

DEPARTMENT OF LABOR BUREAU OF LABOR STANDARDS 45 STATE HOUSE STATION AUGUSTA, MAINE 04333-0045

WAGE & HOUR DIVISION

LAURA A. FORTMAN COMMISSIONER

MICHAEL ROLAND

DIRECTOR

JANET T. MILLS GOVERNOR

March 2, 2021

Nathan Reardon Global Disruptive Technologies 26 Research Drive Skowhegan, ME 04976

RE: Violations of Title 26, Inspection #451919 *Certified Mail*: 7015 1520 0001 0962 8249

Mr. Nathan Reardon,

When our Inspector, Steven Spencer, investigated numerous complaints against your place of business, the following violations of Maine Labor Law were found:

26 MRS §621-A Timely and Full Payment of Wages requires that employees be paid in full, on an established day or date, at regular intervals made known to the employee. The intervals may not exceed 16 days and must include all wages earned to within 8 days of the payment date.

In this case, the employer established a biweekly pay cycle with Friday as the pay date. The employer failed to pay the following employees on the established pay dates:

- worked from 10/26/20 to 11/18/20 and was not paid on 11/13/20 or 11/27/20. He is owed 140.50 hours totaling \$3,512.50.
- worked from 11/15/20 to 11/30/20 and was not paid on 11/27/20 or 12/11/20. He is owed 70.19 hours totaling \$1,263.42
- worked from 11/10/20 to 11/13/20 and was not paid on 11/27/20. He is owed 21 hours totaling \$273.00.
- worked from 10/26/20 to 11/05/20 and was not paid on 11/13/20. She is owed 67.73 hours totaling \$948.22.
- worked from 09/28/20 to 10/26/20 and was not paid on 10/16/20, 10/30/20, or 11/13/20. He is owed 160 hours totaling \$4,237.50.
- worked from 09/21/20 to 01/08/2021 and worked 601.82 hrs. and is owed \$ 8,028.28.
 - worked from 11/03/20 to 01/08/2021 and worked 308.74 hrs and is owed \$4120.00.

- worked from 11/20/2020 to 11/18/2020 and was not paid on 11/27/2020. She worked 102.73 hrs. and is owed \$1,438.22.
- worked from 11/30/2020 to 12/04/2020 and was not paid on 12/11/2020. He worked 44 hrs. and is owed \$736.00.

26 MRS §622 Records requires that employers keep a true record showing the date and amount paid to each employee. Every employer shall keep a daily record of the time worked by each such employee. Records required to be kept by this section must be accessible to any representative of the department at any reasonable hour.

In this case, a written request for records was hand delivered to **sector**, foreman at 26 Research Drive in Skowhegan on 11/24/2020 with a deadline to provide all daily time records and all payroll records for all employees by 12/11/2020 at the latest. Duplicate copies of the letter were also mailed to six separate business addresses for this employer.

On 01/06/2021 this office received a letter from Aaron Fethke Law Offices confirming that his client, Nathan Reardon, received the letter dated 11/24/2020 and he was in the process of gathering the documentation. Attempts to contact attorney Fethke went unanswered until 01/19/2021 at which point attorney Fethke stated that he no longer represents the employer.

On 01/26/2021 email communications were established with the employer, Nathan Reardon. He was advised, again, to provide all payroll records and time records for all employees from 11/20/2017 - 01/30/2021 by 02/05/2021 at the latest. After numerous emails back and forth, the employer provided only copies of time records for the employees listed above and no records dating before 09/21/2020. As of this date no payroll records have been provided.

Tax reports show that the employer reported 28 employees between July 1, 2020 and September 30, 2020. The nine claimants listed above are in addition to the 28 employees listed on the tax report.

26 MRS §626-A PENALTIES Whoever violates any of the provisions of sections 621-A to 623 or section 626, 628, 629 or 629-B is subject to a forfeiture of not less than \$100 nor more than \$500 for each violation.

Each employee is counted as a separate violation, each pay cycle.

- 9 Violations of §621-A
- 37 Violations of §622 Records

26 MRS §53 ADDITIONAL PENALTIES

In addition to any penalties provided in chapter 7, subchapters I to IV, the director may assess a forfeiture against any employer, officer, agent or other person who violates any provision of chapter 7, subchapters I to IV for each violation of those subchapters. The forfeiture may not exceed \$1,000 or the amount provided in law or rule as a penalty for the specific violation, whichever is less. The Attorney General, upon complaint of the director, shall institute a civil action to recover the forfeiture.

• 48 Violations

The total penalty for the above violation(s) is \$13,425.00.

Make checks payable to the "Treasurer, State of Maine"

26 MRS §639 Wage Theft Remedies The Commissioner of Labor or the commissioner's designee may order an employer to cease its business operations if the commissioner or the commissioner's designee determines that the employer has committed wage theft, the commissioner or the commissioner's designee has previously determined the employer's practice or policy resulted in wage theft on more than one occasion or within the last 12 months and:

A. The practice or policy resulting in the wage theft affects 10 or more employees; or **B.** The wage theft is equal to or greater than twice an employee's average weekly wage.

If the employer fails to pay all outstanding wages owed by the next pay date or any additional violations of sections 621-A, 622, 623, 626, 629, 629-A, or 664 occur, then the Department may initiate a cease operations order.

The violations identified above will become a final order within fifteen (15) business days from the day it was received unless you request a penalty discussion or file an appeal (see employer options) within the specified time frame listed above.

Employer options (within 15 business days):

If you intend to correct all violations identified and wish to work with the Wage & Hour Division to possibly reduce the penalty amount, you may request a "<u>Penalty Discussion</u>". This discussion will pertain only to the penalty(s) and not the violation(s). All proposed penalties will be stayed until after the penalty discussion.

Or

You may file a formal appeal of any violation or penalty within fifteen (15) days of receipt of this citation. Please be specific as to what violation(s) or penalty you wish to appeal. If a request for a formal appeal is received, the Director will set a time and date for a "hearing". The Director will serve as the hearing officer or may assign the appeal to the Administrative Hearings Division within the Department of Labor. The hearing will be at the headquarters of the Bureau or at a place mutually agreeable to the parties. All proposed penalties will be stayed until after the formal appeal is heard.

As the employer, you must respond in writing to the Director of the Bureau, at the address above, within fifteen (15) business days of receipt of this report stating what option you intend to choose. If no response is received within that time frame you accept all citations and any penalties assessed. The citation will become a final order and payment will be due at that time, made payable to **"Treasurer, State of Maine" and mailed to the address at the top of this citation.**

We strongly recommend that any correspondence be sent by certified mail. Failure to correct violations may result in additional penalties for each violation that is not corrected.

If you have questions regarding this citation, you may contact the Bureau of Labor Standards, Wage & Hour Division at (207) 623-7900. **Dates to remember:**

Respond in writing, to the Director of the Bureau within fifteen (15) business days of receipt of this citation indicating what option you choose.

Respectfully,

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Scott Cotnoir, Director Wage and Hour Division Inspection # 451919