

129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 1524

S.P. 473

In Senate, April 9, 2019

An Act To Prevent Wage Theft and Promote Employer Accountability

Reference to the Committee on Labor and Housing suggested and ordered printed.

DAREK M. GRANT Secretary of the Senate

Presented by President JACKSON of Aroostook.

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 26 MRSA §637 is enacted to read:

§637. Wage theft penalties

- 1. Wage theft; defined. For the purposes of this section, "wage theft" means a violation of section 621-A, 622, 623, 626, 629 or 629-A.
- 2. Injunction; damages. An employee, multiple similarly situated employees or the Attorney General on behalf of an employee or multiple similarly situated employees may file a civil action for injunctive relief, for any damages incurred and for any lost wages and other benefits against an employer who commits wage theft. If the employee, employees or Attorney General prevails, the employer is liable to pay, in addition to the unpaid wages or health benefits adjudged to be due, a reasonable rate of interest, costs of suit including a reasonable attorney's fee and an additional amount equal to triple the amount of unpaid wages as liquidated damages.
- 3. Stop-work order. On determination by the Commissioner of Labor or the commissioner's designee that an employer is committing wage theft, the commissioner or designee may issue a stop-work order to the employer. The issuance of the stop-work order constitutes final agency action. The stop-work order is effective when served upon the employer at the place of business or employment. Any person who is aggrieved by the imposition of a stop-work order has 10 days from the date of its service to make a request to the commissioner or commissioner's designee for a hearing.
- 4. Remedies in addition. The injunction, damages and stop-work order available under this section against an employer who commits wage theft are in addition to penalties available under sections 626-A, 670, 670-A and 671, and any action under this section may be combined with an action under section 626-A, 670, 670-A or 671.

25 SUMMARY

This bill addresses wage theft by an employer by creating additional remedies, including injunctive relief, treble damages to be paid to affected employees and a stop-work order against an employer who is engaging in wage theft. These remedies are in addition to any existing penalties, and the actions may be combined.

"Wage theft" is defined as a violation of specific statutes that include the requirements of timely and full payment of wages, payment of wages upon cessation of employment, payments defined as "unfair agreements" and fringe benefits.