

Maine's Minimum Wage Rate to Increase on Jan. 1, 2027

On Sept. 18, 2026, the Maine Department of Labor (MDOL) [announced](#) that the state minimum wage rate will increase to **\$15.70 per hour** on **Jan. 1, 2027**. The new rate will apply to all agricultural and nonagricultural employers operating in Maine with one employee.

Maine's Minimum Wage Rate

Maine's minimum wage rate is adjusted annually to reflect increases in the cost-of-living index. This increase is measured by comparing the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Northeast Region, as published by the U.S. Department of Labor's (DOL) Bureau of Labor Statistics. Based on a 4.1% increase in the CPI-W between August 2025 and August 2026, the state's minimum wage rate will increase from \$15.10 per hour to \$15.70 per hour starting on Jan. 1, 2027.

Tipped Employees

In addition, the minimum wage rate for tipped employees, also known as service employees, will increase from \$7.55 per hour to **\$7.85 per hour**. As a result, employers must pay service employees a direct cash wage of at least \$7.85 per hour. Employers must be able to show that tipped employees receive at least the minimum wage of \$15.70 per hour when the direct wage and tips are combined at the end of the week. The amount of tips required to qualify as a service employee will also increase from \$191 per month to **\$199 per month**.

Overtime Exemption Threshold

The state minimum wage threshold also determines the salary threshold for employees exempt from Maine's overtime requirements. The minimum salary threshold for exempting a worker from overtime pay must exceed 3,000 times the state's minimum wage or the annualized rate established by the DOL, whichever is greater. Starting Jan. 1, 2027, the minimum salary threshold for salaried workers exempt from overtime will increase from \$871.16 per week to **\$905.79 per week**, or from \$45,300.32 per year to **\$47,101.08 per year**.

Next Steps for Employers

Maine employers should update their payroll processes and procedures to comply with the new minimum wage rate by Jan. 1, 2027. Employers should also use the MDOL's [updated minimum wage poster](#) by Jan. 1, 2027.

Highlights

Sept. 18, 2026

Maine announced a \$15.70 minimum wage rate for 2027.

Jan. 1, 2027

The new state minimum wage rate will go into effect.