

MAINE STATE LEGISLATURE

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STATE OF MAINE
127TH LEGISLATURE
SECOND REGULAR SESSION



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

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

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STATE OF MAINE

127TH LEGISLATURE

SECOND REGULAR SESSION



LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contains summaries of all LDs and adopted amendments and all laws enacted or finally passed during the Second Regular Session of the 127th 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. An appendix provides a summary of relevant session statistics.

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 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 127th Legislature is July 29, 2016. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

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2. It requires the Maine Small Business and Entrepreneurship Commission to ensure that the State's small business development centers receive training and provide information on employee ownership and cooperative development.
3. It requires the Commissioner of Economic and Community Development to ensure equal access to Department of Economic and Community Development programs for employee-owned businesses and cooperatives, as well as businesses seeking to convert to employee ownership or cooperative organization.
4. It requires the Commissioner of Agriculture, Conservation and Forestry to ensure equal access to Department of Agriculture, Conservation and Forestry programs for employee-owned businesses and cooperatives, as well as businesses seeking to convert to employee ownership or cooperative organization.
5. It creates the Cooperative Development Grants Program.
6. It modifies the exemption from registration for certain membership securities issued by cooperatives.
7. It subtracts from the Maine income tax the amount of gain recognized by a business owner in transferring the business to an employee stock ownership plan or eligible worker-owner cooperative.
8. It requires the Department of Agriculture, Conservation and Forestry, the Department of Economic and Community Development, the Department of Labor, the Finance Authority of Maine and the University of Maine System to identify and make best efforts to pursue federal sources of funding for advancement of employee ownership and development of cooperatives.
9. It requires the Maine Small Business and Entrepreneurship Commission to ensure, to the extent feasible, that each small business development center receives training on issues relating to employee ownership and cooperative development. It requires the commission to provide a report to the joint standing committee of the Legislature having jurisdiction over labor, commerce, research and economic development matters on the commission's implementation of this provision.
10. It also adds an appropriations and allocations section.

LD 1384

An Act To Improve Workplace Safety by Simplifying and Improving Employers' Substance Abuse Policy Requirements

Died Between Houses

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
STETKIS J	OTP-AM OTP-AM	

This bill was carried over from the First Regular Session of the 127th Legislature.

This bill makes the following changes to the laws governing employment practices concerning substance abuse testing.

1. It specifies that employers may establish policies or rules related to the possession or use of substances of abuse by employees and for employee impairment by substances of abuse at the workplace.
2. It repeals a section of law that addresses nuclear power plants since there are no operating nuclear power plants in this State.
3. It authorizes an employer that has employees subject to a federally mandated substance abuse testing program to

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extend its federal drug testing activities to its entire workforce in order to maintain a single testing program and specifies that the employer must maintain the privacy protections that Maine statute affords all other Maine employees.

4. Current law prohibits a single work-related accident from forming the basis of probable cause to believe that an employee may be under the influence of a substance of abuse. This bill amends the law to provide that a single work-related accident that results in injury or significant property damage may be probable cause to suspect an employee is under the influence of a substance of abuse.
5. It eliminates the current requirement that, prior to establishing a substance abuse testing program, an employer with over 20 full-time employees have a functioning employee assistance program.
6. It directs the Commissioner of Labor to develop model policy templates with adequate flexibility so as to facilitate the ability of the employers' substance abuse testing programs and policies to meet the requirements of the Maine Revised Statutes, Title 26, chapter 7, subchapter 3-A to develop new policies or update existing policies.
7. It expands the number of establishments that can undertake companywide random substance abuse testing from those with 50 or more employees to those with 10 or more employees.
8. The bill eliminates the requirement that employers share an employee's rehabilitation costs not covered by group health insurance and clarifies that rehabilitation costs not covered by a group health insurance program are the responsibility of the employee.
9. It specifies that testing at the point of collection of saliva or urine is permissible for both applicants for employment and for employees.

Committee Amendment "A" (H-624)

This amendment is the majority report of the committee. It replaces the bill and makes changes to the substance abuse testing laws, including the following.

1. It requires an employer to adopt a uniform policy for substance abuse testing as developed by the Department of Labor.
2. It provides that all confirmed positive substance abuse tests may be reported to the employer only by a medical review officer, who may not be employed by the employer.
3. It allows an employee to provide a legitimate medical explanation for a positive test result for legally obtained medications, including medical marijuana, preventing the medical review officer from reporting a positive test for that substance to the employer.
4. It changes the definitions of "employer" and "employee" so that a temporary employee provided by an employment agency that is directly supervised by an employer must be treated the same as a regular employee of that employer for purposes of substance abuse testing laws.
5. It allows testing laboratories to use alternate federal substance abuse testing standards.
6. Under current law, an employer must provide an employee who receives an initial confirmed positive result from a substance abuse test with an opportunity to participate in a rehabilitation program before discharging or disciplining the employee. This amendment reduces the timeframe for completing such a rehabilitation program from six months to 12 weeks.

Committee Amendment "B" (H-625)

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This amendment is the minority report of the committee. It replaces the bill and makes changes to the laws governing employment practices concerning substance abuse testing, including the following.

