MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2025

Legislative Document

No. 894

S.P. 383

In Senate, March 11, 2025

An Act to Amend the Laws Governing Paid Family and Medical Leave

Submitted by the Department of Labor pursuant to Joint Rule 204.

Received by the Secretary of the Senate on March 5, 2025. Referred to the Committee on Labor pursuant to Joint Rule 308.2 and ordered printed.

DAREK M. GRANT Secretary of the Senate

Presented by President DAUGHTRY of Cumberland. Cosponsored by Representative CLOUTIER of Lewiston.

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

- **Sec. 1. 26 MRSA §850-B, sub-§5,** as amended by PL 2023, c. 643, Pt. ZZZ, §4, is further amended to read:
- 5. Intermittent leave requirements. Leave permitted by this section may be taken by an employee intermittently in increments equaling not less than one work day, or on a reduced leave schedule otherwise unless a lesser increment is agreed to by the employee and the employer, except that the employee and employer may not agree for to leave under this section to be taken in increments of less than one hour. The taking of leave intermittently or on a reduced leave schedule pursuant to this subsection may not result in a reduction in the total amount of leave to which the covered individual is entitled under this subchapter.

Sec. 2. 26 MRSA §850-B, sub-§13 is enacted to read:

13. Bureau of Paid Family and Medical Leave; responsibilities of commissioner. Except as otherwise provided in this subchapter, the Commissioner of Labor shall administer this subchapter through the Bureau of Paid Family and Medical Leave. The commissioner may employ persons, make expenditures, require reports, make investigations, impose assessments, coordinate with other departments and bureaus and take other actions the commissioner determines necessary or suitable to administer this subchapter. The commissioner shall determine methods of operational procedures in accordance with the provisions of this subchapter.

Sec. 3. 26 MRSA §850-F, sub-§11 is enacted to read:

- 11. Enforcement to collect delinquent premium contributions, penalties and assessments. If an employer fails to make a payment in whole or in part of premium contributions, including penalties or assessments imposed, and the employer has exhausted all rights to an appeal, the department may enforce collection by:
 - A. Filing a civil action to collect unpaid premium contributions, penalties and assessments in the name of the commissioner, and the employer may be ordered to pay the costs of that action; and
 - B. Collecting by levy on a 3rd party that has possession or control of property in which the employer may have an interest the amount owed to the department for delinquent premium contributions, penalties and assessments consistent with section 1233.

Sec. 4. 26 MRSA §850-F, sub-§12 is enacted to read:

12. Liability of successor for delinquent premium contributions, penalties and assessments. An individual or organization that acquires an employer's organization, trade or business or a substantial part of the assets of that organization, trade or business is liable to the department for any premium contributions, penalties and assessments unpaid by the employer in the amount owed. The individual's or organization's liability under this subsection may not exceed the reasonable value of the organization, trade or business or assets acquired. Upon written request, the department shall provide the successor individual or organization with information about the amount owed and other information as determined necessary.

- 1 Sec. 5. 26 MRSA §850-H, sub-§6, as enacted by PL 2023, c. 412, Pt. AAA, §7, is 2 amended to read: 3 **6. Violations.** Employers offering private plans that violate this section are subject to a fine of \$100 per violation. If an employer's private plan benefit coverage is found to have 4 lapsed during a period of a private plan substitution approved under this section, the 5 employer may be assessed a fine equal to the amount of the premiums the employer would 6 7 owe to the fund pursuant to section 850-F for the time period in which coverage was not provided plus a penalty of 1.0% of that employer's total payroll for the same period. An 8 9 employer may not deduct any employee portion of the premiums to pay this fine. The 10 department shall transfer any fines collected pursuant to this subsection to the fund. The department by rule shall establish a process for the assessment and appeal of fines under 11 12 this subsection. 13 Sec. 6. 26 MRSA §1401-A, sub-§2, as amended by PL 2017, c. 110, §10, is further amended to read: 14
 - **2.** Commissioner; entities incorporated. The department consists of a Commissioner of Labor, referred to in this chapter as "the "commissioner," appointed by the Governor and subject to review by the joint standing committee of the Legislature having jurisdiction over labor matters and to confirmation by the Legislature, to serve at the pleasure of the Governor, and the following entities as previously created or established are incorporated into the Department of Labor:
 - A. The Bureau of Unemployment Compensation;
 - B. The Bureau of Employment Services;
 - C. The Bureau of Labor Standards;
 - D. The Bureau of Rehabilitation Services;
 - F. The Center for Workforce Research and Information; and
 - I. The State Workforce Board,; and

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J. The Bureau of Paid Family and Medical Leave.

28 SUMMARY

This bill amends the laws governing paid family and medical leave as follows.

- 1. It clarifies that intermittent leave of an employee of less than one work day may not be taken unless it is agreed to by the employee and the employer.
- 2. It establishes in statute the Bureau of Paid Family and Medical Leave within the Department of Labor to administer the paid family and medical leave benefits program.
- 3. It establishes remedies for the Department of Labor to enforce the collection of delinquent premium contributions, penalties and assessments on employers that fail to make payments required by the program.
- 4. It establishes liability for individuals or organizations with respect to premium contributions, penalties and assessments owed by employers acquired by those individuals or organizations.

5. It establishes penalties for employers that allow private plan benefit coverage to lapse during a period of an approved private plan substitution.