



# 127th MAINE LEGISLATURE

LD 1695

LR 2778(01)

## An Act To Raise the Minimum Wage Incrementally to \$10 Per Hour in 2020

### Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Sen. Cushing of Penobscot

Committee: Not Referred

Fiscal Note Required: Yes

### Preliminary Fiscal Impact Statement

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$16,500	\$16,500	\$16,500
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$16,500	\$16,500	\$16,500

#### Fiscal Detail and Notes

The Bureau of Labor Standards within the Maine Department of Labor will require General Fund appropriations of \$16,500 per year for each of the 4 years that the minimum wage is increased. 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.

The 4-step increase in the minimum wage in the proposed bill may not increase salary costs to the State until the \$10.00 per hour rate begins on January 1, 2020. 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 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.