

MAINE STATE LEGISLATURE

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STATE OF MAINE
117TH LEGISLATURE

FIRST REGULAR SESSION

BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
LABOR

AUGUST 1995

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**Denotes Chair*



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**ONE HUNDRED AND SEVENTEENTH LEGISLATURE
FIRST REGULAR SESSION**

**SUMMARY OF LEGISLATION BEFORE
THE JOINT STANDING COMMITTEES**

AUGUST 1995

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees of the Maine Legislature. The volume is organized alphabetically by committee; within each committee, the summaries are arranged by LD number. A subject index is provided at the beginning of each committee's summaries. The publication, History and Final Disposition of Legislative Documents, is helpful in determining to which committee any particular bill was referred.

In this document, the committee report or reports, the prime sponsor for each bill and the lead co-sponsor in each house if one has been designated are listed below each bill title. All adopted amendments are listed, by paper number, together with the sponsor for floor amendments. Final action on each bill is listed to the right of the title. Various categories of final action are abbreviated as follows:

<i>CARRIED OVER</i>	<i>Bill carried over to Second Session</i>
<i>CON RES XXX</i>	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN BODIES</i>	<i>House & Senate disagree; bill died</i>
<i>DIED ON ADJOURNMENT</i>	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i>	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT</i>	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT</i>	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i>	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>INDEF PP</i>	<i>Bill Indefinitely Postponed</i>
<i>ONTP</i>	<i>Ought Not to Pass report accepted</i>
<i>P&S XXX</i>	<i>Chapter # of enacted Private & Special Law</i>
<i>PUBLIC XXX</i>	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i>	<i>Chapter # of enacted Resolve</i>
<i>UNSIGNED</i>	<i>Not signed by Governor within 10 days</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's Veto</i>

These summaries were prepared by the analyst or analysts assigned to the committee. If more detailed information is needed on a bill, contact the committee analyst.

5581LHS

SUMMARY

The original bill would have increased the minimum hourly wage to \$5 effective January 1, 1996.

COMMITTEE AMENDMENT "B" (H-67), the minority report of the Committee, replaces the original bill and restructures the entire section on the state minimum wage. Under current law, the state minimum wage increases to whatever level is established for the federal minimum wage, up to a maximum of \$5.00 per hour. The current federal and state minimum wage is \$4.25 per hour. The amendment adopted rewords current law to make it more understandable and increases the cap from \$5.00 per hour to \$5.15 per hour. The amendment also restructures the entire section so that the provisions on minimum wage, tips and overtime are presented in a clearer format.

COMMITTEE AMENDMENT "A" (H-66), the majority report of the Committee, would have raised the minimum wage to \$4.60 per hour on January 1, 1996 and to \$5.00 per hour on January 1, 1997 and would have restructured the section in a manner identical to the adopted amendment.

LD 158

**RESOLUTION, Proposing an Amendment to the Constitution of
Maine to Maintain the Current Amortization Schedule for
Unfunded Liabilities and to Prohibit Future Unfunded
Liabilities of the Maine State Retirement System**

CON RES 2

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
BUSTIN	OTP-AM MAJ	S-276
HATCH	OTP-AM MAJ	

SUMMARY

This resolution proposes an amendment to the Constitution of Maine to (1) require annual appropriations to fund retirement and ancillary benefits on an actuarially sound basis; (2) prohibit creation of additional unfunded liabilities unless caused by experience losses; and (3) require appropriations to pay off system unfunded liabilities in 31 years or less (current amortization schedule).

COMMITTEE AMENDMENT "A" (S-276) is the majority report of the Joint Standing Committee on Labor. The amendment retains the intent of the resolution and clarifies the following points.

1. The normal costs of retirement must be funded on an actuarially sound basis each fiscal year.
2. Funds must be appropriated each year to pay off the current unfunded liability of the Retirement System over 31 years or less.
3. Future unfunded liability arising from experience losses must be paid over a 10-year period.

The amendment clarifies the title of the resolution and the headings of the sections proposed to be added to the Constitution of Maine and rewords the referendum question to be consistent with the intent of the resolution. The amendment also adds a fiscal note to the resolution.

COMMITTEE AMENDMENT "B" (S-277), the minority report of the committee, was not adopted. The amendment would have introduced an override procedure by which the Governor and a 7/8 majority of each House of the Legislature could agree not to comply with the funding requirements in cases of severe economic emergency. The amendment also would have clarified that, except in such emergencies:

1. The normal costs of retirement must be funded on an actuarially sound basis each fiscal year;
2. Funds must be appropriated each year to pay off the current unfunded liability of the Maine State Retirement System over 31 years or less; and

3. Future unfunded liability arising from experience losses must be paid over a 10-year period.

The amendment would have clarified the title of the resolution and the headings of the sections proposed to be added to the Constitution of Maine and reworded the referendum question to reflect this amendment and the intent of the resolution. The amendment also would have added a fiscal note to the resolution.

LD 159 An Act to Require the State to Pay Medicare Costs for Retired State Employees and Retired Teachers ONTP

SPONSOR(S)	COMMITTEE REPORT		AMENDMENTS ADOPTED
BUSTIN	ONTP	MAJ	
HATCH	OTP-AM	MIN	

SUMMARY

This bill would have required the Maine State Retirement System to pay Medicare Part B premiums for state retirees and retired teachers who are transferred from state-paid health insurance coverage to Medicare on becoming eligible for Social Security.

LD 178 An Act to Amend the Misconduct Provisions of the Unemployment Compensation Law ONTP

SPONSOR(S)	COMMITTEE REPORT		AMENDMENTS ADOPTED
CHASE	OTP-AM	MAJ	
	ONTP	MIN	

SUMMARY

The original bill provided that a single act of negligence may not be considered misconduct under the Employment Security Law unless that act rises to the level of gross negligence. The majority report of the committee would have replaced the bill and provided that one act of simple negligence would not be considered misconduct. The intent of the amendment was to clarify that a single instance of mere carelessness or inattentiveness is not misconduct under current law and that the Law Court's decision in Forbes-Lilley v. Maine Unemployment Insurance Commission, 643 A.2d 377 (1994) does not permit denial of benefits for one act of simple negligence.

LD 184 An Act to Require the Maine Retirement System to Buy Stock in the Paper Companies ONTP

SPONSOR(S)	COMMITTEE REPORT		AMENDMENTS ADOPTED
SIMONEAU	ONTP		

SUMMARY

This bill would have repealed the provisions governing the Pulp and Paper Environmental Investment Fund and required that the Maine State Retirement System purchase stock in paper companies with operations in the State. The amount of money required to be invested in the paper industry is equal to the recommended appropriation to the Pulp and Paper Environmental Investment Fund.