

MAINE STATE LEGISLATURE

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3/18/05

L.D. 257

DATE: 3/18/05

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LABOR

Majority

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
122ND LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 196, L.D. 257, Bill, "An Act To Require Advance Notice for Decreases in Wage or Salary Levels"

Amend the bill by striking out the title and substituting the following:

'An Act To Require Notice prior to Decreases in Wage or Salary Rates'

Further amend the bill in section 1 in subsection 5 by striking out all of the first sentence (page 1, lines 5 to 9 in L.D.) and inserting in its place the following: 'Notwithstanding the provision of section 623 exempting salaried employees as defined in section 663, subsection 3, paragraph K, payment of wages or salary must be made at the rate previously established by the employer, except that the employer may decrease the rate of pay, effective the next working day, if the employer gives notice to all affected employees prior to the change. When an employer has temporarily increased an employee's wage rate to comply with the prevailing wage requirements of chapter 15; the Davis-Bacon Act, 40 United States Code, Section 276a et seq.; or other applicable federal or state law, an employer need not provide advance notice prior to returning the employee to the employee's regular wage rate, as long as the employer is in compliance with all posting and notice provisions of the applicable law.'

Further amend the bill by inserting at the end before the summary the following:

'Sec. 2. 26 MRSA §623, as amended by PL 1999, c. 790, Pt. P, §2 and affected by §3, is further amended to read:

COMMITTEE AMENDMENT

2 **§623. Exemptions**

4 This section and sections 621-A and 622 do not apply to
6 family members and salaried employees as defined in section 663,
8 subsection 3, paragraphs J and K. Sections 621-A and 622 do not
10 apply to an employee of a cooperative corporation or association
12 if the employee is a stockholder of the corporation or
14 association, unless the employee requests the association or
 corporation to pay that employee in accordance with section
 621-A. Except as provided in section 621-A, subsections 3 and 4
 and 5, a corporation, contractor, person or partnership may not
 by a special contract with an employee or by any other means
 exempt itself from this section and sections 621-A and 622.'

16 **SUMMARY**

18 This amendment requires employers to notify employees,
20 including salaried employees, one working day prior to a decrease
22 in pay taking effect, replacing the bill's requirement that
24 notice be given one pay period in advance. The amendment also
26 adds language specifically excluding the notice requirement in
 cases when an employer temporarily increases an employee's wage
 rate to comply with prevailing wage requirements and changes the
 title of the bill.