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## **MAINE BUSINESS COALITION ANNOUNCES OPPOSITION TO SECRETARY OF STATE'S PROPOSED WORDING OF MINIMUM WAGE BALLOT QUESTION**

***The draft question as proposed by the Secretary of State's office fails to meet the standard of presenting the issue "concisely and intelligibly" to the voters***

SOUTH PORTLAND, ME – A broad-based coalition of Maine businesses and business organizations, including the Maine State Chamber of Commerce, the Maine Restaurant Association, and the Maine Innkeepers Association, announced their opposition to the Maine Secretary of State's proposed wording of the question -- An Act to Raise the Minimum Wage – on the ballot in November at a press conference in South Portland Thursday. The business coalition strongly believes the draft wording fails to meet the standard of presenting the issue "concisely and intelligibly" to the voters.

The Secretary of State's proposed question reads, "Do you want to raise the minimum hourly wage of \$7.50 to \$9.00 in 2017, and in \$1.00 increments up to \$12.00 in 2020; and to raise it for service workers who receive tips from the current rate of \$3.75 to \$5.00 in 2017, in \$1.00 increments up to \$12.00 in 2024?"

Most notably absent from the question is the inclusion of indexing the minimum wage after 2020, and the use of the phrase "tip credit," or noting that the "tip credit" will be totally eliminated, when describing the full impact of the question to voters.

Due to those concerns, the Maine State Chamber, Maine Restaurant and Innkeepers Associations, and other organizations submitted comments to the Secretary of State's office with the following suggested version of the question: "For non-tipped employees, do you want to raise the minimum wage of \$7.50 to \$9.00 in 2017, and in \$1.00 increments up to \$12.00 an hour in 2020, and raise it thereby annually based on increases to the consumer price index, and do you want to eliminate the tip credit for service workers who receive tips, and increase their minimum wage so that the minimum wage for service workers increases to \$12.00 an hour by 2024?"

“While our coalition continues to support and work toward a reasonable and sustainable minimum wage increase to \$10 an hour, we believe the Maine People’s Alliance proposal of \$12 an hour goes too far and has additional major flaws,” said Greg Dugal of the Maine Restaurant Association and the Maine Innkeepers Association. “We strongly believe our suggested wording for the question at least more accurately reflects the intent of the MPA proposal for the voters. Our revised question includes more specific language regarding indexing, so voters will be aware that they are approving a steady increase in the minimum wage after the initial four year hikes. And our question includes wording regarding the MPA’s call for the elimination of the tip credit in its entirety, replacing the gratuity-based system under which we currently operate with a straight minimum hourly wage system.”

Maine State Chamber of Commerce Vice President Peter Gore added, “Our organizations firmly hold the position that the current draft wording of the question fails to meet the standard of presenting the issue ‘concisely and intelligibly’ to the voters. Our proposed wording is both clearer and more complete than the Secretary of State’s draft wording. Anything less does a disservice to voters, who deserve to know the entirety and full implications of any ballot question put before them.”

The coalition of Maine businesses believes that tying the minimum wage to the Consumer Price Index (CPI), which is a significant departure in how the minimum wage has been increased in the past, must be spelled out to voters in the question put forth to them so that they understand that wage increases will be done automatically going forward. Additionally, eliminating the tip credit, which has been in place for decades, would result in a nearly 260 percent increase in the cost of employing tipped workers over the next few years. Such a steep increase over time will wipe out already slim profit margins, resulting in lay-offs and business closures, and businesses would be forced to increase costs to consumers to make up for their losses.

While the large coalition of businesses and business groups is also strongly opposed to a \$12 an hour minimum wage in Maine, they do believe the minimum wage should be increased to a more reasonable and sustainable level of \$10 an hour – which they proposed and fought hard for in the last session of the Maine Legislature, and are committed to working toward passage in future Legislatures.

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**About the Maine State Chamber of Commerce...**

As the state’s most influential business advocate, the Maine State Chamber of Commerce works to ensure a business climate in which Maine State Chamber members, large and small, can compete successfully in the local, regional, national, and world marketplaces. As The Voice of Maine Business, the Maine State Chamber of Commerce proudly represents a network of 5,000 businesses of all sectors, sizes, and regions. It advocates on their behalf daily before the Legislature, state departments, and various levels of state government.