



Janet T. Mills  
GOVERNOR

STATE OF MAINE  
DEPARTMENT OF LABOR  
54 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0054

Laura A. Fortman  
COMMISSIONER

## **Testimony of Mike Roland, Bureau of Labor Standards Maine Department of Labor**

### **Neither For Nor Against LD #513**

**To the Joint Standing Committee on Labor and Housing  
Public Hearing, April 25, 2023**

Good afternoon, Senator Tipping, Representative Roeder, and members of the Joint Standing Committee on Labor and Housing. I'm Mike Roland, Director of the Bureau of Labor Standards at the Maine Department of Labor. I'm here today to testify neither for nor against LD 513, An Act Regarding Overtime Protections for Certain Maine Workers

This bill seeks to accomplish two things:

- Incrementally increase the minimum salary for exemption of an employee from Maine's minimum wage and overtime provisions, essentially from 1.5 times the minimum wage now to 2.25 times beginning in 2026.
- Allow compensatory time to be provided in place of time-and-a-half pay for employees of nonprofit corporations.

The Department appreciates that the sponsor has chosen to retain the link between Maine's minimum wage and its salary cap for exempt employees. We believe this has worked well in recent years to maintain a relatively constant level of the salary cap in real dollars, and at this point is well understood by the regulated community.

We have no strong opinion about the actual salary level and are pleased to implement whatever the Legislature arrives at through its deliberations. But we also note that the US Department of Labor may soon publish its own revised salary cap, which if higher would supersede Maine's at least temporarily.

The proposed change to allow compensatory time for employees of nonprofit corporations would be largely moot because the federal Fair Labor Standards Act allows comp time only for public employees and covers many if not most nonprofits. This is not a direct conflict because 26 MRSA §664, sub-§4, already states "to the extent permissible" under the FLSA, but section 2

of the bill would simply be ineffective. For that reason, we believe that rulemaking as required by section 3 would be unnecessary.

We would also like to remind the public and the regulated community, as we have in the past when similar legislation was proposed, that the salary level is only one determinant of whether an employee is truly exempt from minimum wage and overtime requirements. An exempt employee's job duties must also conform to certain categories (administrative, professional and executive) as further delineated in the Bureau's Rules Chapter 16 and determined by the Department.

Regardless of the outcome of this legislation, and whatever salary cap is in effect at any particular time, the Bureau will continue to engage in a vigorous effort to educate employers and others about the various requirements of our minimum wage and overtime statute and the limited exemptions to it.

Thank you for your time and attention. I would be happy to answer any questions you may have now or at a future work session.

The Maine Department of Labor is committed to serving Maine workers and businesses by helping employers recruit and train a talented workforce, providing workers with skills needed to compete in our economy, assisting individuals when jobs are lost, aiding people with disabilities reach career goals, ensuring safe and fair workplaces for people on the job and providing research and analysis of employment data to support job growth.