## MAINE STATE LEGISLATURE

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#### STATE OF MAINE 118TH LEGISLATURE

## FIRST REGULAR SESSION AND FIRST SPECIAL SESSION

# BILL SUMMARIES JOINT STANDING COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT

#### **JULY 1997**

MEMBERS: Sen. John T. Jenkins, Chair Sen. Anne M. Rand Sen. Bruce W. MacKinnon

Rep. Marc J. Vigue, Chair Rep. Rosaire J. Sirois Rep. Richard R. Farnsworth Rep. Thomas P. Shannon Rep. Thomas J. Wright Rep. Robert A. Cameron Rep. Thomas W. Murphy, Jr. Rep. William E. Bodwell, II Rep. Jay MacDougall Rep. Adam Mack

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#### ONE HUNDRED EIGHTEENTH LEGISLATURE FIRST REGULAR AND FIRST SPECIAL SESSIONS

## Summary Of Legislation Before The Joint Standing Committees August 1997

We are pleased to provide this summary of bills that were considered by the 15 Joint Standing Committees of the Maine Legislature staffed by this office. The document is a compilation of bill summaries which describe each bill, committee amendments and other relevant amendments, as well as the final action taken on the bill. Also included are statistical summaries of bill activity this Session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills handled by the joint standing committees. It is organized alphabetically by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, <u>History and Final Disposition of Legislative Documents</u>, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

CARRIED OVER	Bill carried over to Second Regular Session
DIED BETWEEN BODIES	
DIED IN CONCURRENCE	One body accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT	Action incomplete when session ended; bill died
EMERGENCY	Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINAL	PASSAGE Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE	Bill failed to get majority vote
FAILED MANDATE ENACTMENT	Bill imposing local mandate failed to get 2/3 vote
INDEF PP	Bill Indefinitely Postponed
ONTP	Bill imposing local mandate failed to get 2/3 voteBill Indefinitely PostponedOught Not To Pass report accepted
OTP ND	
OTP ND/NT	
<i>P&amp;S XXX</i>	Chapter # of enacted Private & Special Law
PUBLIC XXX	Chapter # of enacted Public Law
RESOLVE XXX	
UNSIGNED	
VETO SUSTAINED	Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is June 26, 1997 and September 19, 1997 for the First Special Session.

David E. Boulter, Director

#### LD 1872

#### An Act to Make Changes to the Maine Economic Growth Council

**PUBLIC 425** 

Sponsor(s) Committee Report Amendments Adopted
PINGREE OTP

LD 1872 proposed to remove obsolete references to initial appointments to the Maine Economic Growth Council and to remove the restriction on members serving for more than one three-year term.

#### Enacted law summary

Public Law 1997, chapter 425 removes obsolete references to initial appointments to the Maine Economic Growth Council and removes the restriction on members serving for more than one three-year term.

LD 1878

#### An Act to Provide Regulation of Payroll Processing Companies

**PUBLIC 495** 

Sponsor(s) Committee Report Amendments Adopted

LD 1878 was a committee bill reported pursuant to joint order. The bill proposed to require that all payroll processing companies that conduct business in the State register on an annual basis with the State Tax Assessor by January 30th. This bill also required payroll processing companies that handle client funds to make certain disclosures to each employer for which it provides payroll processing services. The disclosures are to be made at the time of contracting and then by September 1st of each even-numbered year. Penalties were established for failure to register and failure to provide disclosure. Failure to register with the State Tax Assessor would be a civil violation for which a penalty of not less than \$500 nor more than \$2,500 may be assessed. Failure to provide disclosures to employers would be a civil violation for which a forfeiture of not less than \$50 nor more than \$250 may be assessed. Criminal penalties for misuse of entrusted property by payroll processing companies were increased.

The bill proposed to authorize the State Tax Assessor to perform audits of payroll processing companies and their clients. The assessor was also given authority to apply for an injunction from doing business for any payroll processing company that fails to account for, pay over or make returns of tax required by the Maine Revised Statutes, Title 36, chapter 827.

#### Enacted law summary

Public Law 1997, chapter 495 requires that all payroll processing companies that conduct business in the State register on an annual basis with the State Tax Assessor by January 30th. This bill also requires payroll processing companies that handle client funds to make certain disclosures to each employer for which it provides payroll processing services. The disclosures are to be made at the time of contracting and then by September 1st of each even-numbered year. Penalties are established for failure to register and failure to provide disclosure. Failure to register with the State Tax Assessor is a civil violation for which a penalty of not less than \$500 nor more than \$2,500 may be assessed. Failure to provide disclosures to employers is a civil violation for which a forfeiture of not less than \$50 nor more than \$250 may be assessed. Criminal penalties for misuse of entrusted property by payroll processing companies are increased.

Public Law 495 authorizes the State Tax Assessor to perform audits of payroll processing companies and their clients. The assessor is also given authority to apply for an injunction from doing business for any payroll processing company that fails to account for, pay over or make returns of tax required by the Maine Revised Statutes, Title 36, chapter 827.

### LD 1889 An Act to Provide Warranty Reimbursement Protection for Retailers

PUBLIC 497

Sponsor(s) Committee Report Amendments Adopted

LD 1889 was a committee bill reported pursuant to joint order. The bill proposed to amend the Uniform Commercial Code to ensure that a retail seller of consumer goods and services would be eligible for reimbursement from the prior seller or manufacturer of the consumer good or service should the retail seller provide a consumer reimbursement or return to honor an implied warranty of merchantability. The bill specified that a violation under this legislation is not a violation of the Maine Unfair Trade Practices Act. The bill was a committee bill reported by the committee pursuant to joint order.

#### Enacted law summary

Public Law 1997, chapter 497 amends the Uniform Commercial Code to ensure that a retail seller of consumer goods and services be eligible for reimbursement from the prior seller or manufacturer of the consumer good or service should the retail seller provide a consumer reimbursement or return to honor an implied warranty of merchantability. Public Law 497 specifies that a violation under this legislation is not a violation of the Maine Unfair Trade Practices Act.

LD 1900 Resolve, Appropriating Funds to the Maine Franco-American INDEF PP
Center

Sponsor(s) Committee Report Amendments Adopted
MICHAUD

LD 1900 proposed to repeal the Commission to Study the Development of Maine's Franco-American Resource. (See LD 1603) It instead would have provided funds to support the Maine Franco-American Center at the University of Maine. This resolve, which was introduced without reference to committee, was indefinitely postponed in both houses.

LD 1905 Resolve, Establishing a Blue Ribbon Commission to Study the

**RESOLVE 85** 

Effects of Government Regulation and Health Insurance Costs on Small Businesses in Maine

Sman Businesses in Maine

Sponsor(s)Committee ReportAmendments AdoptedMACKINNONH-777 VIGUE