

MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

FIRST SPECIAL SESSION-2021

Legislative Document

No. 1724

S.P. 568

In Senate, May 19, 2021

**An Act To Create a Logging Dispute Resolution Board and To
Require Proof of Ownership Documents To Be Available within 14
Days of Request**

Reference to the Committee on Labor and Housing suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by President JACKSON of Aroostook.
Cosponsored by Representative MARTIN of Sinclair and
Senators: HICKMAN of Kennebec, MIRAMANT of Knox, Representatives: CUDDY of
Winterport, GERE of Kennebunkport, McCREA of Fort Fairfield.

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

2 **Sec. 1. 5 MRSA §12004-B, sub-§11** is enacted to read:

3 **11.**

4 Logging Dispute Resolution Board Not Authorized 26 MRSA §874-A

5 **Sec. 2. 26 MRSA §872, sub-§2**, as amended by PL 2011, c. 620, §1, is further
6 amended to read:

7 **2. Proof of ownership required.** An employer in this State who applies for a bond
8 worker in a logging occupation shall provide proof of the employer's ownership of any
9 logging equipment used by that worker in the course of employment, including proof of
10 ownership of at least one piece of logging equipment for every 2 bond workers employed
11 by the employer in a logging occupation. The employer shall provide proof of ownership
12 as required by this subsection on a form provided by the Commissioner of Labor. The
13 proof required by this subsection must include, but not be limited to, a receipt for payment
14 for the equipment purchased in a bona fide transaction and documentation of payment of
15 any tax assessed on the equipment pursuant to Title 36, chapter 105 for the year in which
16 the bond worker is employed by the employer. Proof of ownership must be carried in the
17 equipment and, upon request by the department or its designee, the operator of equipment
18 subject to this section shall provide proof of ownership. If proof of ownership is not
19 provided within ~~30~~ 14 calendar days of such a request, a fine of not less than \$5,000 and
20 not more than \$25,000 may be assessed against that employer and collected by the
21 Commissioner of Labor. Notwithstanding section 3, information regarding proof of
22 ownership is not confidential and may be disclosed to the public. If the equipment is leased
23 by the employer, the employer shall provide the name, address and telephone number of
24 the leasing company and its affiliates and subsidiaries; the names, addresses and telephone
25 numbers of the leasing company's owner or owners, its agent and members of its board of
26 directors; and a copy of the lease document. A lease is sufficient to meet the ownership
27 requirement of this section only if it is a bona fide lease and:

28 A. The lease consists of an arm's length transaction between unrelated entities or is a
29 transfer of equipment between affiliated companies;

30 B. The lease document contains a specific duration and lease amount;

31 C. The lessor is not an entity owned or controlled by a bond worker or a bond worker's
32 spouse, parent, child, sibling, aunt, uncle or cousin or person related to a bond worker
33 in the same manner by marriage, or by any combination of a bond worker and the bond
34 worker's family members described in this paragraph;

35 D. The lessor is a leasing business as evidenced by a lease of logging equipment to at
36 least 3 different, unrelated entities within each of the past 3 years; and

37 E. The lessor provides proof of payment of personal property tax assessed on the leased
38 equipment.

39 **Sec. 3. 26 MRSA §872, sub-§2-A**, as corrected by RR 2013, c. 1, §42, is amended
40 to read:

41 **2-A. Notification.** An employer filing for certification from the United States
42 Department of Labor to hire a bond worker to operate logging equipment shall at the time

1 of filing notify the Maine Department of Labor and provide, for the year in which the bond
2 worker is employed, the number of bond workers requested; a list of each piece of logging
3 equipment, including serial number, a bond worker will operate; receipts for payment for
4 the logging equipment purchased in bona fide transactions; and documentation of payment
5 of any tax assessed on the logging equipment pursuant to Title 36, chapter 105. An
6 employer shall notify the Maine Department of Labor within ~~30~~ 14 calendar days of the
7 date on which a bond worker begins work in the State and shall specify the name of the
8 bond worker and the anticipated locations where the bond worker will be conducting work
9 and shall provide a copy of the United States Customs and Border Protection's entry form
10 for that worker. The employer shall certify to the Maine Department of Labor that the
11 employer is not requiring the bond worker to engage in point-to-point hauling of forest
12 products within the State or to otherwise violate federal cabotage laws. If the notification
13 is not provided within ~~30~~ 14 calendar days of the date on which a bond worker begins work,
14 a fine of not less than \$5,000 and not more than \$25,000 must be assessed against that
15 employer and collected by the Commissioner of Labor.

16 **Sec. 4. 26 MRSA §874-A** is enacted to read:

17 **§874-A. Logging Dispute Resolution Board**

18 **1. Board established.** The Logging Dispute Resolution Board, referred to in this
19 section as "the board," is established in Title 5, section 12004-B, subsection 11 and
20 pursuant to this section as an independent board within the Department of Labor. The
21 purpose of the board is to hear disputes related to the logging industry, including disputes
22 regarding pay violations, payout amounts, contract violations, hiring disputes and other
23 topics as determined appropriate by the board.

24 **2. Members; appointment.** The board consists of 3 members appointed by the
25 Governor, subject to confirmation by the Legislature. Members must include the following:

26 A. One member representing the Maine Forest Products Council or its successor
27 organization;

28 B. One member representing the New England Loggers Cooperative or its successor
29 organization; and

30 C. One member of the State Board of Arbitration and Conciliation, as established by
31 section 931.

32 **3. Terms.** Members of the board are appointed for terms of 3 years. A member may
33 not serve more than 2 consecutive terms, plus any initial term of less than 3 years.

34 **4. Quorum.** Two members of the board constitute a quorum. A vacancy in the board
35 does not impair the power of the remaining members to exercise all the powers of the board.

36 **5. Powers and duties.** The board has all powers as are necessary to carry out its
37 functions. The board may be represented by legal counsel. The board may delegate any
38 duties as necessary.

39 **6. Costs.** Costs of arbitration are borne by the party against whom the board decides.

40 **SUMMARY**

41 This bill establishes the Logging Dispute Resolution Board to hear disputes related to
42 the logging industry, including disputes regarding pay violations, payout amounts, contract

1 violations, hiring disputes and other topics as deemed appropriate by the board. The bill
2 also changes the time frame for a bond worker in a logging occupation to provide proof of
3 the employer's ownership of any logging equipment used by that worker in the course of
4 employment from 30 to 14 calendar days. It requires employers to certify to the
5 Department of Labor that the employer is not requiring a bond worker to engage in point-
6 to-point hauling of forest products within the State or to otherwise violate federal cabotage
7 laws. It requires that costs of arbitration are borne by the party against whom the board
8 decides.