

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

SECOND REGULAR SESSION-1994

Legislative Document

No. 1843

S.P. 671

In Senate, February 8, 1994

An Act to Extend Penalty Sanctions to Employee Health Benefit Plans.

Submitted by the Department of the Attorney General pursuant to Joint Rule 24.
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 HANDY of Androscoggin.
Cosponsored by Senator: ESTY of Cumberland, Representative: RUHLIN of Brewer.

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

2 Sec. 1. 26 MRSA §626-A, as amended by PL 1983, c. 652, §§2
4 and 3, is further amended to read:

6 **§626-A. Penalties**

8 Whoever violates any of the provisions of sections 621 to
10 623 or section 626, 628 ~~or~~, 629 or 629-B shall be subject to a
12 forfeiture of not less than \$100 nor more than \$500 for each
14 violation.

16 Any employer shall be liable to the employee or employees
18 for the amount of unpaid wages and health benefits. Upon a
20 judgment being rendered in favor of any employee or employees, in
22 any action brought to recover unpaid wages or health benefits
under this subchapter, such judgment shall include, in addition
to the unpaid wages or health benefits adjudged to be due, a
reasonable rate of interest, an additional amount equal to twice
the amount of such wages or health benefits as liquidated damages
and costs of suit including a reasonable attorney's fee.

24 The action for unpaid wages or health benefits may be
26 brought by either the affected employee or employees or by the
28 Department of Labor. The Department of Labor is further
authorized to supervise the payment of the judgment, collect the
30 judgment on behalf of the employee or employees and collect fines
32 incurred through violation of this subchapter. When the
Department of Labor brings an action for unpaid wages or health
benefits, this action and an action to collect a civil forfeiture
may both be joined in the same proceeding.

34 **STATEMENT OF FACT**

36 This bill provides penalties for violations of laws
38 governing employee health benefit plans. The law currently
provides penalties for violations of the law pertaining to time
of payment, cessation of employment, equal pay and unfair
40 agreements. This bill extends the same penalties applicable to
those provisions to violations of the law pertaining to employee
42 health benefit plans. Health benefits include the cost of any

services to which employees would be entitled under the health
benefit plan.

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