

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

SECOND REGULAR SESSION-1996

Legislative Document

No. 1862

H.P. 1357

House of Representatives, March 19, 1996

**An Act to Ensure That Employees Are Compensated for Accrued
Vacation Time in the Event of the Sale of a Business.**

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27.
Reference to the Committee on Labor suggested and ordered printed.

A handwritten signature in black ink, reading "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative TUTTLE of Sanford.
Cosponsored by Representative HATCH of Skowhegan, Senator MILLS of Somerset and
Representatives: CHASE of China, GWADOSKY of Fairfield, JACQUES of Waterville, JOY
of Crystal, LEMAIRE of Lewiston, MITCHELL of Vassalboro, SAMSON of Jay,
STEDMAN of Hartland, TYLER of Windham, Senators: BEGLEY of Lincoln, RAND of
Cumberland.

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

Sec. 1. 26 MRSA §626, as amended by PL 1991, c. 162, is further amended by inserting after the first paragraph a new paragraph to read:

Within 2 weeks after the sale of a business, the seller of the business shall pay employees of that business any wages earned while employed by the seller. Whenever the terms of employment include provisions for paid vacations, vacation pay on cessation of employment has the same status as wages earned.

STATEMENT OF FACT

This bill provides that the seller of a business is obligated to pay its employees any unpaid wages and any accrued vacation pay within 2 weeks following the sale of the business.