

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

LAURA A. FORTMAN COMMISSIONER

JANET T. MILLS GOVERNOR WAGE & HOUR DIVISION

MICHAEL ROLAND

January 11, 2023

All Star Hospitality, LLC DBA – SureStay by Best Western Attn: AJ Dhillon 71 Main Street Presque Isle, ME 04769

CC: Currier, Trask & Dunleavy Attn: Norman G. Trask, Esq. 55 North Street Presque Isle, ME 04769

RE: Violations of 26 MRS. Inspection #460351 Certified Mail: 7015 1520 0001 0962 9666 and 7015 1520 0001 0962 9673

Dear AJ Dhillon,

When the Wage and Hour Division contacted your place of business on 09/29/2021 and points thereafter, 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 failed to pay the following employees in full on the corresponding pay dates:

worked 6.02 hours on 09/10/2021. The employer failed to pay for these hours on the established pay date of 09/23/2021. She is owed the following wages: 6.02 Hours x \$12.15 per hour = \$73.14 wages owed.

The time record provided by the employer for **an example** indicates she started work at 8:52AM on 09/16/2021. However, the time record does not indicate what time she ended work. The employer failed to pay **an example** on the established pay date of 09/23/2021.

The following violations relate to the week ending 07/11/2021:

- (Legal name not provided presumed to be (Legal name not provided presumed to be (Legal name not provided presumed to be (Legal name not provided 8.5 hours) worked 8.5 hours between 07/05/2021 and 07/11/2021 and was not paid for these hours on the established pay date of 07/16/2021. She is owed the following wages: 8.5 hours x \$12.15 per hour = \$103.28 unpaid wages
- worked 32 hours between 07/05/2021 and 07/11/ and was not paid for 16 hours on the established pay date of 07/16/2021. She is owed the following wages: 16 hours x \$12.15 per hour = \$194.40 unpaid wages
- (Legal name not provided presumed to be (b)) worked 23.75 hours between 07/05/2021 and 07/11/2021 and was not paid for these hours on the established pay date of 07/16/2021. She is owed the following wages: 23.75 hours x \$15.50 per hour = \$368.13 unpaid wages
- worked 48 hours between 07/05/2021 and 07/11/2021 and she was only paid for 16 hours on the established pay date of 07/16/2021. She is owed the following wages: 32 hours x \$13.65 per hour = \$436.80 straight time 8 hours x \$6.83 half time = \$54.64 overtime

Total wages owed = \$491.44 unpaid wages

• worked 22 hours between 07/05/2021 and 07/11/2021 and he was only paid for 2 hours on the established pay date of 07/16/2021. He is owed the following wages:

20 hours x 14.50 per hour = 290.00 unpaid wages

- worked 36 hours between 07/05/2021 and 07/11/2021 and was only paid for 4 hours on the established pay date of 07/16/2021. She is owed the following wages: 32 hours x \$12.15 per hour = \$388.80 unpaid wages
- worked 22 hours between 07/05/2021 and 07/11/2021 and was only paid for 8 hours on the established pay date of 07/16/2021. He is owed the following wages:

<u>14 hours x \$12.50 per hour = \$170.10 unpaid wages</u>

• worked 36.5 hours between 07/05/2021 and 07/11/2021 and was only paid for 16.75 hours on the established pay date of 07/16/2021. She is owed the following wages:

19.75 hours x \$17.00 per hour = \$335.75 unpaid wages

10 violations

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.

started work at 8:52 am on 09/16/2021, but the business did not capture the time she left work that day. This is not a true daily record of the time worked. **1 violation**

26 MRS §629 (1) Work without compensation; return of compensation. A person, firm or corporation may not require or permit any person as a condition of securing or retaining employment to work without monetary compensation or when having an agreement, oral, written or implied, that a part of such compensation should be returned to the person, firm or corporation for any reason other than for the payment of a loan, debt or advance made to the person, or for the payment of any merchandise purchased from the employer or for sick or accident benefits, or

life or group insurance premiums, excluding compensation insurance, that an employee has agreed to pay, or for rent, light or water expense of a company-owned house or building. This section does not apply to work performed in agriculture or in or about a private home.

In this case, the employer permitted to work without to work without monetary compensation between 07/05/2021 and 07/11/2021. The employer allowed to work without monetary compensation on 09/16/2021. **3 violations**

26 MRS §626-A PENALTIES Whoever violates any of the provisions of sections 621-A to 623 or section 626, 628, 628-A, 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.

