

MAINE STATE LEGISLATURE

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R. of S.

L.D. 1891

(Filing No. S- 500)

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STATE OF MAINE
SENATE
114TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A " to S.P. 714, L.D. 1891, Bill, "An Act to Amend the Maine Severance Pay Laws"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

Sec. 1. 26 MRSA §625-B, sub-§1, ¶C, as enacted by PL 1979, c. 663, §157, is amended to read:

C. "Employer" means any person who directly or indirectly owns and operates a covered establishment. For purposes of this definition, a parent corporation is considered the indirect owner and operator of any covered establishment that is directly owned and operated by its corporate subsidiary.

Sec. 2. Retroactivity. This Act is retroactive to October 1, 1975.

STATEMENT OF FACT

This amendment completely redrafts the bill and makes 2 substantive changes. It includes parent corporations within the definition of "employer" for the entire severance pay law and makes the bill retroactive to October 1, 1975, the date on which the severance pay law took effect. This is done to clarify the original legislative intent of the law, which was incorrectly construed by the Law Court in Curtis v. Lehigh Footwear, Inc., 516 A.2d 558 (Me. 1986), to exclude parent corporations from the definition of "employer."

Reported by Senator Whitmore for the Committee on Labor.
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