

MAINE STATE LEGISLATURE

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STATE OF MAINE
124TH LEGISLATURE
SECOND REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed during the Second Regular Session of the 124th Maine Legislature coming from the

JOINT STANDING COMMITTEE ON LABOR

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STATE OF MAINE

124TH LEGISLATURE
SECOND 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 Second Regular Session of the 124th Maine Legislature.

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:

<i>CARRIED OVER</i>	<i>Carried over to a subsequent session of the Legislature</i>
<i>CON RES XXX</i>	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN HOUSES</i>	<i>House & Senate disagree; bill died</i>
<i>DIED IN CONCURRENCE</i>	<i>One body accepts ONTP report; the other indefinitely postpones the bill</i>
<i>DIED ON ADJOURNMENT</i>	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i>	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT/FINAL PASSAGE</i>	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT/FINAL PASSAGE</i>	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i>	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>Ruled out of order by the presiding officers; bill died</i>
<i>INDEF PP</i>	<i>Bill Indefinitely Postponed; bill died</i>
<i>ONTP (or Accepted ONTP report)</i>	<i>Ought Not To Pass report accepted; bill died</i>
<i>P&S XXX</i>	<i>Chapter # of enacted Private & Special Law</i>
<i>PUBLIC XXX</i>	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i>	<i>Chapter # of finally passed Resolve</i>
<i>UNSIGNED</i>	<i>Bill held by Governor</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's Veto</i>

The effective date for non-emergency legislation enacted in the Second Regular Session of the 124th Legislature is Monday, July 12, 2010. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills.

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executive director's designee, after a hearing, to issue a stop-work order to a hiring agent or construction subcontractor who knowingly failed to provide workers' compensation insurance for employees. The hiring agent or construction subcontractor must receive at least three business days' notice of a hearing regarding a stop-work order. The executive director or the executive director's designee shall stay a stop-work order if a hiring agent or construction subcontractor provides evidence that the hiring agent or construction subcontractor has complied with the provisions of the Maine Workers' Compensation Act of 1992. A stop-work order remains in effect until the executive director or the executive director's designee issues an order releasing the stop-work order upon finding of compliance and the hiring agent or construction subcontractor has paid any penalty assessed or has entered into a penalty payment agreement with the Workers' Compensation Board. Any stop-work order issued applies to any successor firm, corporation or partnership of the hiring agent or construction subcontractor.

The law protects an issuer of surety bonds from liability when a payment or a performance bond is required of a hiring agent or construction subcontractor and that hiring agent or construction subcontractor is subject to a stop-work order from the Executive Director of the Workers' Compensation Board.

The law defines a knowing violation of the provision requiring that workers' compensation insurance be obtained for the purpose of issuing a stop-work order.

Positions to enhance the enforcement of laws prohibiting misclassification of workers must be funded from the Workers' Compensation Board's reserve account.

LD 1566 An Act Relating to the Membership of the Workers' Compensation Board

PUBLIC 640

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BUTTERFIELD JACKSON	OTP-AM	H-659 S-399 BRYANT B

This bill clarifies the current restrictions on Workers' Compensation Board membership related to lobbying and being a service provider by providing that Workers' Compensation Board members may lobby on behalf of the board and by defining the term "service provider" for purposes of being a member of the board.

Committee Amendment "A" (H-659)

This amendment replaces the bill and clarifies the current restrictions on the Workers' Compensation Board membership with regard to any possible conflict of interest between a member and an issue in front of the board. It cites the conflict of interest provisions found in the Maine Workers' Compensation Act of 1992, which refers to the disqualification of executive employees from participating in matters that appear to be a conflict of interest by disclosure or by abstention found in the Maine Revised Statutes, Title 5, section 18.

Senate Amendment "A" To Committee Amendment "A" (S-399)

This amendment, like the bill, relates to the membership of the Workers' Compensation Board. Current law restricts the term of a member representing management or labor to two full terms. This amendment repeals that restriction.

Enacted Law Summary

Public Law 2009, chapter 640 clarifies the current restrictions on the Workers' Compensation Board membership with regard to any possible conflict of interest between a member and an issue in front of the board. It cites the conflict of interest provisions found in the Maine Workers' Compensation Act of 1992, which refers to the disqualification of executive employees from participating in matters that appear to be a conflict of interest by

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disclosure or by abstention found in the Maine Revised Statutes, Title 5, section 18. It removes the two-term restriction to membership on the Workers' Compensation Board.

LD 1582 An Act To Bring the Laws of the Maine Public Employees Retirement System into Compliance with the Federal Internal Revenue Code

PUBLIC 474

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TUTTLE JACKSON	OTP-AM	H-595

This bill makes changes to the laws governing the qualified defined benefit retirement programs administered by the Maine Public Employees Retirement System to conform them to provisions of the United States Internal Revenue Code. These changes are necessary to ensure the continued qualified status and favorable tax treatment of the defined benefit programs under the Internal Revenue Code, Sections 401(a) and 414(d) and other applicable provisions. The Maine Public Employees Retirement System has received favorable determination letters from the Internal Revenue Service confirming the continued qualification of the Legislative Retirement Program, Judicial Retirement Program, State Employee and Teacher Retirement Program and Participating Local District Retirement Program, subject in part to the adoption of the changes proposed in this bill.

The bill adds language to clarify that applicable retirement programs are intended to be governmental qualified defined benefit plans under the Internal Revenue Code.

The bill amends the respective retirement program statutes to comply with specific Internal Revenue Code requirements that govern certain operational procedures currently in practice but that must be specifically referred to in the written plan document. In addition, the bill amends the respective retirement programs to comply with the provisions of the federal Tax Reform Act of 1986, the federal Unemployment Compensation Amendments of 1992, the federal Omnibus Budget Reconciliation Act of 1993; the federal Uruguay Round Agreements Act, the federal Uniformed Services Employment and Reemployment Rights Act of 1994, the federal Small Business Job Protection Act of 1996, the federal Taxpayer Relief Act of 1997, the federal Internal Revenue Service Restructuring and Reform Act of 1998, the federal Community Renewal Tax Relief Act of 2000 and the federal Economic Growth and Tax Relief Reconciliation Act of 2001. More specifically, the bill:

1. Confirms that a member is 100% vested in the member's contribution account pursuant to the Internal Revenue Code, Section 401(a)(7);
2. Specifies that a forfeiture of a benefit by a member or former member must be used to reduce the unfunded liability of the employer pursuant to the Internal Revenue Code, Section 401(a)(8);
3. Provides that distributions to members must commence no later than the April 1st following the calendar year in which the member attains 70 1/2 years of age pursuant to the Internal Revenue Code, Section 401(a)(9), known as the "required minimum distribution," and must be paid in accordance with the Code;
4. Provides that annual compensation of an eligible member that exceeds \$245,000, adjusted yearly for cost-of-living increases, may not be taken into account in determining benefits or contributions due for any plan year pursuant to the Internal Revenue Code, Section 401(a)(17);
5. Defines what constitutes an eligible retirement plan, an eligible rollover distribution and a member for favorable tax rollovers pursuant to the Internal Revenue Code, Section 401(a)(31);