- 10 Violations of §621-A x \$100 = \$1,000.00
- 1 Violation of §622 x \$100 = \$100.00
- 3 Violations of §629 x \$100 = \$300.00

26 MRS §664 Except as otherwise provided in this subchapter, an employer may not employ any employee at a rate less than the rates required by this section. The minimum hourly wage in 2021 was \$12.15 per hour.

In this case, the employer failed to pay at least minimum wage for work performed between 07/05/2021 and 07/11/2021. The employer failed to pay at least minimum wage for work performed on 09/16/2021. **3 violations**

26 MRS §664 (3) Overtime Rate requires that employees be paid time-and-one-half their regular hourly rate for all hours worked in excess of 40 hours per week.

In this case, the employer failed to pay 8 hours of overtime for period ending 07/11/2021. **1 violation**

26 MRS §665 (1) True and Accurate Records requires that employers shall keep a true and accurate record of the hours worked by each employee and of the wages paid, such records to be preserved by the employer for a period of at least 3 years.

In this case, the employer failed to keep a true and accurate record of the hours worked by on 09/16/2021. The time record shows that **started work at 8:52AM** but the record does not capture the time she left work that day. **1 violation**

26 MRS §671 PENALTIES Any employer who violates this subchapter shall, upon conviction thereof, be punished by a fine of not less than \$50 nor more than \$200. In the event of the violation of any of the provisions of this subchapter, the Attorney General may institute injunction proceedings in the Superior Court to enjoin further violation thereof.

- 3 Violations of §664 x \$50.00 = \$150.00
- 1 Violation of §664 (3) x \$50.00 = \$50.00
- 1 Violations of §665 x \$50.00 = \$50.00

26 MRS §774 (1) Restricted Hours - Minors 16 & 17 years of Age - A minor 16 years of age or older and under 18 years of age, enrolled in school, may not be employed as follows:

A. More than 50 hours in any week when the minor's school is not in session;

- B. More than 24 hours in any week when the minor's school is in session;
- C. More than 10 hours in any day when the minor's school is not in session;
- D. More than 6 hours in any day when the minor's school is in session, except that the minor may work up to 8 hours on the last scheduled day of the school week;
- E. More than 6 consecutive days;
- F. After 10:15 p.m. on a day preceding a day on which the minor's school is in session or after 12 midnight on a day that does not precede such a school day; or
- G. Before 7 a.m. on a day on which the minor's school is in session or before 5 a.m. on any other day.

In this case, the employer allowed a 17-year-old minor to work more than 24 hours during the following weeks: (First day of school was 08/18/2021)

Week Ending 08/29/2021 - 25.57 hours Week Ending 09/05/2021 - 45.04 hours Week Ending 09/12/2021 - 28.19 hours

3 violations of §774 (1)(B)

The same minor worked in excess of six hours per day on the following dates:

Tuesday 08/31/2021 - 7.98 hours Wednesday 09/01/2021 - 8.23 hours Thursday 09/02/2021 - 8.38 hours Tuesday 09/07/2021 - 7.95 hours Wednesday 09/08/2021 - 7.98 hours

5 violations of §774 (1)(D)

The same minor worked 8 consecutive days between 08/26/2021 and 09/02/2021 1 violation of §774 (1)(D)

§781. PENALTIES (1) Strict liability. An employer who employs, permits or suffers any minor to be employed or to work in violation of this article or Title 20-A, section 5054 is subject to the following forfeiture or civil penalty, payable to the State and recoverable in a civil action: A. For the first violation or a violation not subject to an enhanced sanction under paragraph B or C, a forfeiture or penalty of not less than \$250 nor more than \$5,000; B. For a 2nd violation occurring within 3 years of a prior adjudication, a forfeiture or penalty of

not less than \$500 nor more than \$5,000; or

C. For a 3rd and subsequent violation occurring within 3 years of 2 or more prior adjudications, a penalty of not less than \$2,000 nor more than \$10,000.

• 9 Violations of §774 x \$250 = \$2,250.00

The total penalty for the above violation(s) is \$3,900.00.

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

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 within 15 business days. (see employer options below)

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,

Scott Cotnoir, Director Wage and Hour Division Inspection #460351