

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 369

H. P. 306

House of Representatives, January 28, 1975

Referred to Committee on Labor. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mrs. Kany of Waterville.

Cosponsors: Mr. Hall of Sangerville and Mr. Tierney of Durham.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT Relating to Penalties and Employee Remedies for Unpaid Wages.

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

Sec. 1. 26 MRSA, § 623-A, is enacted to read:

§ 623-A. Employees' remedies

Any employer shall be liable to the employee or employees for the amount of unpaid vacation pay. Upon a judgment being rendered in favor of any employee or employees, in any action brought to recover unpaid vacation pay under this subchapter, such judgment shall include, in addition to the unpaid vacation pay adjudged to be due, an additional amount equal to such vacation pay as liquidated damages and costs of suit including a reasonable attorney's fee.

Sec. 2. 26 MRSA, § 624, is amended to read:

§ 624. Penalties

Whoever violates any of the provisions of sections 621 to 623 shall be punished by a fine of not less than ~~\$25~~ \$100 nor more than ~~\$50~~ \$500.

Sec. 3. 26 MRSA, § 626, is repealed and the following enacted in place thereof:

§ 626. Cessation of employment

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 are paid. For purposes of this subchapter, a reasonable time shall mean not more than the next working day in the case of an employee who is fired, discharged or laid off and not more than 2 weeks in the case of an employee who voluntarily leaves his employment without notice of at least one week. In any action for unpaid wages brought under this subchapter, the employer shall not deduct as a setoff or counterclaim any moneys allegedly due the employer as compensation for damages caused to the employer's property by the employee, or any moneys allegedly owed to the employer by the employee; provided that any loan or advance against future earnings or wages may be deducted if evidenced by a statement in writing signed by said employee; and that nothing in this section shall be construed to limit or restrict in any way any rights which the employer now has to recover, by a separate legal action, any moneys owed said employer by said employee. Whoever violates any of the provisions of this section shall be punished by a fine of not less than \$100 nor more than \$500.

Any employer shall be liable to the employee or employees for the amount of unpaid wages. Upon a judgment being rendered in favor of any employee or employees, in any action brought to recover unpaid wages under this subchapter, such judgment shall include, in addition to the unpaid wages adjudged to be due, a reasonable rate of interest not to be less than 8% per year, an additional amount equal to such wages as liquidated damages and costs of suit including a reasonable attorney's fee.

STATEMENT OF FACT

The penalty for failure to pay wages or earned vacation pay is too small to provide a deterrent to the employer who refuses or delays payment. The purpose of this bill is to provide a greater deterrent, to clarify the meaning of the phrase, "a reasonable time," and items not deductible from the final wage payment.