



## 116th MAINE LEGISLATURE

## **SECOND REGULAR SESSION-1994**

Legislative Document

No. 1758

H.P. 1303

House of Representatives, January 20, 1994

An Act to Protect the Rights of Employees and to Ensure the Proper Expenditure of Public Funds.

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.

OSEPH W. MAYO, Clerk

Presented by Representative CHASE of China. Cosponsored by Senator HANDY of Androscoggin and Representative: RUHLIN of Brewer, Senator: BUSTIN of Kennebec.

	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 26 MRSA c. 7, sub-c. X is enacted to read:
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_	SUBCHAPTER X
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. 8	EXPENDITURE OF PUBLIC FUNDS
0	§872. Proper expenditure of public funds
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	1. Definitions. For the purposes of this section,
12	"employer" means a governmental entity, as defined in Title 14,
	section 8102; the University of Maine System and the Maine
14	Maritime Academy; the legislative and judicial branches; a
16	<u>community agency or nonprofit organization as defined in Title 5,</u> section 1653; or a health care facility or provider as defined in
τu	<u>Title 22, section 382.</u>
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	2. Unlawful actions. Except as provided in subsection 3,
20	it is unlawful for an employer to expend state funds or
	<u>state-administered funds to:</u>
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24	A. Influence employees for or against an attempt to
24	<u>exercise their right to organize and choose representation</u> for the purpose of negotiating terms and conditions of their
-26	employment or other mutual aid or protection as provided in
20	this Title; or
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	B. Commit violations of a labor, wage and hour, fair
30	employment or human rights law or rule.
32	3. Permitted expenditures. It is not unlawful for an employer to expend state funds or state-administered funds to pay:
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1	A. A person for services rendered in the commission of an
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	review of a unit determination finding;
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	B. Reasonable expenses for contract negotiations or
40	preparations for negotiations;
42	C. Reasonable expenses associated with disputes concerning
	the interpretation of contracts;
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<u>D. Expenses for attorney's fees arising out of a court or agency proceeding or appeal or in preparation for the proceeding or appeal; or</u>

E. Reasonable expenses for educational instruction of supervisors or management employees concerning state or federal labor laws.

**4. Discrimination against employees prohibited.** An employer may not discharge, threaten or otherwise discriminate against an employee regarding the employee's compensation, terms, conditions, location or privileges of employment because:

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A. The employee, acting in good faith, or a person acting on behalf of the employee, reports orally or in writing to the employer or a public body what the employee has reasonable cause to believe is a violation of this subchapter; or

<u>B. The employee is requested to participate in an</u> investigation, hearing or inquiry held by that public body, or in a court action.

5. Disclosure of information. Records relating to a program or position funded by state funds or state-administered funds are public records for purposes of Title 1, section 408, and employers holding such records are deemed to be state agencies for purposes of enforcing and implementing that section. Employers who receive state funds or state-administered funds shall maintain a list containing the names, addresses and positions of all current employees and shall provide that list, upon demand, to a state agency or department from whom they receive funds, a state or federal auditor in performance of the auditor's duties or an employee organization providing organizational services or support to employees.

**6.** Disallowed expenditures. State funds or state-administered funds expended in violation of subsection 2 are disallowed expenditures, as provided in this subsection.

A. If the National Labor Relations Board, the Maine Labor Relations Board, or a court of competent jurisdiction finds that an employer committed an act described in subsection 2, paragraph A or B, and a state department or agency that provided funds to the employer finds that state funds or state-administered funds were expended in committing that act, that department shall make a determination as to the amount of the disallowed expenditure.

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B. The department that provided the funds shall withhold an amount equal to the disallowed expenditure, according to a schedule determined by that department from future payments to be received by the employer.

C. If the agency or court determination of a violation is under appeal, the withholding must be stayed pending a final adverse decision against the employer.

D. A department may not withhold funds if withholding would jeopardize the State's receipt of federal or other funds.

E. A department that provided state funds or state-administered funds to an employer may file an action in Superior Court or District Court to obtain a finding as to whether an employer committed an act described in subsection 1, paragraph A.

7. Administrative penalty. The Department of Labor shall impose an administrative fine of up to \$500 for each violation of this section, as determined pursuant to the Maine Administrative Procedure Act.

## STATEMENT OF FACT

This bill makes it unlawful for an employer to use state funds or state-administered funds to influence employees for or against unionization or to commit a violation of a labor, wage and hour, fair employment or human rights law or rule. This bill also requires employers to make certain records available to the public and to keep lists of employees and make them available to certain public agencies, auditors and employee organizations.

This document has not yet been reviewed to determine the 40 need for cross-reference, stylistic and other technical amendments to conform existing law to current drafting standards.

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