

MAINE STATE LEGISLATURE

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*State Of Maine
121st Legislature*

*Second Regular Session and
Second Special Session*

Bill Summaries

*Joint Standing Committee
on
Labor*

May 2004

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Sen. Stephen S. Stanley
Sen. Kenneth Blais*

*Rep. William J. Smith, Chair
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Maine State Legislature



*Office Of Policy And Legal Analysis
Office Of Fiscal And Program Review*

*121st Maine Legislature
Second Regular Session and
Second Special Session*

Summary Of Legislation Before The Joint Standing Committees

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing and joint select committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills considered by the committees. It is arranged alphabetically by committee name and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla/billsumm.htm).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

- CON RES XXX..... Chapter # of Constitutional Resolution passed by both Houses
- CONF CMTE UNABLE TO AGREE Committee of Conference unable to agree; bill died
- DIED BETWEEN BODIES..... House & Senate disagree; bill died
- DIED IN CONCURRENCE..... One body accepts ONTP report; the other indefinitely postpones the bill
- DIED ON ADJOURNMENT..... Action incomplete when session ended; bill died
- EMERGENCY Enacted law takes effect sooner than 90 days
- FAILED EMERGENCY ENACTMENT/FINAL PASSAGE..... Emergency bill failed to get 2/3 vote
- FAILED ENACTMENT/FINAL PASSAGE..... Bill failed to get majority vote
- FAILED MANDATE ENACTMENT Bill imposing local mandate failed to get 2/3 vote
- NOT PROPERLY BEFORE THE BODY Ruled out of order by the presiding officers; bill died
- INDEF PP Bill Indefinitely Postponed
- ONTP..... Ought Not To Pass report accepted
- OTP-ND Committee report Ought To Pass In New Draft
- P&S XXX..... Chapter # of enacted Private & Special Law
- PASSED..... Joint Order passed in both bodies
- PUBLIC XXX..... Chapter # of enacted Public Law
- RESOLVE XXX..... Chapter # of finally passed Resolve
- UNSIGNED..... Bill held by Governor
- VETO SUSTAINED Legislature failed to override Governor's Veto

Please note that the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is April 30, 2004; and non-emergency legislation enacted in the Second Special Session is July 30, 2004. Four bills (LD's 1572, 1629, 1636 and 1637) that were considered at the First Special Session in August 2003 are also included in these summaries.

David C. Elliott, Director
Offices located in Room 215 of the Cross Office Building

Joint Standing Committee on Labor

other programs would be required to give all their employees the same wages and benefits as they give to qualified employees (employees whose hiring qualifies the employer for the economic development incentive).

Committee Amendment "A" (H-820) proposed to move the language to a more appropriate location in the Maine Revised Statutes. The amendment proposed to define "living wage" as a wage that would provide sufficient funds to meet the annual basic needs budget developed pursuant to law by the State Planning Office. It also proposed to require that the group health insurance provided by a business receiving an economic development incentive must be at least as comprehensive and beneficial as Dirigo Health Insurance. The amendment proposed to add a requirement that businesses must allow employees to return to their jobs following a strike or lockout. The amendment proposed to add a provision to the law governing the Business Equipment Tax Reimbursement program to deny reimbursement to a company that is in bankruptcy.

LD 575 **An Act To Encourage Workers' Compensation Dispute Resolutions** **INDEF PP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SMITH W EDMONDS	OTP-AM MAJ ONTP MIN	

LD 575 proposed to authorize the Workers' Compensation Board to levy a \$500 surcharge on an employer if, at the conclusion of mediation, the employee obtained or retained more benefits than the employer had offered prior to mediation. It also proposed to authorize a \$1,500 surcharge on an employer if, at the conclusion of a formal hearing, the employee obtained or retained more benefits than the employer had offered prior to the hearing. The surcharges would be deposited in a dedicated fund to be used to defray the costs of the workers' compensation advocate program.

Committee Amendment "B" (H-639) proposed to delete language allowing the Workers' Compensation Board to impose surcharges on employers who do not prevail at mediation sessions or formal hearings. Instead, the amendment proposed to require the Board to assess a \$1,000 user fee against an employer if, following a formal hearing, the employee obtained or retained more benefits than the employer offered prior to the formal hearing.

LD 673 **An Act To Increase Maine's Minimum Wage** **PUBLIC 697**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HATCH PH PATRICK	OTP-AM MAJ ONTP MIN	S-359 S-491 HATCH PH S-563 CATHCART

LD 673 proposed to increase the state minimum wage to \$6.65 per hour beginning October 1, 2003 and to \$7 per hour beginning October 1, 2004. The state minimum wage is currently \$6.25 per hour.

Committee Amendment "A" (S-359) proposed to change the starting date for increases in the minimum wage. The amendment proposed to increase the minimum wage to \$6.65 on October 1, 2004 and to \$7 on October 1, 2005.

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Senate Amendment "A" (S-491) proposed to replace the bill. It proposed to increase the minimum wage to \$6.35 per hour beginning October 1, 2004 and \$6.50 per hour beginning October 1, 2005.

Senate Amendment "A" to Committee Amendment "A" (S-563) proposed that the Department of Labor not reprint the regulation of employment poster immediately to reflect the change in the minimum wage. It proposed to allow the Department to modify and redistribute the printed notice when it becomes necessary to print additional notices due to an insufficient supply of such notices or due to future changes in law.

House Amendment "A" (H-843) proposed to require that employees under 19 years of age must be paid at a rate no lower than 75% of regular minimum wage. (Not adopted)

House Amendment "B" (H-870) proposed to require that employees under 19 years of age must be paid at a rate no lower than the federal minimum wage. (Not adopted)

Enacted Law Summary

Public Law 2003, chapter 697 increases the state minimum wage from \$6.25 per hour to \$6.35 per hour beginning October 1, 2004 and \$6.50 per hour beginning October 1, 2005.

LD 718 **An Act To Create a New Pension System for Newly Hired Teachers and State Employees** **ONTP**

<u>Sponsor(s)</u> MILLS P	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 718 was a concept draft that proposed to create a new retirement program for teachers and state employees hired on or after January 1, 2004. Instead of being covered by the existing state employee and teacher plan of the Maine State Retirement System, new hires would be required to participate in Social Security and would also be covered by a newly created defined benefit plan.

LD 752 **Resolve, Directing the Department of Labor To Develop the Family Security Fund To Implement the Recommendations of the Committee to Continue to Study the Benefits and Costs for Increasing Access to Family and Medical Leave for Maine Families** **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 752 was based on the recommendations of the Committee to Continue to Study the Benefits and Costs for Increasing Access to Family and Medical Leave for Maine Families. It proposed to require the Department of Labor to develop the Family Security Fund, an insurance program for temporary disabilities.

See the description of Joint Order, S.P. 673, which authorized the Labor Committee to report out legislation regarding sick leave benefits.