

MAINE STATE LEGISLATURE

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June 14, 1974

Madge E. Ames

Bureau of Labor & Industry

Leon V. Walker, Assistant

Attorney General

Payment in full on termination of employment

You have requested that we review the letter of Price, Cushman, Keck, Mahin & Cate, concerning the legality of an employer deducting from the employee's final pay check the amount of an employment agency fee paid by the employer at the time of hiring, in the light of an opinion of the Attorney General, dated April 14, 1967.

26 M.R.S.A. § 626, which requires that "any employee, leaving his or her employment, shall be paid in full within a reasonable time after demand at the office of the employer where payrolls are kept and wages paid," has not been amended since the date of that opinion, and the conclusion and reasoning of the opinion are still sound, and are affirmed by this memorandum.

Moreover, since the agency fee is stated by the Price firm to be paid by the employer in its recruitment program, the employee may not, under 26 M.R.S.A. § 629 be required, as a condition of securing employment, to agree that a part of his compensation be returned to the employer in repayment of such agency fee.

We therefore, answer that the reference practice of deducting the agency fee from the final amount due the employee is contrary to the provisions of § 626.

LVWJr/mf

AN INFORMAL OPINION