

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

SECOND REGULAR SESSION-2000

Legislative Document

No. 2516

S.P. 967

In Senate, January 24, 2000

An Act to Improve Standards for Public Assistance to Maine Employers.

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Reference to the Committee on Taxation 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 PINGREE of Knox.

Cosponsored by Senators: DAGGETT of Kennebec, DOUGLASS of Androscoggin, MILLS of Somerset, Representatives: MAILHOT of Lewiston, MATTHEWS of Winslow, STANLEY of Medway.

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

2 **Sec. 1. 5 MRSA §13070-J, sub-§§2-A and 2-B** are enacted to read:

4 2-A. Wage and benefit standards. Each recipient of an
6 economic development incentive described in subsection 1,
8 paragraph D must comply with the following wage and benefit
10 standards.

12 A. For an economic development incentive described in
14 subsection 1, paragraph D, subparagraphs (1), (3), (5) and
16 (6), the recipient must:

18 (1) Certify upon application for or upon renewal of
20 benefits under the economic development incentive that
22 every employee of the recipient receives a living wage
24 and that the recipient is in compliance with all
26 federal, state and local laws. For purposes of this
28 subsection, "living wage" means a wage, calculated on a
30 calendar-year basis, that is greater than the average
32 annual per capita income in the labor market area in
34 which the employee of the job is employed;

36 (2) Pay a living wage to every employee of the
38 recipient. This paragraph does not apply if the
40 economic development incentive received is pursuant to
42 Title 36, chapter 915 and the recipient does not
44 qualify for more than \$10,000 in a year from that
46 economic development incentive;

48 (3) Demonstrate that an employee of a recipient of an
50 economic development incentive is covered by a
52 retirement program subject to the Employee Retirement
54 Income Security Act of 1974, 29 United States Code,
56 Sections 101 to 1461, as amended, receives group health
58 insurance of which the recipient of the economic
60 development incentive pays at least 50% of the premiums
62 and receives a living wage; and

64 (4) Comply with all federal, state and local laws.

66 B. For an economic development incentive described in
68 subsection 1, paragraph D, subparagraph (2), (4) or (7), the
70 recipient must provide the same wages and benefits to all
72 employees that the recipient provides to qualified employees.

74 An agency administering an economic development incentive
76 described in subsection 1, paragraph D may adopt routine,
78 technical rules pursuant to chapter 375, subchapter II-A to

2 implement the provisions of this subsection. Such an agency
3 shall suspend or terminate benefits of a recipient if that
4 recipient fails to file a certificate as required by paragraph A
5 or if the agency determines that the certificate is false or
6 inaccurate. A recipient who violates the living wage standard
7 shall reimburse the State for any benefits received during the
8 period of noncompliance. A recipient who willfully violates a
9 provision of this subsection shall reimburse the State for any
10 benefits received during the benefit period in which the
11 violation occurred plus a penalty equal to the amount of any
12 benefits received during that benefit period in addition to any
13 other penalty required by law.

14 2-B. Relocation to another municipality. An employer that
15 relocates from one municipality in the State to another
16 municipality in the State within 100 miles does not qualify for
17 an economic development incentive under subsection 1, paragraph
18 D, subparagraph (3) absent a clear and convincing showing that
19 the relocation involves a significant expansion that could not
20 have been made in the former municipality.

22 SUMMARY

24 This bill expands wage and benefit standards in several
26 economic development incentive programs to cover additional
programs and employees.