



# 127th MAINE LEGISLATURE

LD 1661

LR 2771(01)

## An Act To Raise the Minimum Wage

**Fiscal Note for Initiated Bill**

**Committee: Not Referred**

**Fiscal Note Required: Yes**

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### Preliminary Fiscal Impact Statement

Current biennium cost increase - General Fund

#### **Fiscal Detail and Notes**

This initiated bill implements a 4-step increase in the minimum wage which may not increase salary costs to the State until the \$10.00 per hour rate begins on January 1, 2018. The future State Government impact of the changes to the minimum wage will depend on the salary schedules in place at the time the increases occur and cannot be estimated at this time.

The Bureau of Labor Standards within the Maine Department of Labor (MDOL) will require General Fund appropriations of \$16,500 per year for each of the 4 years that the minimum wage is increased and for any subsequent year that the minimum wage would be raised by the Consumer Price Index for Urban Wage Earners and Clerical Workers for the Northeast Region. Of this annual amount, \$3,500 per year would be for updating the minimum wage poster and other related publications, \$5,000 would be for postage costs to distribute the updated poster and publications and \$8,000 would be for travel costs associated with compliance, education and outreach. If no funding is provided in implementing legislation there may be an impact on other programs and services at the MDOL.

The increased wages required by this initiative would create costs to municipalities which would vary by individual municipality. As with State Government, the municipal impact would depend on the existing rates of pay for the lowest paid employees in each municipality at the time a higher wage would be imposed and cannot be estimated at this time.