



Voters Pass More Wage Hikes in Portland, Maine: Everything Employers Must Know

Insights

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Voters in Portland, Maine, just approved a ballot measure that will gradually increase the city's minimum wage to \$19 per hour by 2028. Here's everything businesses operating in the city need to know about the changes before the first wage hike kicks in on January 1.

Portland's Wage Hikes Begin January 1

Portland voters passed a citizens' initiative on November 4 that will raise the city's hourly minimum wage, which is currently \$15.50, based on the following schedule:

- **\$16.75**, effective January 1, 2026 (July 1, 2026, for employees of the City of Portland)
- **\$17.75**, effective January 1, 2027
- **\$19.00**, effective January 1, 2028

In addition, the city's minimum wage will be subject to further annual cost-of-living increases starting in 2029. Roughly 63% of voters approved the initiative, according to [unofficial referendum results](#) shared by the city.

No Increase for Tipped Workers

The initiative does not include an additional increase for tipped workers, who are currently guaranteed a direct wage of \$7.75 per hour (as of January 1, 2025), with employers required to make up the difference if total compensation with tips does not meet the city minimum.

Maine's Statewide Minimum Wage Will Also Jump – But Remain Below Portland's

Maine's minimum wage is set to increase from \$14.65 to \$15.10 per hour on January 1. You can read more on key changes about to kick in across the state [here](#) (FP insight).

Portland's Minimum Wage Has Been a Hot Topic in Recent Years

Election Day 2025 marks the third time in five years that Portland voters were asked to weigh in on the city's minimum wage policies. In 2021, Portland voters passed a resolution increasing the

minimum wage to \$15 per hour, with all subsequent increases after 2024 tied to the Consumer Price Index. A subsequent citizen initiative to further raise the minimum wage failed in 2022.

The City Council voted 5-4 to approve the proposal that made it onto ballots this year, and only after amending an earlier version to remove an additional wage hike that would have bumped the city's minimum wage to \$20 in 2029.

While supporters argue that the increase is necessary to keep up with the cost of living in Portland, business owners have expressed concerns about potential layoffs, higher costs, and the risk of businesses relocating outside city limits.

What This Means for Employers

Portland's impending wage hikes will add significant labor costs in a short timeframe. Businesses operating in Portland should begin modeling potential impacts now, including payroll adjustments, pricing strategies, and workforce planning.

Conclusion

If you have questions, please contact your Fisher Phillips attorney, the author of this Insight, or any attorney in our [Portland, Maine, office](#). Make sure you are subscribed to [Fisher Phillips' Insights](#) to gather the most up-to-date information.

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