

# MAINE STATE LEGISLATURE

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# 115th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1991

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Legislative Document

No. 1582

S.P. 597

In Senate, April 18, 1991

Reference to the Committee on Labor suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator CONLEY of Cumberland

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STATE OF MAINE

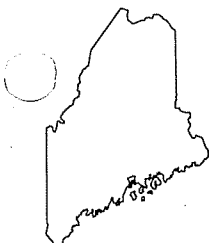
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IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND NINETY-ONE

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**An Act Concerning Actions for Damages Resulting from Violations of  
Unemployment and Workers' Compensation Laws by Bidders on  
Construction Contracts.**

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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 CONSTRUCTION CONTRACT BIDDER VIOLATIONS OF  
UNEMPLOYMENT AND WORKERS' COMPENSATION LAWS

10 §875. Court actions for construction contract bidder violations

12 Any person, firm, association or corporation that suffers  
14 damages as a result of a competitive bid for a project involving  
16 the construction, repair, remodeling, alteration, conversion,  
18 modernization, improvement, rehabilitation, replacement or  
20 renovation of a building or structure not being accepted because  
22 another person, firm, association or corporation knowingly  
24 violates section 1221 or Title 39, section 23 may bring an action  
for damages in the Superior Court. For the purposes of an action  
brought under this section, employee status is determined by the  
applicable provisions of the United States Internal Revenue Code  
of 1986, or any subsequent corresponding Internal Revenue Code of  
the United States, as from time to time amended.

26 STATEMENT OF FACT

28 This bill permits a suit for damages by a contractor whose  
30 competitive bid on a construction project is not successful due  
32 to another bidder's knowing failure to pay unemployment  
compensation contributions or secure workers' compensation  
insurance.