

MAINE STATE LEGISLATURE

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STATE OF MAINE
125TH LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

**JOINT STANDING COMMITTEE ON LABOR, COMMERCE,
RESEARCH AND ECONOMIC DEVELOPMENT**

July 2011

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STATE OF MAINE
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LEGISLATIVE DIGEST OF BILL SUMMARIES AND
ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 125th Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD 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 LD is noted to the right of the LD title. The following describes the various final actions.

CARRIED OVER carried over to a subsequent session of the Legislature
CON RES XXX..... chapter # of constitutional resolution passed by both houses
CONF CMTE UNABLE TO AGREE..... Committee of Conference unable to agree; legislation died
DIED BETWEEN HOUSES..... House & Senate disagreed; legislation died
DIED IN CONCURRENCE..... defeated in each house, but on different motions; legislation died
DIED ON ADJOURNMENT..... action incomplete when session ended; legislation died
EMERGENCY..... enacted law takes effect sooner than 90 days after session adjournment
FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE emergency failed to receive required 2/3 vote
FAILED, ENACTMENT or FINAL PASSAGE..... failed to receive final majority vote
FAILED, MANDATE ENACTMENT legislation proposing local mandate failed required 2/3 vote
HELD BY GOVERNOR..... Governor has not signed; final disposition to be determined at subsequent session
LEAVE TO WITHDRAW..... sponsor's request to withdraw legislation granted
NOT PROPERLY BEFORE THE BODY ruled out of order by the presiding officer; legislation died
INDEF PP..... indefinitely postponed; legislation died
ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X... ought-not-to-pass report accepted; legislation died
P&S XXX..... chapter # of enacted private & special law
PUBLIC XXX..... chapter # of enacted public Law
RESOLVE XXX..... chapter # of finally passed resolve
VETO SUSTAINED..... Legislature failed to override Governor's veto

The effective date for non-emergency legislation enacted in the First Regular Session of the 125th Legislature is September 28, 2011. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

Joint Standing Committee on Labor, Commerce, Research and Economic Development

for staggered initial appointments to the board and requires that all members be appointed to the board no later than May 1, 2012. The board is required to convene its first meeting no later than July 15, 2012.

Committee Amendment "A" (H-450)

This amendment is the minority report of the committee. It adds an appropriations and allocations section. This amendment was not adopted.

LD 204 An Act Regarding the Membership of the Midcoast Regional **DIED BETWEEN
Redevelopment Authority Board of Trustees **HOUSES****

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GERZOFSKY	OTP-AM MAJ ONTP MIN	

This bill provides that a member appointed to the board of trustees of the Midcoast Regional Redevelopment Authority may not be an employee who serves at the pleasure of a person who holds elected office in municipal, county or state government.

Committee Amendment "A" (S-19)

This amendment is the majority report of the committee. It amends the language in the bill that prevents a member of the board of trustees of the Midcoast Regional Redevelopment Authority from being an employee who serves at the pleasure of a person who holds elected office in municipal, county or state government to clarify that this restriction does not apply to the commissioner of a department of State Government that serves as an ex officio member on the authority, since the commissioner serves at the pleasure of the Governor.

LD 207 An Act To Amend the Laws Regarding Tips Used in Payment of Service **PUBLIC 118
Employees**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LANGLEY	OTP-AM	S-58

This bill changes the laws regarding the tip credit for employers as used in the payment of service employees by eliminating the provision that specifies that tips received by a service employee are the property of the employee and may not be shared with the employer. It eliminates the provision that makes tip splitting voluntary and also eliminates the provision that tips automatically included in a customer's bill or charged to a customer's credit card must be given to the service employee. It also eliminates the provision that directs the employer to pay the service employee by the next regular payday for tips charged to a credit card.

Committee Amendment "A" (S-58)

This amendment replaces the proposed changes in the bill regarding the tip credit for employers. The amendment defines "tip" and clarifies that a sum presented by a customer in recognition of service performed is considered a tip for the service employee even if it is automatically included in the customer's bill or charged to a credit card. It also states that a service charge included in a bill in a banquet or private club setting is not a tip and that the customer must be notified of this, that all employees in the banquet or private club setting must be compensated in accordance with the State's minimum wage and overtime laws and that the service charge can be used to meet these obligations.

Joint Standing Committee on Labor, Commerce, Research and Economic Development

The amendment further clarifies that tip pooling is a valid practice as described by federal laws and regulations.

Enacted Law Summary

Public Law 2011, chapter 118 simplifies the definition of "service employee" and defines "tip" as a sum presented by a customer in recognition of services performed; it also clarifies that a tip does not include an agreed upon service charge added to a customer's bill in a banquet or private club setting. Public Law 2011, chapter 118 does not prohibit an employer from establishing a valid tip pooling arrangement among service employees that is consistent with the federal Fair Labor Standards Act and regulations. It further requires an employer in a banquet or private club setting that adds a service charge to notify the customer that the service charge does not represent a tip for service employees.

LD 224 An Act To Provide Temporary Changes to the Extended Benefit Triggers in Accordance with the Federal Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010

**PUBLIC 2
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RECTOR	OTP-AM	S-3

On December 17, 2010, the United States Congress passed the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, Public Law 111-312, which made changes to the laws governing the federal-state unemployment extended benefits program. These changes continued the full federal funding of the extended benefits program through December 31, 2011 and additionally changed the formula for determining when the program "triggers on" to include a look back at the State's unemployment rate experience for the preceding three calendar years instead of the two years in current statute. This temporary three-year look-back provision change is tied to the continued federal funding of benefits paid out under the extended benefits program and therefore is also set to expire on December 31, 2011.

This bill temporarily changes Maine law to reflect the trigger calculation change. If this change is not made, Maine is projected to "trigger off" extended benefits in March 2011, and it is estimated that approximately 7,100 unemployed Maine workers will lose their benefits under this program.

Committee Amendment "A" (S-3)

This amendment incorporates a fiscal note.

Enacted Law Summary

Public Law 2011, chapter 2 temporarily changes Maine law to reflect the trigger calculation change necessitated by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, Public Law 111-312. If this change was not made, approximately 7,100 unemployed Maine workers may have lost their benefits under this program.

Public Law 2011, chapter 2 was enacted as an emergency measure effective February 18, 2011.