



Maine Center for Economic Policy

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\$7.50

Maine's current minimum wage

\$12 per hour by 2020

[Proposed minimum wage in citizen's ballot initiative to be voted on November 8, 2016](#)

\$19.13 and \$21.54

[Maine's median hourly wage for full-time workers](#)

MECEP Matters Newsletter April 2016

Dear MECEP Friend,

This month saw MECEP doing what it does best --- diving deep into data to inform public policy debates. Whether it is providing credible analysis, correcting misinterpretations, or conducting our own research, you can rely on MECEP to set the record straight and to advance fact-based solutions. Here are a few of the issues MECEP weighed in on recently to inform public understanding of issues and help policymakers make better policy choices.

Sincerely,

Mark Sullivan

Communications Director

Maine's minimum wage has room to grow

Trying to derail a citizen-initiated ballot question that would increase the state minimum wage to \$12 per hour by 2020, a coalition of Maine businesses cited a [University of California, Berkley study](#) to [threaten lay-offs and job losses](#) if the citizen measure passes. MECEP took a careful look at the study and found that the business group had misinterpreted its findings. Had they done the correct calculations, the coalition should be advocating a much higher minimum wage than the \$10 an hour they were asking the legislature to consider as a competing measure to the citizen initiative already [approved by the Secretary of State's office](#).

in 2014 and 2020

\$11.48 and \$12.92

60% of median hourly wage in 2014 and 2020

\$15.77

Maine's living wage

160,000

Number of Mainers who will receive a pay increase if Maine's minimum wage is passed*

*MECEP analysis based on data from [Economic Policy Institute](#)

"What this administration has been doing is taking down the scaffolding that helps people climb out of poverty. They have just denied assistance, not improved people's economic situation."

James Myall, MECEP Policy Analyst

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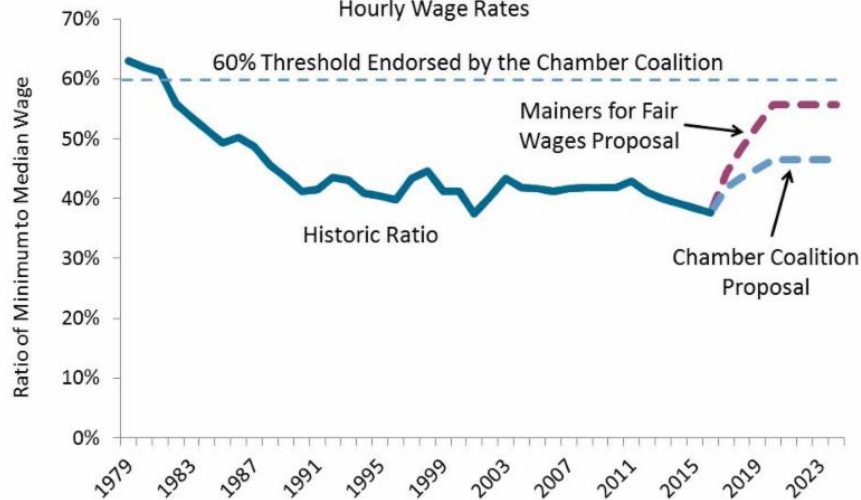


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Maine's Minimum Wage Has Room to Grow

Historic and Proposed Ratio of Maine's Minimum Wage to Median, Full-Time, Hourly Wage Rates



Source: Maine Center for Economic Policy analysis of Current Population Survey Outgoing Rotation Group data from the Center for Economic and Policy Research

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MECEP's examination of the California study was featured in a [press conference](#) hosted by the Maine People's Alliance. It was picked up by [Maine Public Radio](#). [WGAN News Radio](#) interviewed MECEP Executive Director Garrett Martin about the kerfuffle. And MECEP's guest editorial helped inform [Bangor Daily News](#) readers.

Declining enrollment is not an indicator of declining poverty

The LePage Administration claims success in reforming welfare and lowering costs of public assistance when all they are really doing is adding work requirements and other hurdles that lead people to lose their benefits and slip further and further behind. As more Mainers lose TANF, SNAP, and MaineCare, [homelessness](#), [hunger](#), and [children with no health insurance](#) are all increasing in Maine. MECEP took the Administration to task for [welfare](#) and [health care](#) policies that are predicated on false assumptions and inaccurate data.

