



STATE LAW LERATH AUGUSTA, MAINE

## 124th MAINE LEGISLATURE

## **FIRST REGULAR SESSION-2009**

Legislative Document

No. 1469

S.P. 547

In Senate, April 30, 2009

An Act To Ensure Fair Calculation of Severance Pay for Maine Workers

(AFTER DEADLINE)

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Labor suggested and ordered printed.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator RAYE of Washington. Cosponsored by Representative TUTTLE of Sanford and Senators: COURTNEY of York, JACKSON of Aroostook, MILLS of Somerset, President MITCHELL of Kennebec, ROSEN of Hancock, Representatives: CURTIS of Madison, CUSHING of Hampden, THIBODEAU of Winterport. **Emergency preamble. Whereas,** acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, this legislation needs to take effect before the expiration of the 90-day period in order to ensure the fair calculation of severance pay for workers of this State as soon as possible in light of the current economic conditions and to provide relief to affected workers; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

7.

Sec. 1. 26 MRSA §625-B, sub-§1, ¶H, as enacted by PL 1979, c. 663, §157, is amended to read:

H. "Week's pay" means an amount equal to 1/52nd part of the gross wages paid to an employee during the 12 months prior to <u>the layoff of that employee or</u> relocation or termination, whichever occurs first.

Sec. 2. Retroactivity. This Act applies retroactively to January 1, 2009.

**Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved.

## SUMMARY

This bill provides that the calculation of a week's pay under the laws governing severance pay must be made from the date of a layoff if the layoff occurs before the relocation or termination of a covered establishment. The bill applies retroactively to January 1, 2009.