

AUGIISTA, MAINE



124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 1492

H.P. 1049

House of Representatives, June 10, 2009

An Act To Improve Opportunity in the Maine Woods

(EMERGENCY)

Reference to the Committee on Labor suggested and ordered printed.

Millient M. Mac Jailand

MILLICENT M. MacFARLAND Clerk

Presented by Representative MARTIN of Eagle Lake. (GOVERNOR'S BILL) Cosponsored by Senator JACKSON of Aroostook.

Printed on recycled paper

1	Emergency preamble. Whereas, acts and resolves of the Legislature do not					
2	become effective until 90 days after adjournment unless enacted as emergencies; and					
3	Whereas, workers in the Maine woods and the wood industry in Maine face					
4	significant economic obstacles; and					
5	Whereas, a recent study by the Office of the Attorney General of logging industry					
6	conditions in northern and eastern Maine found "clear evidence of market concentration"					
7	but was unable, due to lack of access to information, to determine whether market					
8	concentration resulted in the payment of below-market rates for services; and					
9	Whereas, the rate-setting law designed to counteract the effects of market					
10	concentration and provide increased opportunities for workers to make a living in the					
11	Maine woods is currently having an adverse impact on those opportunities; and					
12	Whereas, federal and state officials are beginning vigorous efforts to enforce federal					
13	and state laws related to the use of foreign labor and foreign labor certification to ensure					
14	that Maine workers have a fair opportunity to fill jobs in the Maine woods before foreign					
15	labor is brought into the country; and					
16	Whereas, those efforts include in-person verification of equipment ownership by					
17	employers of bond workers to enforce the Maine Revised Statutes, Title 26, section 872;					
18.	and					
19	Whereas, this legislation triples the fines applicable for violations of the Maine					
20	Revised Statutes, Title 26, section 872; and					
20						
21	Whereas, the United States Department of Labor is undertaking a review of					
22	contractor practices to investigate allegations that contractors are not following federal					
23	law in their efforts to obtain foreign labor to work in the Maine woods and may deny or					
24	revoke authorization to use foreign labor to those contractors who are not in compliance					
25	with federal law; and					
26	Whereas, the Maine Department of Labor is requesting that the United States					
20 27	Department of Labor establish rates to allow owners to obtain fair pay for equipment in					
27	the Maine woods; and					
20						
29	Whereas, the Governor is committed to keeping up pressure on the United States					
30	Department of Labor as well as overseeing the efforts of the Maine Department of Labor					
31 _	to implement these enhanced enforcement efforts for the purpose of improving economic					
32	opportunity for workers in the Maine woods; and					
33	Whereas changes are needed immediately to improve economic encotinity in the					
33 34	Whereas, changes are needed immediately to improve economic opportunity in the					
54	current logging season; and					
	Wheness in the indement of the Legislature these facts exacts on an anomaly within					
35	Whereas, in the judgment of the Legislature, these facts create an emergency within					

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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:

Sec. 1. 26 MRSA §872, sub-§2, as enacted by PL 2005, c. 461, §1, is amended to read:

2. Proof of ownership required. An employer in this State who employs a bond worker in a logging occupation shall provide proof of the employer's ownership of any logging equipment used by that worker in the course of employment, including proof of ownership of at least one piece of logging equipment for every 2 bond workers employed by the employer in a logging occupation. The employer shall provide proof of ownership as required by this subsection on a form provided by the Commissioner of Labor. The proof required by this subsection must include, but not be limited to, a receipt for payment for the equipment <u>purchased in a bona fide transaction</u> and documentation of payment of any tax assessed on the equipment pursuant to Title 36, chapter 105 for the year in which the bond worker is employed by the department, the operator of equipment subject to this section shall provide proof of ownership.

Sec. 2. 26 MRSA §872, sub-§5, as enacted by PL 2005, c. 461, §1, is amended to read:

5. Violation. An employer who violates this section commits a civil violation for which a fine of not less than $\frac{1,000}{33,000}$ and not more than $\frac{5,000}{15,000}$ per violation may be adjudged.

Sec. 3. 26 MRSA §872, sub-§6 is enacted to read:

<u>6. Assistance. The Department of Conservation shall provide interagency support</u> and field information to assist the Department of Labor in enforcing this section.

Sec. 4. 26 MRSA §931-B, as enacted by PL 2003, c. 670, §2, is repealed.

Sec. 5. 26 MRSA c. 18, as amended, is repealed.

28 Sec. 6. Appropriations and allocations. The following appropriations and allocations are made.

- 30 LABOR, DEPARTMENT OF
 - Labor Relations Board 0160

Initiative: Reduces funds for the per diem and related costs of the State Board of Arbitration and Conciliation due to the repeal of the rate determination process for forest products hauling and harvesting services.

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1 2	GENERAL FUND All Other	2009-10 (\$3,300)	2010-11 (\$3,300)
3 4	GENERAL FUND TOTAL	(\$3,300)	(\$3,300)
5			$N^{(1)} = -\frac{1}{2} \sum_{i=1}^{n} \frac{1}{2} \sum_{i=$
6	OTHER SPECIAL REVENUE FUNDS	2009-10	2010-11
7	Personal Services	(\$12,500)	(\$12,500)
8	All Other	(\$5,860)	(\$5,860)
9			
10	OTHER SPECIAL REVENUE FUNDS TOTAL	(\$18,360)	(\$18,360)
11	Emergency clause. In view of the emergency	cited in the pr	eamble, this
12	legislation takes effect when approved.		

SUMMARY

This bill triples the penalty for violation of the law that requires foreign bond workers in logging occupations to use equipment owned by their employer and requires that proof of ownership be carried in the equipment and be shown to enforcement officials. It requires the Department of Conservation to provide assistance to the Department of Labor in enforcing the law. It also repeals the law establishing a rate-setting process for the services of contractors who work for large landowners.

FISCAL NOTE REQUIRED

(See attached)

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Fiscal Note for Original Bill Sponsor: Rep. Martin of Eagle Lake Committee: Not Referred Fiscal Note Required: Yes

Fiscal Note

	2009-10	2010-11	Projections 2011-12	Projections 2012-13
Net Cost (Savings)			. (
General Fund	(\$3,300)	(\$3,300)	(\$3,300)	(\$3,300)
ppropriations/Allocations			•	
General Fund	(\$3,300)	(\$3,300)	(\$3,300)	(\$3,300)
Other Special Revenue Funds	(\$18,360)	(\$18,360)	(\$18,360)	(\$18,360)

Correctional and Judicial Impact Statements

The collection of additional fines may also increase General Fund revenue by minor amounts.

Fiscal Detail and Notes

This bill includes General Fund deappropriations of \$3,300 per year beginning in fiscal year 2009-10 and Other Special Revenue Funds deallocations of \$18,360 per year beginning in fiscal year 2009-10 in order to reduce funds for the per diem and related other costs of the State Board of Arbitration and Conciliation as a result of the rate determination process for forest products hauling and harvesting services being repealed. Additional costs to the Department of Conservation associated with providing support to enforce the provisions of the bill can be absorbed within existing budgeted resources.