

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 687

H. P. 558 House of Representatives, February 18, 1975 Referred to the Committee on Labor. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mrs. Post of Owl's Head. Cosponsors: Mr. Rolde of York and Mr. McKernan of Bangor.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-FIVE

AN ACT to Provide for the Protection of Fringe Benefits as Wages.

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

26 MRSA § 630 is enacted to read:

§ 630. Fringe benefits as wages

The term "wages" shall include, for the purpose of sections 621 to 630 and for the purposes of priority of wages in cases of insolvency, all fringe benefits either payable to or on behalf of a laborer, including health plans, health and accident plans, retirement plans, disability and disability income plans, vacation plans and funds, insurance of all kinds and other fringe benefits.

STATEMENT OF FACT

The purpose of this bill is to clarify fringe benefits as a form of compensation and wages and to further clarify that an employer's obligation to pay them is a priority in cases of insolvency and bankruptcy in the same fashion as any wages paid directly to employees.