

MAINE STATE LEGISLATURE

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1 (New Draft of H.P. 1191, L.D. 1688)
2 (New Title)
3 SECOND REGULAR SESSION
4

5 ONE HUNDRED AND TWELFTH LEGISLATURE
6

7 Legislative Document

No. 2195

8
9 H.P. 1557 House of Representatives, March 17, 1986
10 Reported by Representative Murray from the Committee on Business and
11 Commerce and printed under Joint Rule 2. Original bill sponsored by
Representative Brannigan of Portland.

12 EDWIN H. PERT, Clerk

13
14 STATE OF MAINE
15

16 IN THE YEAR OF OUR LORD
17 NINETEEN HUNDRED AND EIGHTY-SIX
18

19 AN ACT to Clarify the Regulation of
20 Employment Agencies.
21

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

24 Sec. 1. 26 MRSA c. 7, sub-c. I-B is enacted to
25 read:

26 SUBCHAPTER I-B

27 EMPLOYMENT AGENCIES

28 §611. Definitions

29 As used in this subchapter, unless the context
30 indicates otherwise, the following terms have the
31 following meanings.

1 1. Employment agency. "Employment agency" means
2 any person who conducts a full-time or part-time ser-
3 vice for the purpose of procuring or attempting to
4 procure permanent or temporary employment or engage-
5 ment for persons seeking employment or engagement, or
6 for giving information about where employment or en-
7 gagement may be procured when a fee paid by the em-
8 ployee is charged for that service. Employment agen-
9 cies do not include teachers' agencies, nurses' asso-
10 ciations, charitable institutions, arrangers of em-
11 ployment for seamen and professional or occupational
12 associations which serve only their own membership
13 and which charge only a nominal fee, and persons em-
14 ployed by a public or private nonprofit agency.

15 §612. Fees charged to applicants for employment; re-
16 ceipt

17 1. Placement fee. The placement fee charged to
18 an applicant for employment by an employment agency
19 shall not exceed the equivalent of the first full
20 week's gross wages. This fee shall be in full compen-
21 sation for all services of the employment agency. If
22 for any reason employment terminates in less than one
23 month, the fee shall be adjusted so as not to exceed
24 10% of the wages earned.

25 2. Terms of payment of fee for placement. If the
26 placement fee charged to an applicant for employment
27 is paid weekly, 1/8 of the fee shall be paid each
28 week for the first 8 weeks of employment; if paid
29 semi-monthly, each payment shall be 1/4 of the total
30 fee; and if paid monthly, each payment shall be 1/2
31 of the total fee.

32 3. Receipt given to an applicant for employment.
33 Every employment agency shall give to each applicant
34 for employment, from whom a fee or other considera-
35 tion is received, a receipt which must show the name
36 of the applicant for employment, the amount of the
37 fee, any balance due, the date, name or nature of the
38 employment or situation procured and the name and ad-
39 dress of the employer.

40 §613. Enforcement penalty

1 1. Violation. Any employment agency which vio-
2 lates this subchapter commits a civil violation for
3 which a forfeiture of not less than \$100 nor more
4 than \$500 for each violation may be adjudged.

5 2. Civil action. An action may be brought by the
6 injured party, the Attorney General, the Department
7 of Labor or any municipality which has issued a li-
8 cence to the employment agency under Title 30, sec-
9 tion 2601-A.

10 Sec. 2. 30 MRSA c. 215, sub-c. IV, as amended,
11 is repealed and the following enacted in its place:

12 SUBCHAPTER IV

13 EMPLOYMENT AGENCIES

14 §2601-A. Municipal authority

15 1. License; bond. A municipality may license or
16 regulate the business of employment agencies, as de-
17 finied by Title 26, section 611, or require a bond un-
18 der the home-rule authority granted by section 1917
19 and by the Constitution of Maine, Article VIII, Sec-
20 tion 1.

21 2. Enforcement. In addition to enforcing any or-
22 dinances enacted under this section, the municipal
23 officers may enforce Title 26, section 612, as pro-
24 vided by Title 26, section 613.

1

STATEMENT OF FACT

2 This new draft removes regulation of employment
3 agencies from the State and allows municipalities to
4 regulate employment agencies if they choose to do so.
5 Current law requires municipalities to license em-
6 ployment agencies, but does not allow them to set
7 standards for licensing. This new draft will result
8 in municipal control where it is needed and wanted.

9 Provisions in current law regarding the maximum
10 amount of the fee and method of payment have been re-
11 tained and placed in the Maine Revised Statutes, Ti-
12 tle 26, chapter 7, subchapter I-B. Enforcement provi-
13 sions have also been added to this new subchapter.

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