpaid minimum hourly wage violations. |
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