

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

SECOND REGULAR SESSION - 1990

Legislative Document

No. 2306

S.P. 907

In Senate, February 12, 1990

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26.

Reference to the Committee on Labor suggested and ordered printed.

Joy J. O'Brien

JOY J. O'BRIEN
Secretary of the Senate

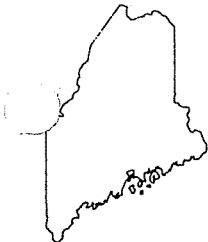
Presented by President PRAY of Penobscot.

Cosponsored by Speaker MARTIN of Eagle Lake and Representative CLARK of Millinocket.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY

An Act to Promote Economic Development.



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

4 26 MRSA c. 7, sub-c. X is enacted to read:

6 SUBCHAPTER X

8 STATE ECONOMIC SUBSIDIES AND HIRING PREFERENCE

10 §875. Employment priority for existing employees

12 1. Definitions. As used in this subchapter, unless the
context otherwise indicates, the following terms have the
following meanings.

14 A. "Direct economic subsidy" means the provision of
financial payments to an employer, for the purpose of
supporting that employer's economic activities, by the State
acting either on its own behalf or as an intermediary or
administrator of funds provided by the Federal Government.
The term does not include a tax exemption.

22 B. "Employer" means any person, partnership, corporation or
other legal entity that employs an individual or individuals
in the State. The term includes any related entity, such as
a corporate parent or subsidiary of an employer.

26 C. "New employment position" means any position of
full-time employment that is available with an employer and
that was not previously held by an employee of that
employer, including positions that involve duties not
previously performed for that employer by its employees and
the creation of additional positions involving duties
currently performed by existing employees of the employer.

34 2. Preference to existing employees. As a condition of
receiving any direct economic subsidy from the State, an employer
who creates new employment positions within the State must give
preference to any existing employees of the employer in hiring
for those new employment positions unless:

40 A. The existing employee is not qualified to perform the
duties of the new position; or

44 B. Another applicant for the new position is better
qualified than the existing employee.

46 3. Collective bargaining. Subsection 2 does not apply if
it conflicts with the provisions of any collective bargaining
agreement.

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STATEMENT OF FACT

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This bill requires employers in the State who receive economic subsidies from the State to give a hiring preference to their existing employees whenever new employment positions are created by the employer. This preference does not require the employer to fill any new positions with existing employees who are not qualified to perform the tasks required by the new position. The bill only requires the employer to hire an existing employee if that employee is qualified to do the job and no better qualified applicant exists. The preference may not, however, conflict with any collective bargaining agreement that may apply to such an employer.