

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 1163

H.P. 860

House of Representatives, March 5, 2003

**An Act To Provide That Employee Terminations by Any Company
That Receives Monetary Benefits from the State Require Just Cause**

Reference to the Committee on Labor suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative SULLIVAN of Biddeford.
Cosponsored by Senator EDMONDS of Cumberland and
Representatives: COWGER of Hallowell, LAVERRIERE-BOUCHER of Biddeford,
PINGREE of North Haven, SMITH of Van Buren.

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

4 **Sec. 1. 26 MRSA §600** is enacted to read:

6 **§600. Protection from unjust discharge by subsidized employers**

8 **1. Definitions.** As used in this section, unless the
context otherwise indicates, the following terms have the
following meanings.

10 **A. "Taxpayer incentive payment" means any grant payment or**
tax credit, reimbursement or forgiveness made pursuant to:

14 **(1) The business equipment tax reimbursement under**
Title 36, chapter 915;

16 **(2) The Maine Employment Tax Increment Financing Act;**

18 **(3) The jobs and investment tax credit under Title 36,**
section 5215;

20 **(4) The research expense tax credit under Title 36,**
section 5219-K; or

22 **(5) The shipbuilding facility credit under Title 36,**
chapter 919.

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28 **2. Just cause required.** An employer in the State that
receives taxpayer incentive benefits may not terminate an
employee except for just cause. If the employee contends that
the employee was discharged or released from employment without
just cause and the employer denies the claim and it is found
after hearing before the District Court that the termination was
not for just cause, the employer is liable through an order from
the court for the restoration of employment with back pay and
fringe benefits. This section may not operate so as to conflict
with any collective bargaining agreement negotiated with a bona
fide union by an employer under the National Labor Relations Act.

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38 **3. Small businesses exempted.** This section does not apply
to a business that employs 50 or fewer employees.

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44 **SUMMARY**

46 This bill provides that employers with more than 50
48 employees who receive taxpayer incentive benefits such as the
business equipment tax reimbursement program, or "BETR," may not
terminate an employee except for just cause.