

# MAINE STATE LEGISLATURE

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*State Of Maine  
122nd Legislature*

*First Regular Session and  
First Special Session*

*Bill Summaries*

*Joint Standing Committee  
on  
Labor*

*August 2005*

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Sen. Philip L. Bartlett, II  
Sen. Lois A. Snowe-Mello*

*Rep. William J. Smith, Chair  
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Maine State Legislature

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122nd Legislature
First Regular Session and First Special Session

Summary of Legislation Considered by the Joint Standing Committees
August 2005

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 organized 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. A subject index for each committee is included immediately before the bill summaries for that committee, and a numerical index by LD number is included at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, 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
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
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 First Regular Session (unless otherwise specified in a particular law) is June 29, 2005; and for non-emergency legislation enacted in the First Special Session is September 17, 2005.

*Joint Standing Committee on Labor*

LD 978

**Resolve, Directing the Advisory Council on Tax-deferred Arrangements To Study Deferred Retirement Option Programs**

**RESOLVE 17**

<u>Sponsor(s)</u> LERMAN		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> H-145
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LD 978 proposed to direct the Department of Administrative and Financial Services, Bureau of Human Resources, Division of Employee Health and Benefits to require that a carrier of a deferred compensation plan for state employees also provide a deferred retirement option program, referred to as "DROP," to state employees. Under a DROP, a state employee retires and is rehired, and elects to deposit all or a part of the equivalent of the employee's retirement contributions into a pre-tax account for 3 to 5 years. The bill proposed to direct the Division of Employee Health and Benefits to adopt rules by January 1, 2006 to implement these programs, and to direct the Maine State Retirement System to adopt rules allowing state employees who participate in the retirement system and have reached normal retirement age to elect to enroll in a DROP.

**Committee Amendment "A" (H-145)** proposed to replace the bill with a resolve directing the Advisory Council on Tax-deferred Arrangements to study whether it is in the interest of the State and of employees and retirees who are members of the Maine State Retirement System to make available a deferred retirement option program as part of the deferred compensation programs offered to these employees and retirees. The resolve also proposed to set a deadline of January 15, 2006 for a report to the Joint Standing Committee on Labor including the Advisory Council on Task-deferred Arrangements's findings, recommendations and suggested legislation, to direct that the Department of Administrative and Financial Services provide administrative support for the study within existing resources and to give the Joint Standing Committee on Labor authority to report out legislation concerning the study to the Second Regular Session of the 122nd Legislature.

*Enacted law summary*

Resolve 2005, chapter 17 directs the Advisory Council on Tax-deferred Arrangements to study whether it is in the interest of the State and of employees and retirees who are members of the Maine State Retirement System to make available a deferred retirement option program as part of the deferred compensation programs offered to these employees and retirees. The resolve also sets a deadline of January 15, 2006 for a report to the Joint Standing Committee on Labor including the Advisory Council on Task-deferred Arrangements's findings, recommendations and suggested legislation, directs that the Department of Administrative and Financial Services provide administrative support for the study within existing resources and gives the Joint Standing Committee on Labor authority to report out legislation concerning the study to the Second Regular Session of the 122nd Legislature.

**LD 995**

**An Act To Conform Maine Employment Security Law with the Federal SUTA Dumping Prevention Act of 2004**

**PUBLIC 120**

<u>Sponsor(s)</u> STRIMLING HALL		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> S-97
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## Joint Standing Committee on Labor

LD 995 proposed to help detect businesses with high unemployment insurance tax rates resulting from a high volume of layoff activity setting up shell companies and transferring their employees to the shell companies to get lower, new-employer unemployment insurance tax rates and deters those businesses from doing so. Federal legislation to address this type of unemployment tax rate manipulation was recently enacted, and the bill was designed to keep Maine law in compliance with federal law.

**Committee Amendment "A" (S-97)** proposed to incorporate language that was inadvertently omitted from the bill.

### *Enacted law summary*

Public Law 2005, chapter 120 helps detect businesses with high unemployment insurance tax rates resulting from a high volume of layoff activity that set up shell companies and transfer their employees to the shell companies to get lower, new-employer unemployment insurance tax rates, and deters those businesses from doing so. This law keeps Maine law in compliance with federal law that was recently enacted to address this type of unemployment tax rate manipulation.

**LD 996**                      **Resolve, Establishing the Commission To Study Medical Expenses Under the Maine Workers' Compensation Act of 1992**                      **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PLOWMAN	ONTP	

LD 996 proposed to establish the Commission to Study Medical Expenses Under the Maine Workers' Compensation Act of 1992, which would be required to submit its report to the Second Regular Session of the 122nd Legislature by November 2, 2005.

**LD 1005**                      **Resolve, To Establish an Apprenticeship Program for Shipbuilders**                      **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SULLIVAN PINGREE	ONTP	

LD 1005 proposed to direct the Department of Labor to develop an apprenticeship program for shipbuilders and to report on its progress with any proposed legislation to the Joint Standing Committee on Labor no later than December 7, 2005.