

MAINE STATE LEGISLATURE

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*State Of Maine
120th Legislature*

Second Regular Session

Bill Summaries

*Joint Standing Committee
on
Labor*

May 2002

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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 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.

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..... Chapter # of Constitutional Resolution passed by both Houses
CONF CMTE UNABLE TO AGREE..... Committee of Conference unable to agree; bill died
DIED BETWEEN BODIES..... House & Senate disagree; bill died
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
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..... Committee report Ought To Pass In New Draft/New Title
P&S XXX..... Chapter # of enacted Private & Special Law
PASSED..... Joint Order passed in both bodies
PUBLIC XXX..... Chapter # of enacted Public Law
RESOLVE XXX..... Chapter # of finally passed Resolve
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.

Patrick T. Norton, Interim Director
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Joint Standing Committee on Labor

LD 2053

An Act to Clarify the Treatment of Members of Limited Liability Companies Under the Workers' Compensation Laws

PUBLIC 518

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP-AM	H-793

LD 2053 proposed to clarify that members of limited liability companies are treated the same as partners in limited partnerships by allowing family members of a member of a limited liability company to waive workers' compensation coverage when they work for the limited liability company.

Committee Amendment "A" (H-793) proposed to give members of limited liability companies the same opportunity as sole proprietors and partners to elect to be covered by the Maine Workers' Compensation Act of 1992.

Enacted law summary

Public Law 2001, chapter 518 clarifies that members of limited liability companies are treated the same as partners in limited partnerships for certain purposes under the workers compensation law. It allows a member of a limited liability company to elect to be personally covered by the law and it allows certain family members of limited liability companies to waive coverage under the law.

LD 2054

An Act Regarding the Payment of Severance Pay

DIED BETWEEN BODIES

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TUTTLE	OTP-AM A	
EDMONDS	ONTP B	
	OTP-AM C	

LD 2054 proposed to require the payment of severance pay to laid-off employees, even if there is not a substantial cessation of operations at the covered establishment. The bill proposed to apply this change retroactively to January 1, 2000.

Committee Amendment "A" (H-929), which was not adopted, was the majority report of the Joint Standing Committee on Labor and proposed to replace the bill and make substantive and clarifying changes in the severance pay laws.

The amendment proposed to eliminate bankruptcy as an excuse from paying severance pay and to require that notice of business termination or relocation be given to employees, municipalities and the Department of Labor. With regard to enforcement of the severance pay law, the amendment proposed to repeal language that allowed a departmental court action to supercede a citizen action. It also provided for the court to award attorney fees and interest on unpaid severance pay recovered in a court action. The amendment proposed to allow the Department to recover a civil forfeiture against businesses that violate the law.

The amendment proposed to clarify (1) that an employer must have owned a covered establishment for at least 3 years before the employer is required to pay severance pay; (2) that the amount due an employee for severance pay is based on the total number of years the employee worked at the establishment; (3) that contractual severance pay

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supersedes the statute only if the employer is bound by the contract; and (4) that parent corporations are liable for severance pay of a subsidiary when the subsidiary's covered establishment is terminated or relocated.

Committee Amendment "B" (H-930), which was not adopted, was a minority report of the Joint Standing Committee on Labor. It proposed to replace the bill and make the same changes in the severance pay law as in the majority report, except that (1) it did not propose to eliminate bankruptcy as an excuse from paying severance pay, but clarified the application of that provision; (2) it did not propose to address liability of a parent corporation; (3) it proposed to clarify that employees who are on leave, disability or workers' compensation are eligible employees but payments under disability and workers' compensation are not counted as gross wages; (4) that interest would be determined in the same manner as for post-judgment interest, not pre-judgment interest as in the majority report; and (5) that employees could agree to be paid severance pay at a time other than with the last wage payment.

LD 2058 **Resolve, to Continue the Study of the Benefits and Costs for** **RESOLVE 115**
Increasing Access to Family and Medical Leave for Maine Families

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP-AM MAJ	H-847
	ONTP MIN	S-545 GOLDTHWAIT

LD 2058 was the recommendation of the Committee to Study the Benefits and Costs for Increasing Access to Family and Medical Leave for Maine Families, which was created by joint order in the First Regular Session of the 120th Legislature. The committee recommended that it be allowed to continue its work during another interim, since the lack of sufficient data prevented members from reaching a conclusion in 2001 regarding the costs and benefits of paid family and medical leave in Maine. Several state and interest groups are working on creating models for estimating costs and benefits of paid family and medical leave, which the committee may be able to use in 2002. Also, committee members intend to identify interest groups and experts in Maine to gather data for the next phase of the study and to provide economic analysis expertise necessary to use that data.

Committee Amendment "A" (H-847) proposed to add clarifying language to the section of the resolve authorizing the committee to introduce legislation.

Senate Amendment "A" to Committee Amendment "A" (S-545) proposed to strip the emergency preamble and emergency clause, remove language requiring that the Senator and the House member be from different political parties, change the convening date, clarify the use of outside funding, amend reimbursement language and strike the General Fund appropriation.

Enacted law summary

Resolve 2001, chapter 115 provides for continuation of the Committee to Study the Benefits and Costs for Increasing Access to Family and Medical Leave for Maine Families, which was created by joint order in the First Regular Session of the 120th Legislature.