

MAINE STATE LEGISLATURE

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STATE OF MAINE
123RD LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills and adopted amendments and laws enacted or finally passed during the First Regular Session of the 123rd Maine Legislature coming from the

JOINT STANDING COMMITTEE ON LABOR

July 2007

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STATE OF MAINE

123RD LEGISLATURE

FIRST REGULAR SESSION

LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS



This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all bills and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 123rd Maine Legislature, which was in session from December 6, 2006 to June 21, 2007.

The *Digest* is arranged alphabetically by committee, and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter 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 (or Accepted ONTP report).....	Ought Not To Pass report accepted
OTP-ND.....	Committee report Ought To Pass In New Draft
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 that the effective date for non-emergency legislation enacted in the First Regular Session is **September 20, 2007**. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills.

Joint Standing Committee on Labor

LD 382 An Act To Correct an Inconsistency in Unemployment Insurance Tax Law

PUBLIC 23

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
STRIMLING	OTP	

This bill repeals a provision of State law that conflicts with a federal mandate prohibiting the practice of State Unemployment Tax Act (SUTA) "dumping", whereby an employer seeks to avoid unemployment taxes by forming a shell corporation with typically lower new employer unemployment tax rates and transferring its employees to the new entity. The conflicting provision of state law relates to transfers of experience for unemployment tax rate purposes.

Enacted Law Summary

Public Law 2007, Chapter 23 repeals a provision of State law that conflicts with a federal mandate prohibiting the practice of State Unemployment Tax Act (SUTA) "dumping", whereby an employer seeks to avoid unemployment taxes by forming a shell corporation with typically lower new employer unemployment tax rates and transferring its employees to the new entity. The conflicting provision of state law relates to transfers of experience for unemployment tax rate purposes.

LD 392 An Act To Establish Penalties for Violation of the Severance Pay Law

PUBLIC 333

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CLARK DAMON	OTP-AM	H-391

Current law requires a person proposing to relocate a business outside of the State to provide notice of the relocation to the employees of that business and the officers of the municipality in which the business is located. This bill requires the same notice if the person proposes to terminate the business. The bill also adds a penalty section for violations of the severance pay law.

Committee Amendment "A" (H-391)

This amendment allows the Director of Labor Standards within the Department of Labor to waive the notice of termination or relocation requirement and provides that fines won't be collected if their payment would prevent the payment of required severance payments to employees. The amendment also specifies the provision to which the penalty provision applies.

Enacted Law Summary

Public Law 2007, Chapter 333 requires a person proposing to terminate a business to provide notice of the termination to the employees of that business and the officers of the municipality in which the business is located in the same manner as is required under current law if the person proposes to relocate the business outside of the State. The bill also allows the Director of Labor Standards within the Department of Labor to waive the notice of termination or relocation requirement, adds a penalty section for violations of a specific provision of the severance pay laws and provides that fines won't be collected if their payment would prevent the payment of required severance payments to employees.