# MAINE STATE LEGISLATURE

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# STATE OF MAINE

123<sup>rd</sup> Legislature First Regular Session



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

# JOINT STANDING COMMITTEE ON LABOR

July 2007

### **MEMBERS:**

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\*Representative James M. Hamper replaced Representative Philip A. Cressey, Jr. on the Labor Committee

## STATE OF MAINE

123<sup>rd</sup> 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 123<sup>rd</sup> 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	
DIED BETWEEN BODIES	House & Senate disagree; bill died
	v accepts ONTP report; the other indefinitely postpones the bill
	Action incomplete when session ended; bill died
EMERGENCY	Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINA	IL PASSAGE Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE	
	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 acceptedCommittee report Ought To Pass In New Draft
OTP-ND	
P&S XXX	
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 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 1884

# An Act To Create the Competitive Skills Scholarship Fund and To Improve Maine Employment Security Programs

PUBLIC 352

Sponsor(s)	<u>Committee Report</u>	Amendments Adopted
CAMPBELL	OTP-AM	H-503
STRIMLING		

This bill contains four parts. Part A establishes the Competitiveness Training Program to provide access to education, training and support through the Department of Labor's career centers, to prepare individuals for high-wage jobs in industries with significant demand for skilled labor, as designated by the department. Part A establishes the Competitiveness Training Fund which receives payments from employers in the same manner as unemployment insurance contributions. These payments are offset by a reduction in unemployment insurance contributions for a zero net effect. Part A also reduces the benefit reserve cap on the Unemployment Trust Fund from 21 months to 18 months, giving employers a reduction in unemployment taxes for the first two years following implementation.

Part B eliminates the pension offset against unemployment benefits for persons who receive social security or any other pension or plan to which the individual made at least 50% of the contributions. If the person contributed some amount to the pension, but less than 50%, the offset is made after deduction of that portion of the pension that is directly attributable to the percentage of the contributions made to the pension by that person.

Part C provides for the continuation of the unemployment compensation provision that permits certain people who are able and available for part-time work to receive unemployment benefits.

Part D provides for the distribution to the Department of Labor of federal funds under the Reed Act. In 2002, Maine received \$32,486,816 in Reed Act funds. Under federal law, these funds may be used only to maintain the State's unemployment and public employment system or to pay regular unemployment benefits. Part D authorizes the use of \$5,200,000 of Reed Act funds to make technological upgrades and improvements to the unemployment insurance and employment services computer systems as well as improvements to the labor market information services computer systems as they pertain to the analysis of unemployment and employment data. Additionally, a portion of these funds will be used to pay the administrative costs associated with helping unemployment benefit recipients return to work more quickly and to reduce the benefit costs of the unemployment insurance program.

#### Committee Amendment "A" (H-503)

This amendment changes the name of the training fund to the Competitive Skills Scholarship Fund and the name of the program to the Competitive Skills Scholarship Program. The title of the bill is replaced to reflect these name changes. The amendment provides that unencumbered balances in the Competitive Skills Scholarship Fund remain in the fund and do not lapse to the General Fund. The amendment also provides that Competitive Skills Scholarship Fund dollars must be used to supplement, and not supplant, other state or local funds that are used to deliver workforce investment services through Maine's CareerCenters. The amendment includes technical changes to make the bill internally consistent and clarifies that an individual career plan is developed in cooperation with the participant and that it must, to the maximum extent feasible, reflect the preferences of the participant, provided that the individual career plan remains within the confines of the goals of the program. The amendment also clarifies that participants must be given a description of the program as well as a list of services and supports available through the program. The amendment also permits the Department of Administrative and Financial Services, Bureau of Revenue Services to disclose to designated employees of the Department of Labor information necessary to administer the contributions to the Competitive Skills Scholarship Fund. It also adds an appropriations and allocations section.

#### **Enacted Law Summary**

## Joint Standing Committee on Labor

provide access to education, training and support through the Department of Labor's career centers, to prepare individuals for high-wage jobs in industries with significant demand for skilled labor, as designated by the department. Part A establishes the Competitive Skills Scholarship Fund which receives payments from employers in the same manner as unemployment insurance contributions. These payments are offset by a reduction in unemployment insurance contributions for a zero net effect. Part A also reduces the benefit reserve cap on the Unemployment Trust Fund from 21 months to 18 months, giving employers a reduction in unemployment taxes for the first two years following implementation. The bill provides that unencumbered balances in the Competitive Skills Scholarship Fund remain in the fund and do not lapse to the General Fund. The bill also provides that Competitive Skills Scholarship Fund dollars must be used to supplement, and not supplant, other state or local funds that are used to deliver workforce investment services through Maine's CareerCenters.

Part B eliminates the pension offset against unemployment benefits for persons who receive social security or any other pension or plan to which the individual made at least 50% of the contributions. If the person contributed some amount to the pension, but less than 50%, the offset is made after deduction of that portion of the pension that is directly attributable to the percentage of the contributions made to the pension by that person.

Part C provides for the continuation of the unemployment compensation provision that permits certain people who are able and available for part-time work to receive unemployment benefits.

Part D provides for the distribution to the Department of Labor of federal funds under the Reed Act. In 2002, Maine received \$32,486,816 in Reed Act funds. Under federal law, these funds may be used only to maintain the State's unemployment and public employment system or to pay regular unemployment benefits. Part D authorizes the use of \$5,200,000 of Reed Act funds to make technological upgrades and improvements to the unemployment insurance and employment services computer systems as well as improvements to the labor market information services computer systems as they pertain to the analysis of unemployment and employment data. Additionally, a portion of these funds will be used to pay the administrative costs associated with helping unemployment benefit recipients return to work more quickly and to reduce the benefit costs of the unemployment insurance program.

### LD 1915 An Act To Protect Fair Share Workers from Termination

**PUBLIC 415** 

Sponsor(s)	Committee Report	Amendments Adopted
STRIMLING	OTP-AM MAJ ONTP MIN	S-274

This bill is a concept draft pursuant to Joint Rule 208. This bill proposes to prohibit an employer from discharging an employee who refuses to pay service fees imposed by a union.

### Committee Amendment "A" (S-274)

This amendment specifies that public employees, including state and legislative employees, university, academy and community college employees and judicial employees, may not be required by an employer or other person to join a union, labor organization or bargaining agent and may not be terminated for nonpayment of any service fee. The amendment permits the employer to deduct service fees from the pay of unit members who do not join the union. The amendment further provides that any fee balance owed to the union may be deducted only to the extent that the total deduction for the current fee and arrears installment does not exceed in each pay period 10% of the employee's gross pay. Finally, the amendment directs the Maine Labor Relations Board to develop recommendations to improve the procedures for resolving disputes over a union's calculation of its service fee and report those recommendations to the Joint Standing Committee on Labor.

### **Enacted Law Summary**

Public Law 2007, Chapter 415 specifies that public employees, including state and legislative employees, university, academy and community college employees and judicial employees, may not be required by an employer or other