



125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 994

H.P. 730

House of Representatives, March 10, 2011

An Act To Promote Responsible Business Practices through a Livable Wage

Reference to the Committee on Labor, Commerce, Research and Economic Development suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Clerk

Presented by Representative CHIPMAN of Portland.
Cosponsored by Senator PATRICK of Oxford and
Representatives: BRYANT of Windham, GILBERT of Jay, TUTTLE of Sanford, Senators:
GERZOFSKY of Cumberland, JACKSON of Aroostook.

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

2 **Sec. 1. 36 MRSA §194-A** is enacted to read:

3 **§194-A. Wage compliance for employers**

4 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
5 following terms have the following meanings.

6 A. "Average monthly salary" means the fair market rent divided by .3 for the fair
7 market rent area in which the employer is located.

8 B. "Average weekly salary" means the average monthly salary divided by 4.3.

9 C. "Fair market rent" means the fair market rent as determined by the United States
10 Department of Housing and Urban Development for a one-bedroom apartment.

11 D. "Fair market rent area" means the metropolitan area or nonmetropolitan county,
12 as determined by the United States Department of Housing and Urban Development,
13 in which a fair market rent applies.

14 E. "Taxpayer incentive payment" means any tax credit, reimbursement or
15 forgiveness under this Title.

16 **2. Wage restrictions on employers.** An employer is eligible to receive taxpayer
17 incentive payments only if the employer pays its employees a minimum hourly wage that
18 is the greater of:

19 A. The minimum hourly wage set forth in Title 26, section 664; and

20 B. The minimum hourly wage that is calculated by dividing the average weekly
21 salary by 40.

22 **SUMMARY**

23 This bill requires businesses, in order to receive tax credits, tax reimbursement or tax
24 forgiveness from the State, to pay their employees a livable wage.