MAINE STATE LEGISLATURE

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State Of Maine 120th Legislature

Second Regular Session

Bill Summaries

Joint Standing Committee on Labor

May 2002

Members:

Sen. Betheda G. Edmonds, Chair Sen. Karl W. Turner Sen. W. Tom Sawyer, Jr.

Rep. George H. Bunker, Jr., Chair Rep. Zachary E. Matthews Rep. Deborah J. Hutton Rep. Jacqueline R. Norton Rep. William J. Smith Rep. Frank J. Tarazewich Rep. Russell P. Treadwell Rep. Jay MacDougall Rep. Gerald M. Davis Rep. Philip Cressey, Jr.

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120th Legislature Second Regular Session

Summary Of Legislation Before The Joint Standing Committees May 2002

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing select committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. 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 considered by the committees. It is arranged alphabetically by committee name 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:

CON RES XXX	
CONF CMTE UNABLE TO AGREE	
	House & Senate disagree; bill died
DIED IN CONCURRENCE	One body accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT	
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	
FAILED MANDATE ENACTMENT	Bill imposing local mandate failed to get 2/3 vote
NOT PROPERLY BEFORE THE BODY	Ruled out of order by the presiding officers; bill died
INDEF PP	Bill Indefinitely Postponed
ONTP	Ought Not To Pass report accepted
OTP ND	Committee report Ought To Pass In New Draft
OTP ND/NT	
P&S XXX	Chapter # of enacted Private & Special Law
PASSED	Joint Order passed in both bodies
PUBLIC XXX	
RESOLVE XXX	
UNSIGNED	Bill held by Governor
VETO SUSTAINED	Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is July 25, 2002.

Joint Standing Committee on Labor

LD 1211 An Act to Supplement Benefits for State Employees and Teachers Whose Pensions are Subject to Reductions Enacted in 1993

ONTP

Sponsor(s)	Committee Report	Amendments Adopted
MILLS	ONTP	

LD 1211, a carry-over bill from the First Regular Session, was a concept draft pursuant to Joint Rule 208. It proposed to create a new defined contribution retirement plan as a supplemental benefit for those state employees and teachers who are in service under the Maine State Retirement System on or after January 1, 2001.

- 1. The proposed DC plan would not have covered:
 - a. A member who was in service and had 10 years of creditable service on July 1, 1993—it was intended to cover so-called "cliff employees;"
 - b. A member covered by the 1998 Special Plan; or
 - c. A member covered by the plan for Maine State Police officers.
- 2. Contributions to the plan would have been at the rate of 2% of an employee's salary or wages earned after December 31, 2000. The amount would be deducted from the employee's existing required contribution to the Maine State Retirement System but the employee's defined benefits under the Maine State Retirement System would not be diminished.
- 3. The added cost of maintaining the employee's defined benefits would have been allocated to the employer's share of the pension contribution. For state employees, the added cost would have been apportioned across the entire payroll for state employees covered under the Maine State Retirement System whether or not they were also covered by the new plan.
- 4. The Maine State Retirement System would have managed amounts contributed to the plan for the benefit of each employee in a non-lapsing fund. Each employee's share of the fund would have been tax sheltered and portable as provided in Section 457 and other provisions of the Internal Revenue Code.
- 5. Each employee's accumulated contributions and net earnings would have been non-lapsing and could have been withdrawn or rolled over in accordance with the Internal Revenue Code when the employee dies, retires or departs from state service. The employee would have had a range of annuity options for payment of benefits to the employee's spouse.

See LD 2199, "An Act to Address the Unfunded Liability of the Maine State Retirement System and the Equity of Retirement Benefits for State Employees and Teachers," which was enacted as Public Law 2001, chapter 707.

LD 1258

An Act to Make the Unemployment Insurance Program More Responsive to the Needs of Today's Workforce

VETO SUSTAINED

Sponsor(s)	Committee Report		Amendments Adopted
MATTHEWS	OTP-AM	MAJ	H-1027 BUNKER
EDMONDS	ONTP	MIN	H-839

Joint Standing Committee on Labor

LD 1258 was carried over from the First Regular Session. It proposed to amend the unemployment compensation laws in 3 ways. First, it proposed to provide coverage to part-time workers if they are able and available to work at least 20 hours a week. Second, it proposed to prevent disqualification of a person who loses a job because of a child-care or transportation-related problem provided that the person took all reasonable steps to maintain that employment. Finally, it proposed to remove a provision from current law that penalizes persons who have worked in seasonal industries even though they are able, available and actively seeking employment on a full-time, year-round basis.

LD 1258 was reported out of committee in the First Regular Session, but referred back to committee and carried over. In the Second Regular Session, the bill was again reported out of committee on a divided report.

Committee Amendment "C" (H-839) proposed to replace the bill. It proposed to delete provisions relating to seasonal workers and to persons who leave work because of child-care or transportation difficulties. The amendment proposed to provide that, beginning June 1, 2003, a person is not ineligible for unemployment benefits solely because the person is not available for full-time work, provided that the person is available to work at least part-time. The amendment proposed to require the Department of Labor to provisionally adopt rules to implement the part-time worker standard and to submit the rule and any necessary statutory changes to the Legislature by February 1, 2003.

House Amendment "B" to Committee Amendment "C" (H-1027) proposed to state that the extension of benefits to part-time workers was made pursuant to the federal Job Creation and Worker Assistance Act of 2002, Public Law 107-147, which provides federal Reed Act funds to states. It also proposed to require the Department of Labor to report to the joint standing committee of the Legislature having jurisdiction over labor matters no later than March 15, 2008 regarding unemployment benefits provided to part-time workers.

LD 1258 was vetoed by the Governor. See also LD 2218.

LD 1594

An Act to Provide Disclosure and Financial Protections to Temporary Workers

DIED BETWEEN BODIES

Sponsor(s)	Committee Report		Amendments Adopted
TREAT	ONTP	MAJ	
DUPLESSIE	OTP-AM	MIN	

LD 1594 proposed to regulate the practices of temporary services companies and to require such companies to disclose wages, charges, work hours and other work conditions prior to assigning temporary workers to a job. The bill proposed to require that a temporary worker who has worked for a client employer for 90 days or more be provided the same compensation and benefits as permanent employees of the client employer.

Committee Amendment "A" (S-425), the minority report of the Joint Standing Committee on Labor, proposed to strike several provisions in the bill. It proposed to retain the provisions that would (1) prohibit a temporary services company from restricting a temporary worker from accepting a permanent position with a client company, (2) prohibit a temporary services company from charging to cash a paycheck and (3) prohibit discrimination against a temporary worker who asserts rights under the law. (Not adopted)