

MAINE STATE LEGISLATURE

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Date: 6-8-21

REPORT A
LABOR AND HOUSING

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
130TH LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 398, L.D. 553, "An Act To End At-will Employment"

Amend the bill by inserting after section 1 the following:

'Sec. 2. 26 MRSA §600-A is enacted to read:

§600-A. Written employee personnel policy

1. Written employee personnel policy required. An employer shall provide to an employee a copy of the employer's written employee personnel policy. The policy may be in the form of an employee handbook or in another form as determined by the employer. The policy must include a list of offenses for which an employee may be terminated pursuant to section 3702, subsection 3. The employer shall provide to the employee changes to the policy at least 7 days prior to the implementation of any change made by the employer.'

Amend the bill in section 2 in c. 47 in §3701 in subsection 1 in the last line (page 1, line 12 in L.D.) by inserting after the following: "employment" the following: ', except that "cause" does not mean a layoff due to a reduction of operations at the employee's place of employment due to downsizing or restructuring, the seasonal nature of the employer or other economic conditions as determined by the employer'

Amend the bill in section 2 in c. 47 in §3701 in subsection 3 in the 2nd line (page 1, line 17 in L.D.) by striking out the following: "next"

Amend the bill in section 2 in c. 47 by striking out all of §3702 (page 1, lines 21 to 27 in L.D.) and inserting the following:

§3702. Termination for cause

Notwithstanding any provision of law to the contrary, an employer may not terminate the employment of an employee without cause. An employer may terminate an employee for cause only if the employer has followed a progressive discipline policy in accordance with section 3703, except that an employer may proceed to immediate termination with notice as required under section 3703, subsection 2 in the following circumstances:

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- 1. Violation of state law. The employee has violated any state law;
- 2. Judgment of employer. The employee has committed an action that, in the judgment of the employer:
 - A. Endangers the safety or well-being of the employer, another employee or a customer;
 - B. Hinders the ability to operate the business under normal operating conditions; or
 - C. May harm the reputation of the business in the community; or
- 3. Violation of written policy. The employee has committed an offense that is listed in a written policy provided to employees pursuant to section 600-A as an offense for which an employee may be terminated.'

Amend the bill by inserting after section 2 the following:

Sec. 3. Appropriations and allocations. The following appropriations and allocations are made.

LABOR, DEPARTMENT OF

Regulation and Enforcement 0159

Initiative: Provides ongoing funds for 4 Labor and Safety Inspector positions and 2 Consumer Assistant Specialist positions and related All Other costs associated with the education, outreach and enforcement of the law that prohibits an employer from terminating the employment of an employee without cause.

GENERAL FUND

	2021-22	2022-23
POSITIONS - LEGISLATIVE COUNT	6,000	6,000
Personal Services	\$349,968	\$482,234
All Other	\$30,534	\$30,534
GENERAL FUND TOTAL	\$380,502	\$512,768

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment is the majority report of the committee. This amendment clarifies that "cause" does not mean a layoff due to a reduction of operations at the employee's place of employment due to downsizing or restructuring, the seasonal nature of the employer or other economic conditions as determined by the employer. This amendment allows an employer to immediately terminate an employee for an action that, in the judgment of the employer:

- 1. Has endangered the safety or well-being of the employer, an employee or a customer;
- 2. Has hindered the ability to operate the business under normal operating conditions;
- or
- 3. May harm the reputation of the business in the community.

COMMITTEE AMENDMENT "A" to H.P. 398, L.D. 553

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It allows an employer to terminate an employee for committing an offense that is listed in written employee personnel policies as an offense for which an employee may be terminated. It also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED
(See attached)

COMMITTEE AMENDMENT



130th MAINE LEGISLATURE

LD 553

LR 1940(02)

An Act To End At-will Employment

Fiscal Note for Bill as Amended by Committee Amendment *A(H-481)*
Committee: Labor and Housing
Fiscal Note Required: Yes

Fiscal Note

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
Net Cost (Savings)				
General Fund	\$380,502	\$512,768	\$528,199	\$544,125
Appropriations/Allocations				
General Fund	\$380,502	\$512,768	\$528,199	\$544,125

Fiscal Detail and Notes

This bill includes General Fund appropriations of \$380,502 in fiscal year 2021-22 and \$512,768 in fiscal year 2022-23 to the Enforcement and Regulation program within the Department of Labor for 4 Labor and Safety Inspector positions and 2 Consumer Assistant Specialist positions and related All Other costs associated with the education, outreach and enforcement of the law that prohibits employers from terminating the employment of an employee without cause. This fiscal note assumes an October 1, 2021 effective date.