1. It replaces the phrase "substance abuse test" and "substance abuse testing" with "substance use test" and "substance use testing" to reflect more modern terminology.
2. It repeals a section of law that addresses nuclear power plants since there are no operating nuclear power plants in this State.
3. It authorizes an employer that has employees subject to a federally mandated substance use testing program to extend federal drug testing activities to its entire workforce in order to maintain a single testing program and specifies that the employer must prepare a substance use testing plan for employees who are not federally regulated, provide a copy of the plan to the employees and the Department of Labor before testing, follow federal notification and procedural protocols for such employees and annually report the results of testing to the department.
4. It streamlines the current drug testing policy approval by requiring the Department of Labor to develop a uniform impairment and substance use testing policy applicable to all employers. Employers must notify, and be approved by, the Department of Labor prior to conducting substance use testing.
5. It removes the "probable cause" standard and replaces it with an "impairment detection" standard required before the employer may conduct substance use testing. For employers authorized to conduct substance use testing, only an employer or employee approved for impairment detection by the Department of Labor or a medical person may make an impairment detection. Among other things, this detection may be based on a single work-related accident, unlike the "probable cause" standard under current law. The employer may immediately remove the employee from the workplace pending resolution of the impairment detection.
6. It adds an "impairment determination" process that may be used as an alternative or in addition to a substance use test. Under this process, an occupational health care provider conducts a medical review in order to confirm the impairment detection, which may include a substance use test that includes testing for prescription drugs. If the impairment is confirmed, the employer may take employment action including firing or disciplining the employee, subject to any limitations under the Maine Human Rights Act and any other state or federal law. If the occupational health care provider finds that the employee was not impaired or that such impairment did not pose a safety risk, the employee is entitled to full reinstatement of the employee's position.
7. It adds a violation of an established drug-free workplace policy as grounds for employment action.
8. It adds a first impairment determination to the requirement, applicable to an initial confirmed positive substance use test, that the employer must provide the employee with an opportunity to participate in a treatment program before discharging or disciplining the employee. The time frame for completing the treatment program is reduced from six months to 12 weeks, and an employer with between 20 and 50 full-time employees is no longer required to pay half of the costs of the treatment program. An employer with more than 50 full-time employees must pay half of treatment costs not covered by a group health insurance plan when the treatment program is required of the employee.
9. It modifies the current requirement that, prior to establishing a substance use testing program, an employer with over 20 full-time employees have a functioning employee assistance program, instead requiring employers with over 50 full-time employees to have such a program.
10. It expands the number of establishments that may undertake company-wide random substance abuse testing by authorizing such testing by companies with 10 or more employees. Current law only permits such testing by companies with 50 or more employees.

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11. It provides that confirmed positive substance use tests may be reported to the employee only by a medical review officer and allows an employee to provide a legitimate medical explanation for a positive test result for legally obtained medications, preventing the medical review officer from reporting a positive test for that substance to the employer.

12. It allows testing laboratories to use federal testing standards to encourage testing of biological samples beyond urine and blood.

13. It adds a new civil violation for any employer noncompliance with the substance use testing laws, for which a fine of not more than \$500 for the first violation, \$750 for the second violation and \$1,000 for third and subsequent violations may be adjudged.

This amendment was not adopted.

**LD 1389 An Act To Conform Maine Law to Federal Law Regarding Closings and
Mass Layoffs and To Strengthen Employee Severance Pay Protections**

PUBLIC 417

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
ROSEN K	OTP-AM	S-409

This bill was carried over from the First Regular Session of the 127th Legislature.

This bill clarifies and strengthens the laws governing severance pay. It adds definitions for "closing," "mass layoff," "part-time employee," "employment loss" and "gross earnings." It provides that ambiguous language of an employer regarding the duration and nature of an employment loss may not be construed to prevent potential liability for payment of severance.

The bill changes the circumstances that mitigate liability for severance pay by adding the closing of a covered establishment that is necessitated by the final order of a federal, state or local government agency, including an adjudication of bankruptcy. It amends the laws governing advance notice of a closing so they conform to the federal Worker Adjustment and Retraining Notification Act, also known as the WARN Act, 29 United States Code, Sections 2101 to 2109 (2014) and changes the designation of rules from major substantive to routine technical.

Committee Amendment "A" (S-409)

This amendment makes a number of changes to the bill, including the following.

1. It adds a mass layoff as a condition triggering severance pay liability, and changes the new definition of "mass layoff" to encompass a six-month period as opposed to the 30-day period in the bill.
2. It defines "eligible employee" for purposes of severance pay eligibility, and expands eligibility to employees who have voluntarily quit employment with a covered establishment within a 30-day period prior to the date set in a notice of a mass layoff or closing provided by the employer under state or federal law.
3. It requires the severance pay calculation for an employee to include partial years worked by an employee and to include any weeks that the employee received gross earnings, as opposed to having worked, in the 12 months prior to an establishment closing or instituting a mass layoff.
4. It eliminates the exemption from severance pay and notice requirements when a closing or mass layoff is due to an adjudication of bankruptcy and clarifies the bill's elimination of the exemption from severance pay for an establishment that files for bankruptcy protection.