The unemployment rate doesn't tell the whole story

Again, while Governor LePage points to low unemployment numbers as a measure of his policies' success, MECEP regularly responds with its own analysis (see [here](#) and [here](#)) about how the releases on the state's unemployment rate do not account for a shrinking workforce and do not capture discouraged workers who have stopped looking because none is available. When including these discouraged workers, it is clear that Maine is still recovering from Great Recession. These more detailed numbers are now

being reported by the [mainstream news](#).

What's in a name? Payday lenders' bill misleads lawmakers and the public

Supporters are touting an industry-backed bill, the Consumer Protection and Choice Act (H.R. 4018), presently making its way through Congress, as an effort to protect consumers when it is nothing of the sort. In reality, the bill would delay the federal consumer protection bureau's attempt to write stronger industry regulations by two years and would nullify strong state laws that are already in place. Payday lenders are not held to the same standards as commercial banks or credit unions. Their unregulated and often abusive practices trap low-income families in a cycle of debt and poverty. MECEP [called out](#) the industry on their misleading tactics and urged our Congressional Delegation to oppose this bill.



In the Legislature

MECEP remains a voice of reason in the state budgeting process and sets the bar for commentary by others. In March we [explained how Governor LePage's piece-meal budget approach is short-sighted](#). A short time later, the

editors of the [Portland Press Herald echoed our assessment](#).

During this session, MECEP also helped protect tax fairness and future funding for shared priorities. With MECEP's data and analytic support, the legislature fended off the governor's effort to eliminate the [estate tax](#) and a [cap on itemized deductions](#) that would have primarily benefited Maine's wealthiest individuals, and they [increased state funding for local education as part of their conformity package](#).

Finally, legislators have not yet acted on a 2016 bill ([LD 633](#)) that provides yet another way for Maine to accept federal funds to expand MaineCare, but MECEP and the Cover ME Now coalition have provided support and analysis to efforts to pass this bill. [MECEP's latest analysis](#) shows how Maine's failure to accept federal funds affects different parts of the state by legislative district.

In the News



[WZON interview with Garrett Martin to discuss the estate tax, health care, and minimum wage](#)

March 25, 2016 | WZON-AM

[Maine lags New England, nation in per capita personal income](#)

March 25, 2016 | Maine Public Broadcasting Network

[Gov. LePage damages budget process with piecemeal spending measures](#)

March 24, 2016 | MECEP Op-ed | Portland Press Herald

[Democrats vote down LePage bill to kill Maine estate tax](#)

March 22, 2016 | Bangor Daily News

[The Universal Notebook: Denial of Health and Human Services](#)

March 21, 2016 | Falmouth Forecaster

[Business coalition's botched analysis unwittingly validates \\$12 minimum wage](#)

March 17, 2016 | MECEP Op-ed | Bangor Daily News

[WGAN interview with Garrett Martin to discuss recent minimum wage research and unemployment numbers](#)

March 15, 2016 | News Radio WGAN

[\\$12 minimum wage supporters: Alternative ballot measure backers misusing research](#)

March 14, 2016 | Maine Public Broadcasting

[Corporate lobbyists make major math error, have accidentally been arguing for \\$12 minimum wage](#)

March 14, 2016 | The Beacon

[Advocates hit LePage TANF bill in public hearing](#)

March 11, 2016 | Bangor Daily News

In our Blog

Read some of MECEP's recent blog posts or [click here](#) to visit our blog.

[Economic data tell consistent story that Maine's recovery is far from complete](#)

April 1, 2016 by James Myall

[Thousands of Maine's poorest residents are left to go hungry](#)

April 1, 2016 by Jody Harris

[Federal legislation would protect payday lending industry at the expense of Maine consumers](#)

March 9, 2016 by Jody Harris

[Distressed community index highlights administration's failure to provide for rural Mainers](#)

March 8, 2016 by James Myall

[Mary Mayhew's misinformation campaign contradicts reality, experts on the front lines of Maine's opioid epidemic](#)

March 7, 2016 by James Myall

[Eliminating Maine's estate tax will harm future prosperity of all Mainers](#)

March 2, 2016 by Sarah Austin